Australian Mines Limited

RIU Explorers Conference, February 2016

Disclaimer

Competent Person's Statement

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References

This presentation does not contain any new information. Any exploration results referenced in the document have previously been released to the market. The summary of the relevant announcements are listed in Appendix 1 at the conclusion of this document.

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Company Overview

"Dixon – a new greenfields gold discovery in W.A."

- Flagship asset: Doolgunna-Marymia Project[1]
  - 425 square kilometres of prospective Eastern Goldfields geology located within 50 kilometres of Northern Star's Plutonic Gold Mine
  - Hosts Australian Mines' emerging Dixon gold prospect
- High-grade primary gold zone intersected by maiden drill hole at Dixon prospect
  - **10 metres @ 8.79 g/t gold from 130 metres** downhole[2] including;
    - 1 metre @ 29.11 g/t gold from 133 metres
    - 1 metre @ 14.85 g/t gold from 134 metres
    - 1 metre @ 29.22 g/t gold from 136 metres
- Extensive strike and depth continuity of high-grade gold mineralisation at Dixon indicated by geophysics
- Additional gold targets identified across the Doolgunna-Marymia project area
- Follow-up diamond and RC drill program of gold zones commencing in March 2016

Corporate Snapshot

"Well positioned company with experienced Board"

Corporate Details	
ASX Code	AUZ
Share price (as at 15 February 2016)	$0.007
Ordinary Shares	1,026 million
Options	Nil
Market Capitalisation	$7.1 million
Debt	Nil
Cash (as at 31 December 2015)	$0.8 million

Shareholder Composition	
Directors	12.4%
Mr. Jeff Reed	5.0%
Top 20	37.4%
Top 100	67.5%

(as at 15 February 2016)

Experienced Management Team

Michael Ramsden
Chairman

Benjamin Bell
Managing Director

Mick Elias
Non-Executive Director

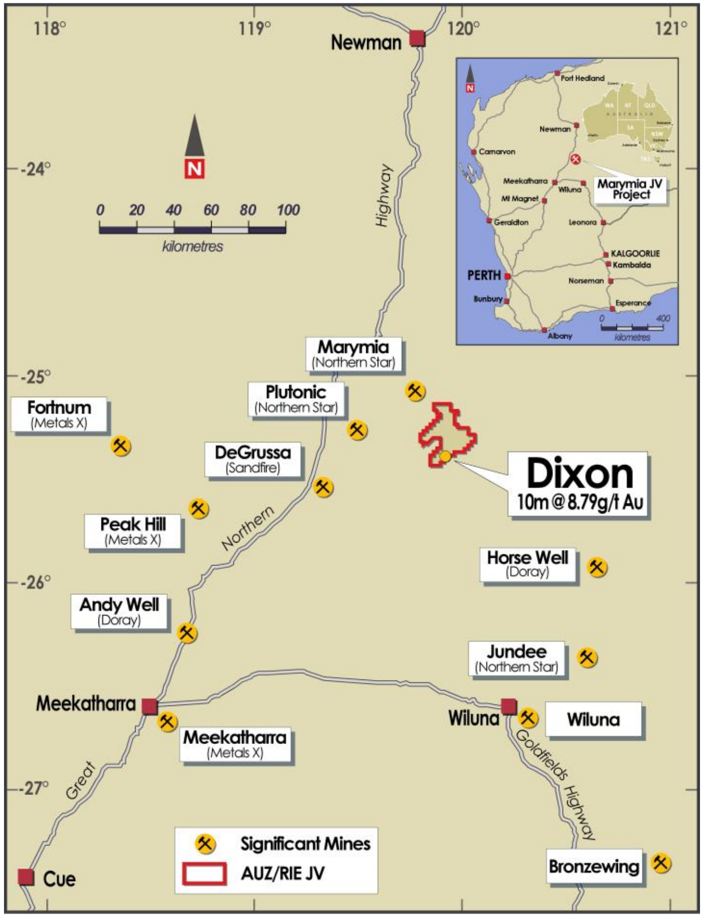
Dominic Marinelli
Non-Executive Director

