



27 June 2008

First molybdenum produced at Wolfram Camp

- Treatment Plant commissioning progressing
- On track for July concentrate shipment
- \$8.8 million placement completed

Queensland Ores Limited (ASX Code: QOL) is pleased to announce that the first tonne of molybdenum concentrate has been produced at the Company's Wolfram Camp processing plant.

The Company's Managing Director Taff Greenwood confirmed today that all elements of the project remain on track for the first shipment of concentrate in July.

Speaking from Wolfram Camp, 90 km west of Cairns, where he was inspecting progress, Mr Greenwood said that design tonnage throughput and grind size had already been achieved and that the first concentrates of molybdenum sulphide had been produced.

"Commissioning of the treatment plant is progressing well at this stage with various sections of the Plant being brought on-line in accordance with the commissioning plan," Mr Greenwood said.

"It is particularly pleasing that we have already achieved some critical milestones. We have our first tonne of 'moly' concentrates through the pressure filter and into bulka bags," he said.

"Training of our operators is progressing well and I am particularly pleased with the enthusiasm they are displaying for the task in hand.

"We are already operating on a 24 hour basis for five days a week and soon that will be extended to our longer term twenty four / seven requirement."

All major sections of the Treatment Plant with the exception of the wolframite gravity cleaning circuit had been handed over to Queensland Ores' operators from the project's EPCM contractor, Lycopodium Engineering.

The gravity cleaning circuit is being wet commissioned by specialist metallurgists from Downer Engineering EDI and handover of that section of the plant is expected next week.

Capital Raising

Mr Greenwood said Queensland Ores was moving ahead strongly and was focusing on bringing the Wolfram Camp mine into production following shareholder approval last week of the second tranche of the capital raising and the Shareholder Purchase Plan (SPP).

In two tranches, BBY Limited conducted a Private Placement to institutional and sophisticated investors, on behalf of Queensland Ores, raising a total of ~\$8.8m through the allotment of 73,255,541 shares at 12 cents per share. On 24 June Tranche 2 of the Placement was completed with the allotment of 52,348,365 shares.

The SPP which provides registered shareholders of QOL as at 13 June 2008, to acquire up to \$5,000 of shares in the Company at 12 cents each, opened on Friday 20 June and closes on Thursday 17 July. The shareholder response to date has been encouraging with applications already flowing into the share registry.

"Last week's Extraordinary General Meeting was a major turning point for our Company – we are debt free and have the financial capacity to plan for the longer term," Mr Greenwood said.

"Wolfram Camp is Australia's most historic and prolific molybdenum and tungsten mine, and with our new plant, new equipment and new mine plan we see great potential."

"Production of our first tonne of molybdenum concentrate is an important milestone in the transformation of the Company from a developer to a producer."



BULK SULPHIDE FLOTATION CELL



QUEENSLAND ORES LTD



**BULKA BAGS OF MOLYBDENUM
CONCENTRATES**



**SAMPLE OF MOLYBDENUM
CONCENTRATE**

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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