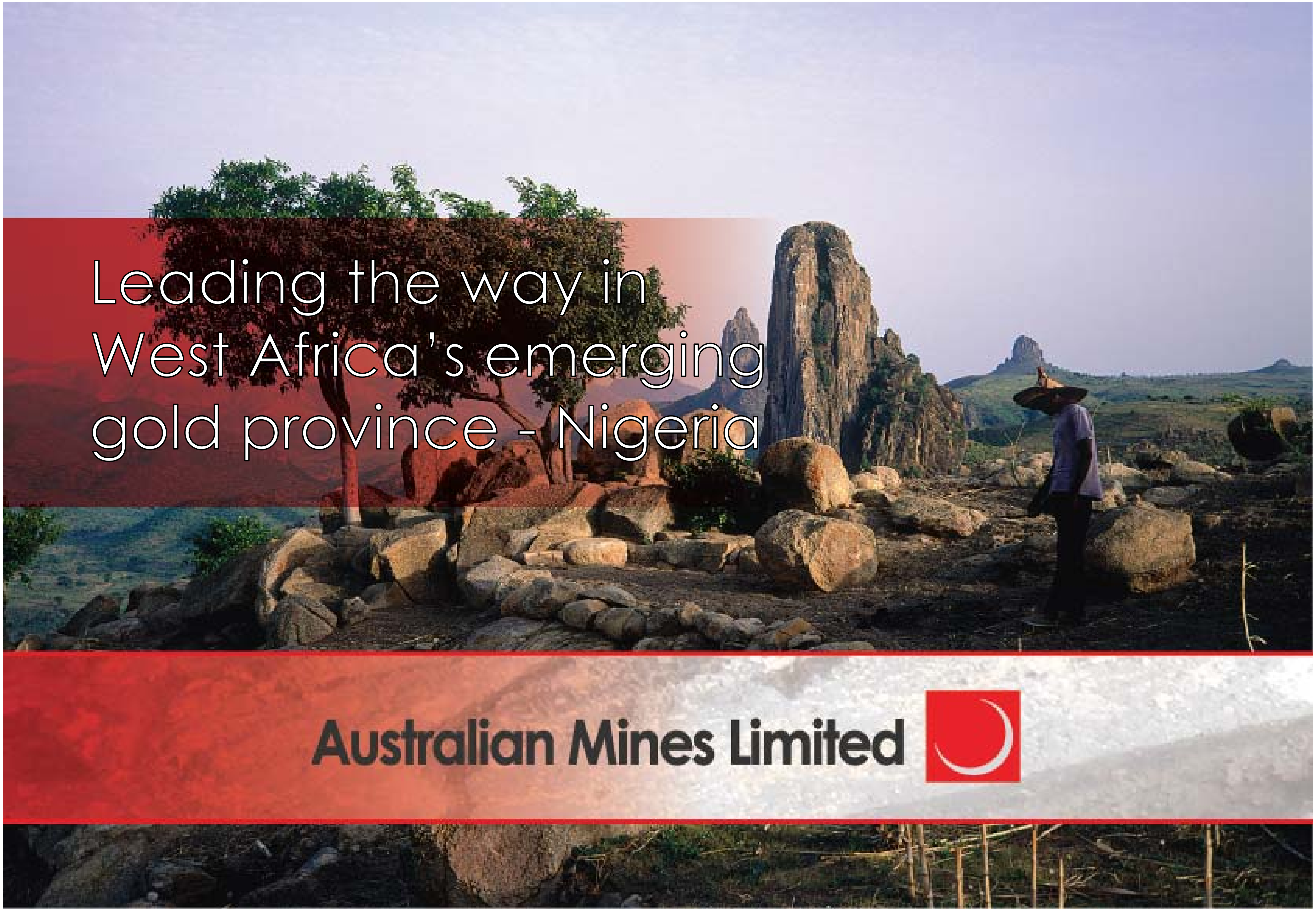
Leading the way in West Africa's emerging gold province - Nigeria