Neil Warburton
Non-Executive Director

Doolgunna-Marymia Project

“Large landholding in an emerging gold province”

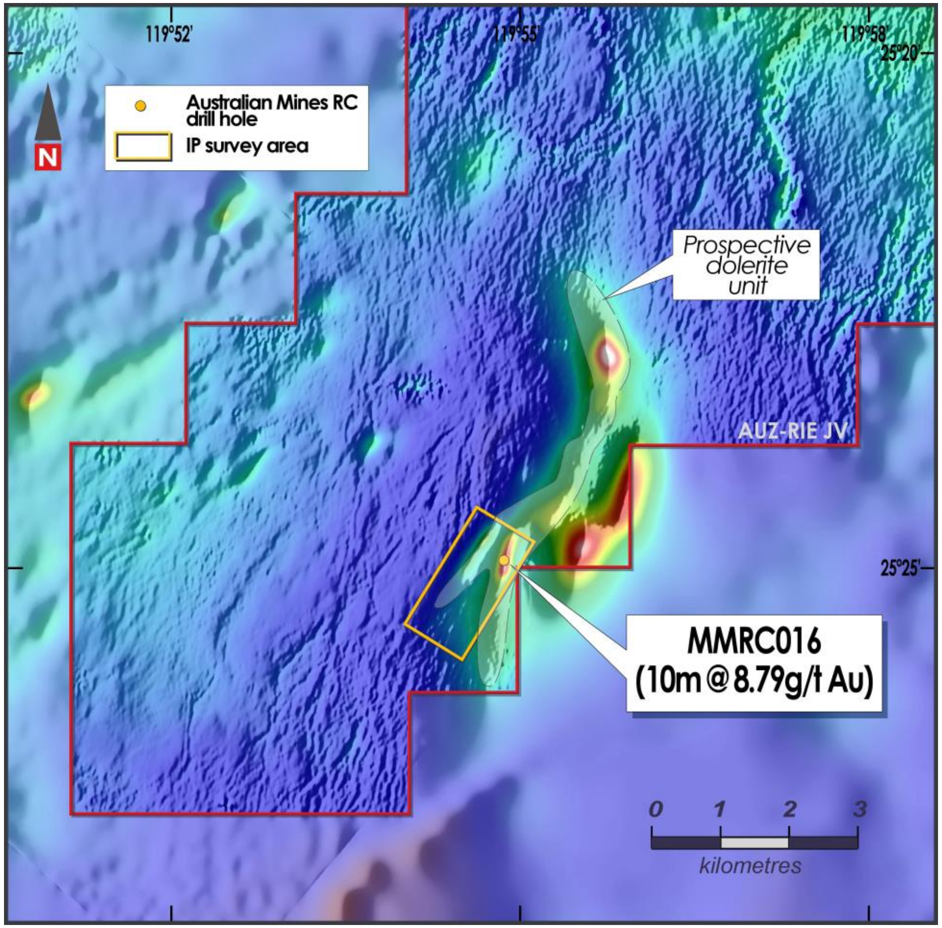
- Situated 180 kilometres northeast of Meekatharra
- Northern extension of Eastern Goldfields’ Norseman-Wiluna Greenstone Belt
  - Highly prospective for quartz vein hosted gold
- Minimal historic exploration
  - Primarily targeted near-surface oxide gold and kimberlite pipes (diamonds)
- Modelling indicated the presence of substantial auriferous fluid flow within the bedrock geology



Dixon Gold Prospect

"Gold grades approaching 1 ounce per tonne over metre intervals"

- Targeting typical Yilgarn-style gold mineralisation
  - Gold hosted in sulphidic quartz veins within a fractionated dolerite
- High-resolution aeromagnetics identified a 6 kilometre long prospective zone at Dixon
- In October 2015, Australian Mines drilled a single RC (MMRC016) testing the Dixon target area
  - Successfully intersecting high-grade gold zone within bedrock[3]
  - Results validated the company's exploration model

