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QUEENSLAND ORES TO RAISE $24 MILLION VIA PLACEMENT AND RIGHTS ISSUE

Funding to take Wolfram Camp tungsten molybdenum project through to production by year-end

Queensland Ores Ltd (ASX Code: QOL) is pleased to announce that it is to lodge a Prospectus to raise sufficient funding to bring Australia's next tungsten and molybdenum operation via the Company's Wolfram Camp Project on stream in the last quarter of the year.

The Company, which is developing the 150,000tpa Wolfram Camp mine (QOL: 85% interest) in North Queensland, will **raise approximately A$24 million before issue costs by way of a placement and rights issue pursuant to a Prospectus lodged with ASIC.** The placement is subject to shareholder approval.

The placement will be managed by Sydney-based brokerage Far East Capital Ltd ("Far East") and result in up to 35 million new shares being issued at 35 cents per share to subscribers to raise an additional $12,250,000 before issue costs.

The placement will be completed and the funds received by QOL after shareholders have approved the placement at an Extraordinary General Meeting to be held on or about 16 April 2007.

The non-renounceable rights issue will be on a one new share for two existing shares basis and will also involve the issue of approximately 35 million shares at 35 cents per share.

Listed options on a one for each two new shares issued basis will attach to both new issues and be exercisable at 35 cents a share up to 30th November 2008.

The rights issue will be underwritten by Far East.

Queensland Ores' CEO Mr Taff Greenwood said, "This equity raising is considered an efficient and fair way of raising the funds required to bring Wolfram Camp into production. Our existing shareholders will get their chance to further invest in QOL by means of the rights issue, which is being fully supported by both major shareholders and the QOL Directors, and the placement will bolster our registry with some quality longer term investors. Following this equity raising, we anticipate that the company will be **able to fully fund all development and commissioning activities** at Wolfram Camp".

Mr Greenwood concluded "Queensland Ores is very fortunate to possess a project of the calibre of Wolfram Camp and we look forward to bringing it on stream to capitalise on the continuing strong global demand for tungsten and molybdenum."

CAPITAL STRUCTURE

Assuming full subscription under the placement and rights issue, the share capital structure of Queensland Ores, immediately following the placement and rights issue will be as follows:

	Shares
Ordinary Shares on issue prior to the rights issue and placement	68,920,768
Maximum number of New Shares to be issued under the Placement pursuant to the Prospectus to be approved at the General Meeting dated on or about 16 April 2007	35,000,000
Maximum number of New Shares to be issued under the Rights Issue pursuant to the Prospectus (assuming full subscription)	34,460,384
Total:	**138,381,152**

Further details with respect to the rights issue and placement timetable will be available shortly.

ABOUT QUEENSLAND ORES

Queensland Ores Limited is a listed resources company focusing on developing quality resource projects in Queensland. The Company trades under the ASX code QOL.

The company's asset portfolio includes advanced copper, gold and speciality metals projects such as molybdenite and wolframite.

Queensland Ores' two key projects are the Wolfram Camp Project, developing one of Australia's richest tungsten and molybdenum deposits near Cairns; and the Mount Cannindah Copper Project, advancing the areas surrounding and including the former Mount Cannindah mine, located about 100km south of Gladstone.

The Company plans to become a two mine producer in two years time.

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