

HEEMSKIRK

Announcement



6 August 2010

Takeover Update – 8.6% Relevant Interest*

KEY POINTS

- ▶ Heemskirk Offer is open for acceptances and has achieved a relevant interest in NQM of 8.6%
- ▶ Hostile Conquest Offer has received minimal additional acceptances
- ▶ Heemskirk's recommended takeover of NQM delivers 100% of Pajingo

Heemskirk despatched its replacement Bidders Statement on 26 July 2010. As a result, North Queensland Metals Limited (NQM) shareholders can accept the recommended and superior Heemskirk Offer. The Heemskirk directors recommend that NQM shareholders accept the Heemskirk Offer.

1. Heemskirk Offer is now receiving acceptances

Heemskirk has now received acceptances for approximately 2.0m shares from 72 NQM shareholders representing approximately 4% of the total number of NQM shareholders on its register. Including Newmont's holding, Heemskirk now has a relevant interest of 8.60% in NQM.

NQM shareholders should continue to accept the offer in line with their directors' recommendation.

2. The Hostile Conquest Offer has received minimal additional acceptances

The Conquest Offer has now been open for 32 days. Other than Don Walker (who had signed a pre-bid agreement), the hostile Conquest Offer has only received acceptances for approximately 0.4%[^] of NQM shares. Heemskirk believes this is significant since NQM shareholders appear to be showing minimal support for the Conquest Offer.

Heemskirk believes Conquest announced an extension of the hostile Conquest Offer on 27 July 2010 because of the low acceptances.

The Heemskirk recommended Offer continues to represent greater value than the hostile Conquest Offer. In addition to other benefits, the Heemskirk Offer also represents the only proposal before NQM shareholders that is capable of consolidating 100% ownership of the Pajingo gold operations into one company.

NQM shareholders should accept now.

For further information, please contact:

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* See ASX Announcement of 6 August 2010 (Form 604 Notice of Change of Interest of Substantial Shareholder)

[^] See Conquest ASX released presentation of 6 August 2010