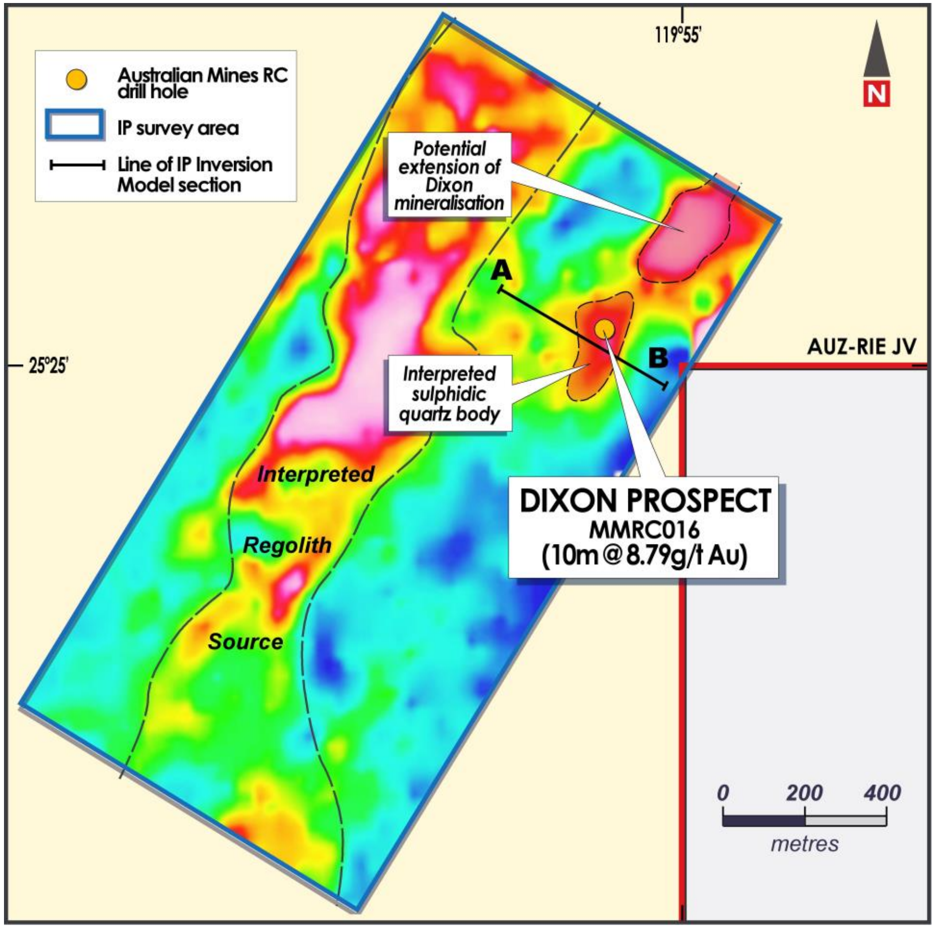


Magnetic (Reduced-to-Pole) image of the Company's Dixon prospect within its Doolgunna-Marymia Project. Area of recent IP survey outlined in yellow.

More gold intersections expected

"Expansion of high-grade gold zone predicted via geophysics"

- Disseminated sulphides associated with, but not bound to, high-grade gold mineralisation at Dixon
- Significant chargeability anomaly coincident with the primary mineralisation mapped by induced polarisation (IP) survey
  - Indicates gold-bearing pyritic quartz veining likely continues along strike and at depth
- Repetitions of the Dixon-style gold mineralisation anticipated across project area

