# ASX/MEDIA RELEASE

QUEENSLAND ORES LTD

**5 May 2008**

**Successful Capital Raising Program Secures Wolfram Camp Development**

Queensland Ores Limited (ASX Code: QOL) today announces the successful completion of a share placement and the launch of a share purchase plan (SPP) for shareholders to raise up to $12 million.

The proceeds of the program will secure necessary project funding for the Wolfram Camp tungsten and molybdenum project in North Queensland which will see the first ore treated through the plant within the next fortnight.

Queensland Ores Managing Director Taff Greenwood said the capital raising would leave the Company debt free and in a strong position to take advantage of high commodity prices when concentrate shipments and sales commence in July.

"In the six months since the granting of the Mining Leases in November, the Company has achieved a great deal with the Wolfram Camp project now 95 per cent complete," Mr Greenwood said.

"While we have made strong progress, world debt and equity markets have been under severe pressure and the Australian financial sector has seen some significant collapses - these factors have all had an impact on emerging resource companies and their share prices."

"The capital raising program we announce today secures the Wolfram Camp project funding and recapitalises the Company with an eye to the future".

The Company will start the new financial year debt free, with concentrate sales secured by off-take agreements, projected healthy cash operating margins and with the cash resources for further near-mine exploration.

"This will restore the century old mine to its rightful place as Australia's most historic, significant and important tungsten and molybdenum mine, but this time with all the benefits of modern mining and processing methods."

Attached to this announcement are details of the capital raising and an indicative timetable.

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**Placement**
Funds from the first tranche of the placement ($2.5 million and 20.9 million shares (**Tranche 1**)) will be received by approximately 8 May 2008 with the second tranche (**Tranche 2**) being subject to shareholder approval.

BBY Limited has acted as Lead Manager to the Placement.

**Indicative Placement Timetable**

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|---|---|
| Settlement (Tranche 1) | 8 May |
| Allotment of 20.9 million New Shares (Tranche 1) | 9 May |
| Trading of New Shares (Tranche 1) | 12 May |
| EGM to approve issue of Tranche2 placement shares and SPP | 17 June* |
| Settlement (Tranche 2) | 23 June* |
| Allotment of Shares (Tranche 2) | 24 June* |
| Trading of New Shares (Tranche 2) | 27 June* |

*dates may be subject to change

**Share Purchase Plan (SPP)**
All shareholders will be offered the opportunity to take up fully paid ordinary shares at 12 cents up to a maximum of $5,000. The QOL Board anticipates releasing further information on the SPP over the next week.

**ABOUT QUEENSLAND ORES**
Queensland Ores Limited is an ASX-listed resources company focusing on developing quality resource projects in Queensland (ASX Code: QOL).

The Company's asset portfolio includes advanced speciality metals projects such as molybdenite and wolframite and copper/gold/silver.

Queensland Ores' two key projects are the Wolfram Camp Project, developing one of Australia's richest tungsten and molybdenum deposits 90 km west of Cairns; and the Mount Cannindah Project, advancing the areas surrounding and including the former Mount Cannindah Mine, located about 100km south of Gladstone.

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