Australian Mines Limited

Company Overview

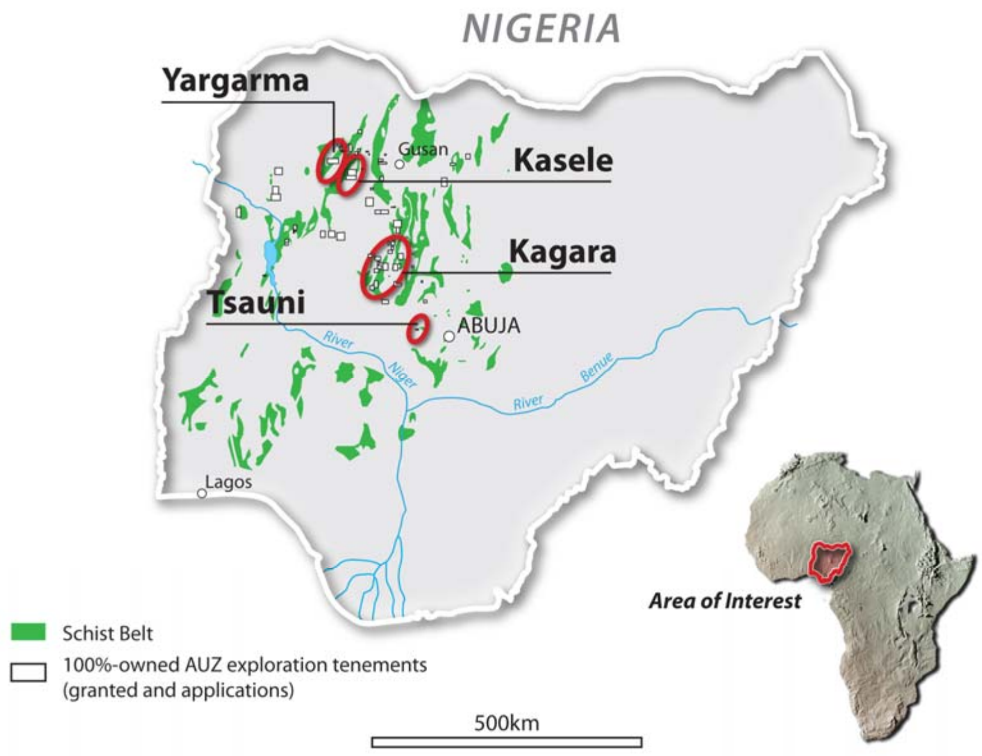
- Targeting gold mineralisation within Nigeria's goldfields
- Nigeria – part of the West African gold province with a long history of gold production
- Expansive 100% owned tenement portfolio exceeding 2,500 km^2
- Confirmed gold mineralisation within AUZ Nigerian tenements
- Fully funded exploration program through to 2014
- Experienced team with track record of discovering gold deposits
- Commenced intensive on-ground exploration

Experienced Board of Directors

Non Executive Chairman Michael Ramsden	• Qualified Lawyer with over 25 years' experience as a corporate advisor • Chairman of Lowell Capital Limited - the responsible entity for a small cap resource fund • Managing Director of Terrain Capital and Chairman of African Mahogany Australia
Managing Director Benjamin Bell	• Geologist and geophysicist with over 15 years' experience in mineral exploration • Former CEO of Ausgold Limited
Non Executive Director Mick Elias	• Over 25 years' international experience from project generation to resource economics • Director of Silver Swan Group Limited • Holds a Bachelor of Science (Honours) in Geology from the University of Melbourne
Non Executive Director Dominic Marinelli	• Director of Terrain Capital • Over 20 years' corporate fundraising experience spanning many industries • Extensive UK network and experience, including a reverse takeover of an LSE investment trust
Non Executive Director Neil Warburton	• Qualified Mining Engineer with over 25 years' experience in mining operations • Has held executive management positions within several publicly listed companies • Currently CEO of Barminco Ltd
Non Executive Director Brett Young	• Over 25 years' financial and corporate experience • Has held senior management positions within major resources companies • Has a background as a Chartered Accountant

Key Project Areas

- Targeting shear zones across Nigeria's northwest goldfields
- Four highly prospective projects
  - Yargarma
  - Kasele
  - Kagara
  - Tsauni
- Accelerated exploration program commenced on all project areas