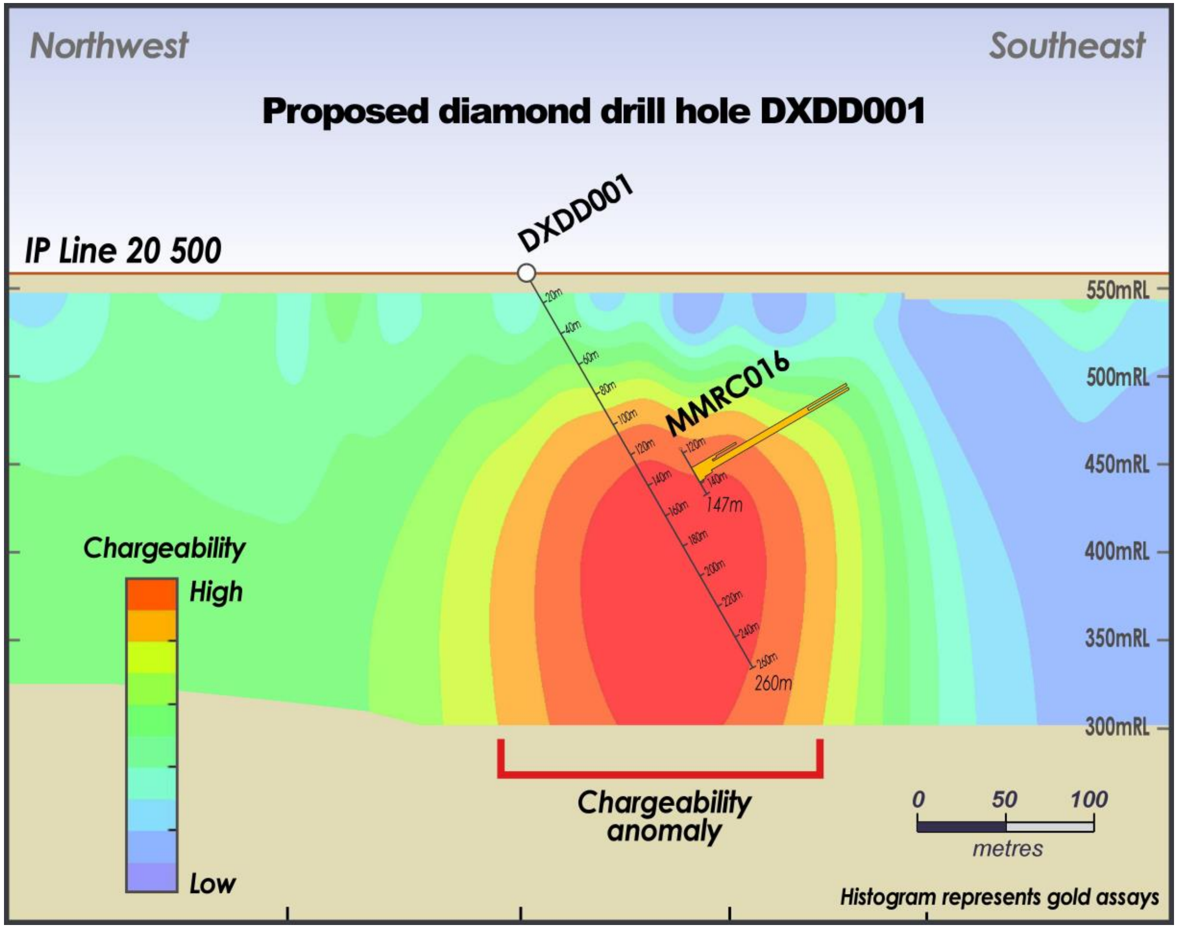


Plan image of the gradient array Induced Polarisation (IP) survey recently acquired by Australian Mines over the immediate Dixon gold prospect

Diamond and RC drilling commencing

"Confirming length, then depth extent of mineralisation"

- Drill testing of strike continuity of Dixon mineralisation scheduled for March
- Program anticipated to be completed by mid-April
  - assays results expected to be received by early May



