QMINES SHARPENS DEVELOPMENT STRATEGY TO ACCELERATE COPPER & GOLD PRODUCTION

Highlights

- Mt Chalmers development strategy designed to accelerate Definitive Feasibility Study (**DFS**), approvals and execution readiness;
- Single-asset, expandable 1 Mtpa phased development adopted as the base case, prioritising speed to cashflow and capital discipline;
- Mt Chalmers Pre-Feasibility Study (**PFS**) confirmed low-cost, high-margin copper–gold project with strong financial returns;
- Material improvement in market conditions since publishing the PFS, with higher copper, gold, and silver prices creating a compelling case to advance to production; and
- Clear and structured delivery roadmap established, positioning QMines shareholders for multiple value inflection points.

Introduction

QMines Limited (**ASX:QML**) (**QMines** or **Company**) is pleased to outline a refreshed development strategy for its flagship Mt Chalmers Copper–Gold Project, following completion of a strategic review prior to commencement of a Definitive Feasibility Study (**DFS**).

The strategy builds on the strong technical and economic foundations established by the Mt Chalmers Pre-Feasibility Study (**PFS**) announced on the 30 April 2024[1], while responding to a materially improved metals pricing environment. Since delivery of the PFS, copper, gold and silver prices have strengthened significantly, and benchmark treatment and refining charges (**TC/RCs**) for copper and zinc concentrates have declined from the assumptions used in the study.

Together, these factors are expected to materially enhance project economics and support a disciplined, phased development pathway focused on early cashflow, reduced execution risk and long-term shareholder value creation.

Management Comment

Andrew Sparke, Executive Chairman, commented:

> "The Mt Chalmers Pre-Feasibility Study delivered in April 2024, demonstrated a technically robust, low-cost and financially compelling copper and gold project. Since then, the external environment has continued to improve, with stronger metal prices and lower benchmark TC/RCs further enhancing project economics.
>
> This strategic reset is about discipline and execution. By adopting a single-asset, expandable 1 Mtpa development strategy, we are prioritising the fastest and lowest-risk pathway to first production and cashflow, while preserving meaningful upside for our shareholders.

[1] ASX Announcement - *Mt Calmers Project Pre-Feasibility Study*, 30 April 2024.

2026 is about delivery. With a defined Feasibility Study scope, a clear approvals pathway and a supportive market backdrop, QMines is focused on advancing a Definitive Feasibility Study on Mt Chalmers and building long-term shareholder value."

Rationale & Strategic Drivers

The Board's decision to reset the Mt Chalmers development strategy has been guided by five core strategic drivers:

1. **Copper-Led Development Focus**

   QMines is prioritising copper assets with strong secondary gold credits, recognising copper's strategic importance to electrification and energy transition themes, and the financing benefits of diversified revenue streams.

2. **Fastest Path To Cashflow**

   Development pathways have been assessed with a clear emphasis on minimising time to first production, accelerating cash generation and improving financing flexibility.

3. **Low Complexity Execution**

   A single-asset development case materially reduces technical, permitting and delivery risk, improving confidence in schedule, cost and execution outcomes.

4. **Streamlined Approvals Pathway**

   The strategy aligns the development footprint with a clearly defined environmental approvals pathway, supporting an efficient and transparent regulatory assessment process.

5. **Phased Development with Growth Optionality**

   The Project is structured to commence at a manageable initial scale, with a defined pathway to expansion over time, preserving upside without committing unnecessary upfront capital.

Mt Chalmers PFS – A Compelling Foundation

The April 2024 Pre-Feasibility Study confirmed Mt Chalmers as a technically robust and financially compelling copper–gold development opportunity.

Key outcomes included:

- Stand-alone 1 Mtpa processing operation
- Initial mine life of 10.4 years
- Life-of-mine revenue of approximately A$1.64 billion
- Life-of-mine free cashflow of approximately A$636 million
- Pre-tax NPV (8%) of A$373 million and IRR of 54%
- Maiden Ore Reserve of 9.6 Mt (Proved and Probable)

The study demonstrated low operating costs, strong metallurgical recoveries and rapid capital payback of less than two years, supported by shallow open-pit mining and proximity to infrastructure.

