QMINES Sustainable Australian Copper

23 OCTOBER 2026



ANNOUNCEMENT

QMINES COMPLETES $1.4 MILLION SALE OF DRILLING BUSINESS

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Sale unlocks capital, streamlines operations and maintains drilling capacity to accelerate Mt Chalmers development.

Highlights

- **$1.4 Million Divestment:** QMines has completed the sale of its wholly owned drilling subsidiary, QDrilling Pty Ltd, releasing capital from a non-core business.
- **Increased Operational Focus:** The divestment allows management to concentrate on exploration, resource growth and development activities, including the ongoing Definitive Feasibility Study (**DFS**) at Mt Chalmers.
- **Drilling Operations Maintained:** The existing drilling rig will remain at Mt Chalmers, ensuring continuity of drilling operations and supporting the rapid advancement of the Company's exploration programs.
- **Major Drilling Campaign Underway:** QMines is progressing its expanded 129-hole, 20,000m drilling program, targeting resource extensions and the potential inclusion of additional deposits in the Mt Chalmers mine plan.
- **Reduced Operational Complexity:** The transaction removes the ongoing responsibility and costs associated with owning and operating a drilling business, while preserving access to drilling services.
- **Strengthened Development Focus:** Proceeds from the transaction will support the Company's broader exploration and development activities as it advances Mt Chalmers towards a Final Investment Decision (**FID**).

Overview

QMines Limited (**ASX:QML**) (**QMines** or **Company**) is pleased to announce the completion of the sale of its wholly owned drilling subsidiary, QDrilling Pty Ltd (**QDrilling**), to Gas Field Services Pty Ltd (**GFS**) for total consideration of $1.4 million.

The transaction represents a strategic divestment of a non-core business, allowing QMines to simplify its operations, unlock capital and concentrate its resources on advancing its flagship Mt Chalmers Copper-Gold Project towards production.

Management Comment

QMines Executive Chairman, Andrew Sparke, commented:

> *"The sale of QDrilling is another positive step in simplifying our business and sharpening our focus on what matters most, growing our resources and bringing Mt Chalmers into production.*
>
> *"While owning our own drilling company has served us well, our priority is now firmly on exploration and mine development. This transaction unlocks $1.4 million in value and allows our team to concentrate on delivering the DFS, progressing project approvals and executing our substantial drilling campaign.*
>
> *"Importantly, the drilling rig will remain on site at Mt Chalmers, allowing us to maintain momentum across our expanded 129-hole, 20,000-metre drilling program.*
>
> *"With multiple high-impact exploration targets, a DFS underway and a clear pathway towards development, we believe our capital and management resources are best directed towards unlocking the significant potential of the Mt Chalmers Project."*

Transaction Overview

Under the terms of the transaction, QMines has sold 100% of the issued capital of QDrilling Pty Ltd to Gas Field Services Pty Ltd for total consideration of $1.4 million.

The consideration comprises:

Payment:	Amount:	Due Date:
Tranche 1	$250,000	31 December 2026
Tranche 2	$250,000	31 March 2027
Tranche 3	$250,000	30 June 2027
Tranche 4	$400,000	30 September 2027
Tranche 5	$250,000	Cash or drilling services at QMines election.
Total:	**$1,400,000**	

The final $250,000 may be received in cash or satisfied through the provision of drilling services, at QMines' election. The deferred consideration is secured by a security interest over the shares in QDrilling and its drilling equipment.

Continued Drilling Operations at Mt Chalmers

Importantly, the sale will not interrupt the Company's ongoing exploration activities, with the existing drilling rig to remain at Mt Chalmers under the new ownership.

This arrangement enables QMines to maintain access to established drilling equipment and services while removing the operational and financial responsibilities associated with owning a drilling company.

QMines is currently undertaking one of its largest exploration programs at its Mt Chalmers project to date, comprising 129 holes for approximately 20,000 metres of drilling across the project.

The program is designed to extend the existing Mt Chalmers mineral resource, test prospective mineralised corridors and potentially incorporate additional deposits into the Company's future mine plan.

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Maintaining drilling continuity is an important component of the Company's strategy to accelerate resource growth alongside its ongoing development studies.

Sharpening the Focus on Mine Development

The divestment is consistent with QMines' strategy of concentrating its financial and operational resources on the exploration and development of its Central Queensland copper and gold assets.

With the Mt Chalmers DFS progressing and multiple drilling programs underway, the Company is increasingly focused on advancing its flagship project towards development and ultimately production.

The sale simplifies the Company's operating structure, reduces exposure to drilling equipment ownership and maintenance costs, and releases additional capital for investment in its core activities.

The transaction also supports QMines' strategy of utilising specialist contractors to deliver key operational activities, allowing its internal team to focus on resource growth, project approvals, engineering and mine development.

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Ore Reserve - Mt Chalmers[1]

Deposit	Reserve Category	Tonnes (Mt)	Cut Off (% Cu)	Cu (%)	Au (g/t)	Zn (%)	Ag (g/t)	S (%)
Mt Chalmers	Proved	5.1	0.3%	0.72	0.58	0.25	4.70	5.80
Mt Chalmers	Probable	4.5	0.3%	0.57	0.37	0.29	5.50	3.60
Total		**9.6**	**0.3%**	**0.65**	**0.48**	**0.27**	**5.20**	**4.30**

Mineral Resource Estimate - Mt Chalmers[1]

