

QUEENSLAND **GOLD & MINERALS**

28 August 2007

ASX RELEASE

- **UPDATE ON QUEENSLAND EXPLORATION ACTIVITIES**
- **DRILLING PROGRAMS TO COMMENCE BY MONTH-END**

Queensland Gold & Minerals Limited (ASX: "OGM") provides the following update of exploration details currently available on its Queensland projects, including new drilling programs due to commence in coming weeks.

Rutherfords Table

Trial mining operations have commenced on the White's Mine section of the Rutherfords Table gold project west of Mackay, and treatment of bulk samples is in progress.

An option agreement has also been executed to acquire neighbouring mining leases where past underground mining activities have produced significant gold values. Plans are being made with underground mining contractors to rehabilitate underground access and workings for a proposed bulk sampling programme of new areas.

Malcolm Creek

Soil sampling has defined extensions to the soil grid anomalies at the Malcolm Creek gold project established in the mid 1980s by CRA in the Georgetown region, northwest of Townsville.

Drilling is planned to start around mid – September following the Buchanan's Creek drilling.

Buchanan's Creek

Drilling is planned to start on the Buchanan's Creek project next week. Sites have been prepared for drilling of four lepidolite pegmatites at Buchanan's Creek and a gold-bearing epithermal breccia vein located in the western part of the project area.

Warroo

Joint venture partner and operator, Oxiana Limited, has completed detailed soil and rock chip geochemistry and IP/resistivity geophysics over 2 km² in the immediate area of the old Warroo copper-gold mine south west of Brisbane.

Five RC holes totaling 1698 metres have been drilled on the major structures delineated. Observations of intersections have indicated low order copper and gold values in silicified sediments associated with minor quartz-carbonate veining. Final assays have just been received and overall the results have downgraded the project. Oxiana has subsequently advised that as a result of this it wishes to withdraw from the project on 30 August.

QGM is now assessing an alternative structural model and reviewing untested targets with a view to further drilling in the project area or introducing another party to the project.

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Uranium

QGM's uranium joint venture partner in the Georgetown region, Mega Georgetown P/L, has advised that flying of the high resolution airborne radiometric and magnetic survey over the eastern area including the Werrington EPM 14128 is in progress.



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In accordance with Listing Rules 5.10, 5.12 and 5.1 of the Australian Stock Exchange Limited, technical information contained in this report has also been compiled by Mr. Adrian Day, BSc (Geol), MAIG, MSEG, MGSA, Managing Director, and Exploration Manager, Mr. John Nethery B.Sc, DipED, CP (Geo), F.AusIMM, FAIG, FSEG, MGSA, who are competent persons. Mr. Day is a Member of the Australian Institute of Geoscientists, and Mr. Nethery is a member of the Australasian Institute of Mining and Metallurgy. Mr. Day and Mr. Nethery have relevant experience to the mineralisation being reported on to qualify as Competent Persons as defined by the Australasian Code for Reporting of Minerals Resources and Reserves. Mr. Day and Mr. Nethery consent to the inclusion in the report of the matters based on the information in the form and context in which it appears.