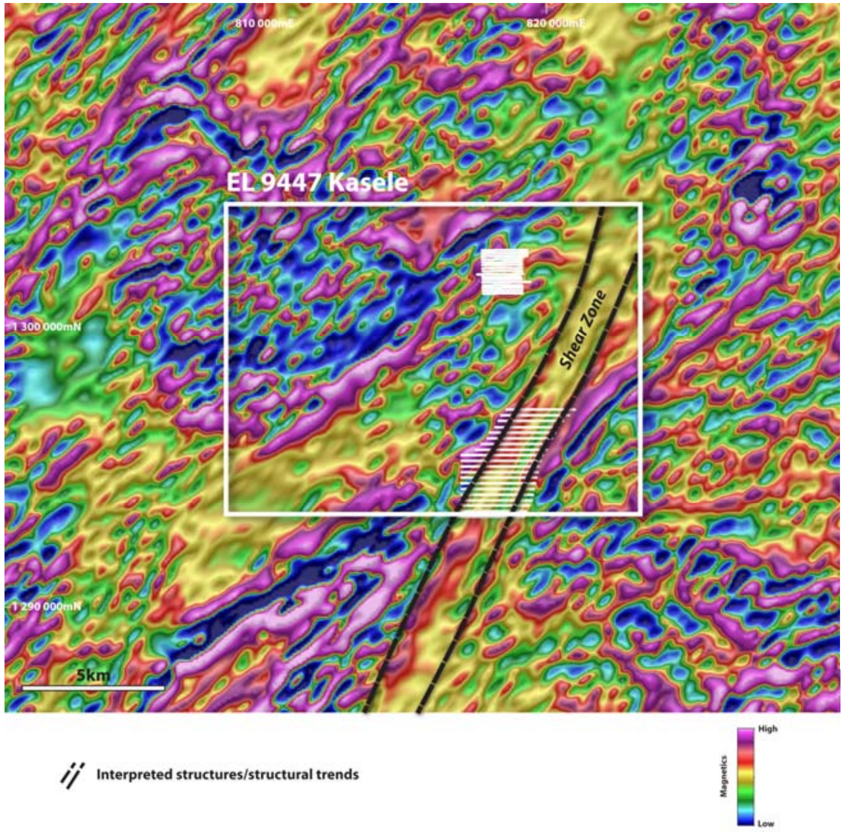
Yargarma

- Located 350 kilometres northwest of Abuja
- Includes 9 kilometre strike length of mineralised shear zone
- Rock chip sampling returned:
  - 9.83 g/t gold
  - 7.45 g/t gold
  - 6.49 g/t gold
- Detailed soil sampling program in progress
- High-resolution aeromagnetic survey commencing this month

Outcropping gold mineralisation within Yargarma project area

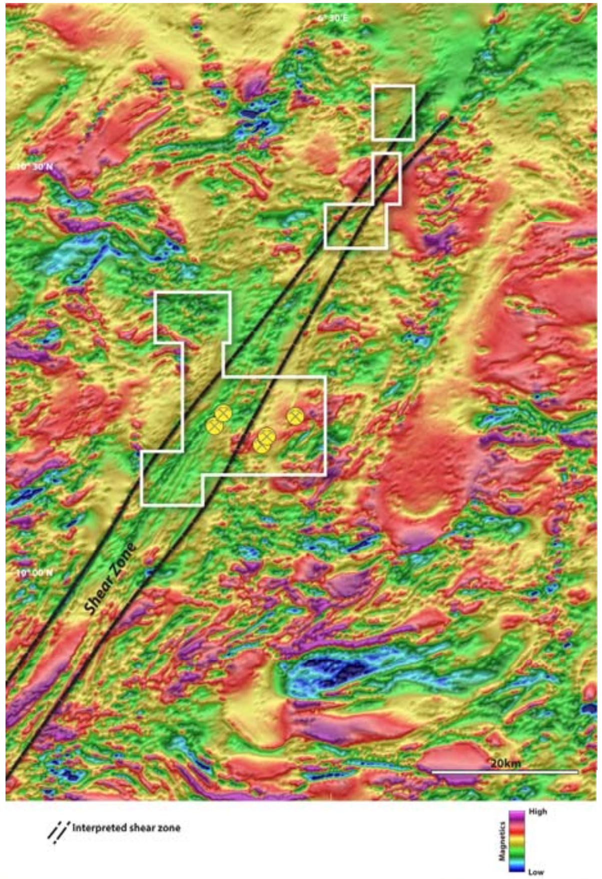
Kasele

- Located 300 kilometres northwest of Abuja
- Extensive artisanal workings present
- Rock chips from shear included:
  - 65.0 g/t gold
  - 7.1 g/t gold
  - 6.9 g/t gold
- Significant gold-in-soil anomaly
  - Assays exceeded 1 g/t (1,000 ppb) gold
- Soil sampling and geophysical surveys commencing in coming weeks



Kagara

- Located 130 kilometres northwest of Abuja
- Artisanal workings recorded within project area
- 38 kilometre strike length of shear zone
- Initial reconnaissance defined 3 priority targets
- Follow-up field mapping and surface geochemical sampling programs underway