Deposit	Resource Category	Tonnes (Mt)	Cut Off (% Cu)	Cu (%)	Au (g/t)	Zn (%)	Ag (g/t)	S (%)
Mt Chalmers	Measured	4.2	0.3%	0.89	0.69	0.23	4.97	5.37
Mt Chalmers	Indicated	5.8	0.3%	0.69	0.28	0.19	3.99	3.77
Mt Chalmers	Inferred	1.3	0.3%	0.60	0.19	0.27	5.41	2.02
Total		**11.3**	**0.3%**	**0.75**	**0.42**	**0.23**	**4.60**	**4.30**

Mineral Resource Estimate - Develin Creek[2]

Deposit	Resource Category	Tonnes (Mt)	Cut Off (% Cu)	Cu (%)	Zn (%)	Au (g/t)	Ag (g/t)	Not in Mine Plan
Develin Creek	Indicated	4.22	0.3%	0.98	1.08	0.16	6.0	
Develin Creek	Inferred	0.48	0.3%	0.61	0.41	0.10	3.5	
Total		**4.70**	**0.3%**	**0.94**	**1.00**	**0.15**	**5.7**	

Mineral Resource Estimate - Woods Shaft[3]

Deposit	Resource Category	Tonnes (Mt)	Cut Off (% Cu)	Cu (%)	Au (g/t)	Zn (%)	Ag (g/t)	Not in Mine Plan
Woods Shaft	Inferred	0.54	0.3%	0.50	0.95	-	-	
Total		**0.54**	**0.3%**	**0.50**	**0.95**	**-**	**-**	

Mineral Resource Estimate – Mt Mackenzie[4]

Deposit[5]	Resource Category	Tonnes (Mt)	Cut Off (Au g/t)	Cu (%)	Au (g/t) *	Zn (%)	Ag (g/t)	Not in Mine Plan
Mt Mackenzie	Indicated	3.77	0.4	-	0.99		7.3	
Mt Mackenzie	Inferred	1.45	0.4	-	1.07		4.9	
Total		**5.22**	**0.4**	**-**	**1.01**		**6.7**	

*cut-off grade: 0.35 g/t Au for oxide, 0.55 g/t Au for primary.

[1] *ASX Announcement – Mt Chalmers PFS Supports Viable Copper & Gold Mine, 30 April 2024. Rounding errors may occur.*
[2] *ASX Announcement - Develin Creek Resource Upgrade Unlocks Expansion Planning, 23 February 2026. Rounding errors may occur.*
[3] *ASX Announcement - Maiden Woods Shaft Resource, 22 November 2022. Rounding errors may occur.*
[4] *ASX Announcement - Mt Mackenzie Resource Upgrade delivers 32% Increase in Gold With70% Now in Indicated, 5 August 2025. Rounding errors may occur.*

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Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning QMines Limited planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although QMines believes that its expectations reflected in these forward- looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that further exploration will result in the estimation of a Mineral Resource.

Competent Person Statements

Exploration Results and Exploration Targets

The information in this announcement that relates to Exploration Results is based on information and supporting documentation compiled by, or under the direction of, Mr Thomas Bartschi, a Competent Person who is a Member of the Australian Institute of Geoscientists and a Member of The Australasian Institute of Mining and Metallurgy. Mr Bartschi is a full-time employee of QMines Limited.

Mr Bartschi has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves*. Mr Bartschi consents to the inclusion in this announcement of the matters based on his information in the form and context in which they appear.

Ore Reserve Estimate

The information in this report relating to the Open Pit Optimisation and the Ore Reserve Estimate is based on work compiled by **Gary McCrae**, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr McCrae is a full time employee of **Minecomp Pty Ltd** and has sufficient experience relevant to the style of mineralisation, the type of deposit under consideration and the work undertaken to qualify as a Competent Person under the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr McCrae has consented to the inclusion of this information in the form and context in which it appears.

Mineral Resource Estimate

The information in this report relating to Mineral Resource estimation is based on work completed by **Stephen Hyland**, a Competent Person and Fellow of the Australasian Institute of Mining and Metallurgy. Mr Hyland is Principal Consultant Geologist with **Hyland Geological and Mining Consultants** and has the required experience relevant to the style of mineralisation, the type of deposit under consideration and the work undertaken to qualify as a Competent Person under the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Hyland is also a Qualified Person under the rules of the Canadian Instrument NI 43 101. Mr Hyland has consented to the inclusion of this information in the form and context in which it appears.

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About QMines

QMines Limited (**ASX:QML**) is a Queensland focused copper and gold development Company. The Company owns 100% of the Mt Chalmers (copper-gold) and Develin Creek (copper-zinc) deposits, located within 90km of Rockhampton in Queensland.

Mt Chalmers is a high- grade historic mine that produced 1.2Mt @ 2.0% Cu, 3.6g/t Au and 19g/t Ag between 1898-1982.

Following several resource updates, the Mt Chalmers, Develin Creek and Mt Mackenzie projects now have Reserves of 9.6Mt and combined Resources of approximately 22Mt.[1]

QMines' objective is to make new discoveries, commercialise existing deposits and transition the Company towards sustainable copper production.

Project & Ownership

Mt Chalmers	100%
Develin Creek	100%
Mt Mackenzie	100%

QMines Limited

ACN 643 312 104

ASX:**QML**

Shares on Issue

771,991,470

Unlisted Options

38,000,000

Directors & Management

Andrew Sparke
Executive Chairman

Peter Caristo
Executive Director (Technical)

Thomas Bartschi
Exploration Manager & Site Senior Executive (Competent Person)

Elissa Hansen
Non-Executive Director & Company Secretary

Richard Wittig
Development Manager

Compliance Statement

With reference to previously reported Exploration results and mineral resources, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parametres underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

1. ASX Announcement – Develin Creek Resource Upgrade. 23 February 2026

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This announcement has been approved and authorised by the Board of QMines Limited.

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