Importantly, the PFS also identified significant upside beyond the base case, including the potential future integration of the nearby deposit at Woods Shaft which was not included in the initial mine plan. This has been further enhanced with the acquisition of the Develin Creek Project that hosts the copper-rich Sulphide City and Scorpion deposits.

Phased Development Approach

Following completion of the PFS, QMines has adopted a single-asset, expandable 1 Mtpa development case as the base strategy for the Definitive Feasibility Study.

This phased approach aligns initial production scale with the current level of technical definition and environmental understanding, delivering the lowest-risk and most capital-efficient pathway to first production and cashflow.

The Project has been deliberately structured as an expandable asset. The Definitive Feasibility Study will preserve the ability to scale processing capacity over time, subject to operating performance, market conditions, study outcomes and regulatory approvals.

This approach allows QMines to prioritise execution certainty and capital discipline while maintaining clear long-term growth optionality for shareholders.

Environmental Permitting Pathway

Mt Chalmers is a brownfield restart with a well-defined historical disturbance footprint and an established environmental setting.

The development strategy has been designed to support progression through a clearly defined Environmental Authority (EA) pathway focused on recommencing mining activities at Mt Chalmers as a standalone operation. This approach reduces regulatory complexity, improves schedule certainty and aligns approvals timing with DFS delivery and project financing objectives.

As part of the DFS, environmental baseline studies, approvals documentation and stakeholder engagement activities are being progressed in parallel with technical workstreams to ensure approvals readiness keeps pace with study advancement.

Improved Market Conditions

The Mt Chalmers PFS was delivered using conservative spot prices and cost assumptions prevailing in April 2024. Since that time, the combination of higher metal prices and lower Treatment Charges and Refining Charges (TC/RCs) have materially strengthened the Project's economics.

These improvements directly enhance revenue, margins and early-year cashflow without requiring any changes to mine design or process flowsheet, reinforcing the benefits of a simplified, phased development strategy.

Item	PFS Assumptions	Current Prices	Percentage Change
Copper Price	US$9,850/t	~US$13,000/t	**~32% uplift**
Gold Price	US$2,350/oz	~US$5,400/oz	**~130% uplift**
Silver Price	US$28/oz	~US$116/oz	**~310% uplift**
Copper TCs	$40/t	$0/t Benchmark[2]	**100% decrease**
Zinc TCs	$159/t	$80/t Benchmark[3]	**50% decrease**
Development Strategy	**Single-stage 1 Mtpa**	**Assess Expansion Options**	**Lower risk, faster cashflow**

[2] Mining.Com, Antofagasta Agrees Zero Copper Processing Charges for 2026, 19 December 2025.
[3] Mining.Com, Annual Zinc Processing Benchmark Looks Bullish But Isn't, 9 April 2025.

QMINES Sustainable Australian Copper

2026 Delivery Focus – Key Milestones

The updated development strategy establishes a clear, execution-focused roadmap to production and beyond. This milestone-driven approach will provide investors with regular updates, increasing confidence in delivery and clear visibility of value creation.

Upon initiation of the Feasibility Study, the Company will complete planning activities and subsequently confirm the detailed study milestones and program, aligned with the adopted development strategy.

Note: The above timeline is indicative only and subject to change without notice.

About QMines

QMines Limited (**ASX:QML**) is a Queensland focused copper and gold exploration and development company. The Company owns rights to 100% of The Mt Chalmers (copper-gold), Develin Creek (copper-zinc), and Mt MacKenzie (gold-silver) deposits, located within 150km of Rockhampton in Central Queensland.

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

Mt Chalmers and Develin Creek now have Measured, Indicated and Inferred Resources of **15.5Mt @ 0.82% Cu, 0.35g/t Au, 0.47% Zn & 5g/t Ag.**[1] Mt Mackenzie has a Indicated and Inferred Resource of **3.35Mt @ 1.4g/t Au and 8.4g/t Ag.**[2]

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

Project & Ownership

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

QMines Limited

ACN 643 312 104

ASX:**QML**

Shares on Issue

638,513,514

Unlisted Options

38,000,000

Directors & Management

Andrew Sparke
Executive Chairman

Peter Caristo
Non-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 parameters 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. Develin Creek Resource Upgrade. 12 March 2025
2. Mount Mackenzie Resource Upgrade, 9 July 2025.

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