Tsauni

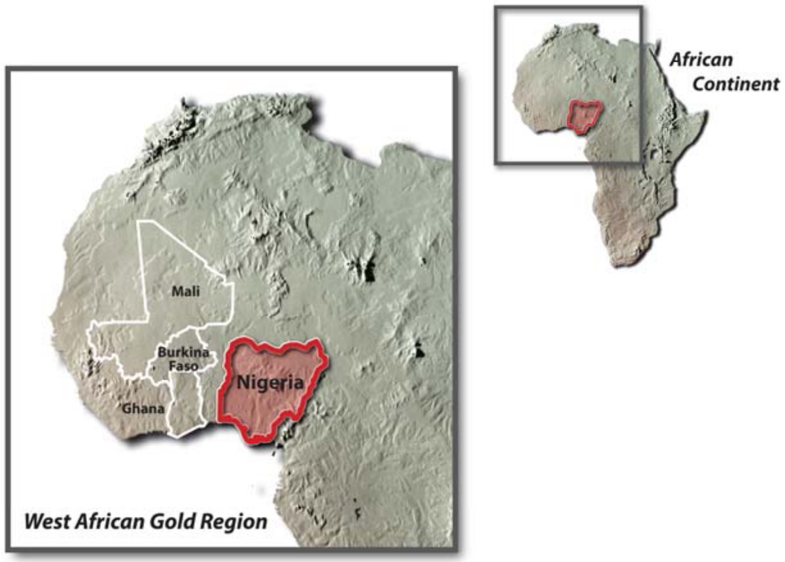
- Located only 20 kilometres west of Abuja
- 600 metre long corridor of artisanal workings
- Grab samples returned up to 14 g/t gold and 400 g/t silver
- Potential for multiple mineralised vein system within project
- Drill testing of this high priority gold target commencing next quarter

Nigeria – an Emerging Economic Power

- One of the largest economies in Africa
  - Gross Domestic Product of $216 billion in 2010
  - Highest average GDP growth in the world predicted for the next 40 years
  - 5th largest economy in the world by 2050 (Citigroup, 2011)
- Politically stable democracy & Member of Commonwealth
- Transparent legal system based on English common law
- Actively working towards official G20 membership by 2020
- Low risk of sporadic regional security issues intensifying (EIU, 2012)

Re-emergence of Nigeria's Gold Sector

- Long history of gold production across Nigeria
  - 3.2 million ounces produced between 1933 & 1943
- Limited mineral exploration across Nigeria over the past 60 years
  - Stems from country's success as an international oil producer and exporter
- Similar geology to other West African countries where world class deposits continue to be discovered
- New Mineral and Mining Act ensures security of tenure



Capital Structure

ASX Code	**AUZ**
Share price	1.6 cents
Fully paid Ordinary Shares	636.9 million
Listed Options (exercisable at 4 cents until 30 June 2013)	59.5 million
Unlisted Options (various expiry dates and exercise prices)	54.7 million
Market Capitalisation	10.1 million
Cash	$1.9 million

(as at 27 January 2012)

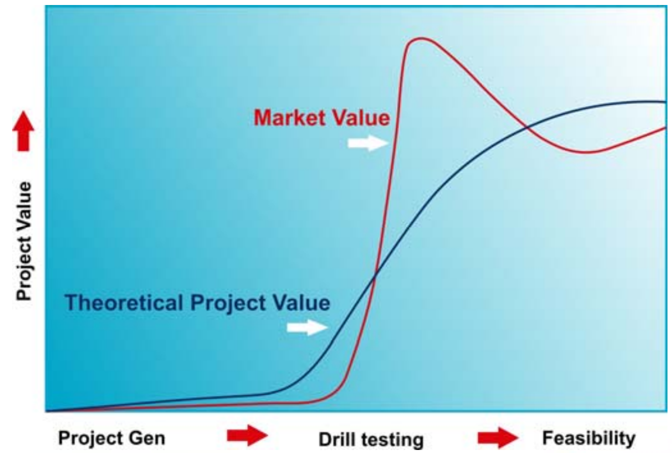
AUZ to receive two cash payments totaling $5 million from TSX & ASX listed Alacer Gold Corp following the divestment of a non-core Australian asset:

- $2.5 million to be received on 29 June 2012
- $2.5 million to be received on 28 June 2013

All amounts expressed in Australian Dollars

Reasons to Invest in Australian Mines

- First mover advantage in emerging West African gold province
- Potential for multiple gold deposits within large tenement package
- Gold mineralisation confirmed within four key project areas
- Experienced management leading established Nigerian based exploration team
- Fully funded exploration program to 2014
- Drill testing priority targets next quarter



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Artisanal gold working within Australian Mines' Kasele project area

www.australianmines.com.au

Australian Mines Limited

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