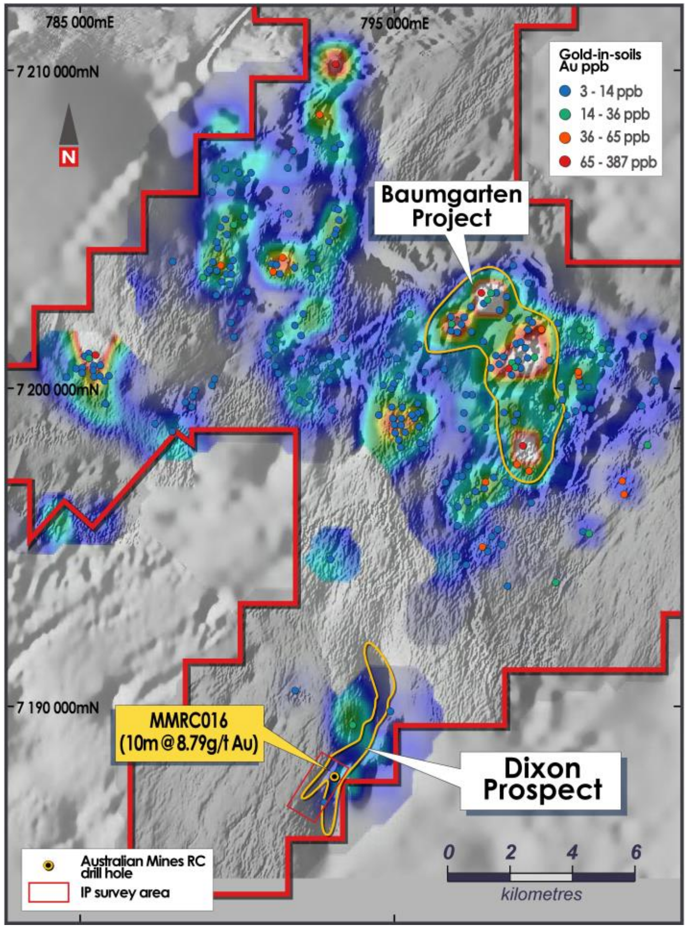
Drill trace of Australian Mines' proposed diamond hole at Dixon superimposed over the modelled IP anomaly . Assay of the company's maiden Dixon drill hole MMRC016 also overlaid on IP cross section.

Baumgarten Gold Project

"Doray's Andy Well discovery clearly shows the benefits of deeper drilling"

- Coherent, large-scale surface gold-in-soil anomaly present at Baumgarten Gold Project
- Shallow RAB drilling across soil anomaly defined broad blanket of oxide gold mineralisation
  - Historic drill intersections include[4]:

    4 metres @ 3.74 g/t gold from 31 metres
    2 metres @ 7.15 g/t gold from 4 metres
    2 metres @ 5.07 g/t gold from 29 metres
- Primary (bedrock-hosted) gold remains untested
  - Historic drill holes averaged 50 metres
  - Depth to bedrock typically 70 metres
- Stratigraphic hole at Baumgarten incorporated in upcoming RC drill program
  - targeting gold-bearing vein sets at depth



Surface gold-in-soil assays draped over TMI magnetics

Investment Summary

"Gold bulls feast as more Central Banks drive rates below zero (Bloomberg)[7]"

- **New greenfield gold discovery at Dixon**
  - High grade (up to 29.22 g/t gold over individual metres)
  - Open along strike in both directions and at depth
  - Within 50 kilometres of Northern Star's 6 million ounce Plutonic Gold Mine[5]
- **Potential repetitions of Dixon-style dolerite-hosted gold across the project area**
  - Large chargeability anomaly detected by IP survey along strike of Dixon mineralisation
  - Closest historic drill hole stopped short of IP anomaly but still returned an encouraging 48 metres @ 0.71 g/t gold from 46 metres (including 1m @ 13.5 g/t gold from 53m)[6]
- **Active exploration program ongoing**
  - Management committed to spending majority of funds 'in the ground'
- **Poised to deliver significant value through exploration success**
  - Diamond and RC drilling campaign commencing within weeks

Contact Details

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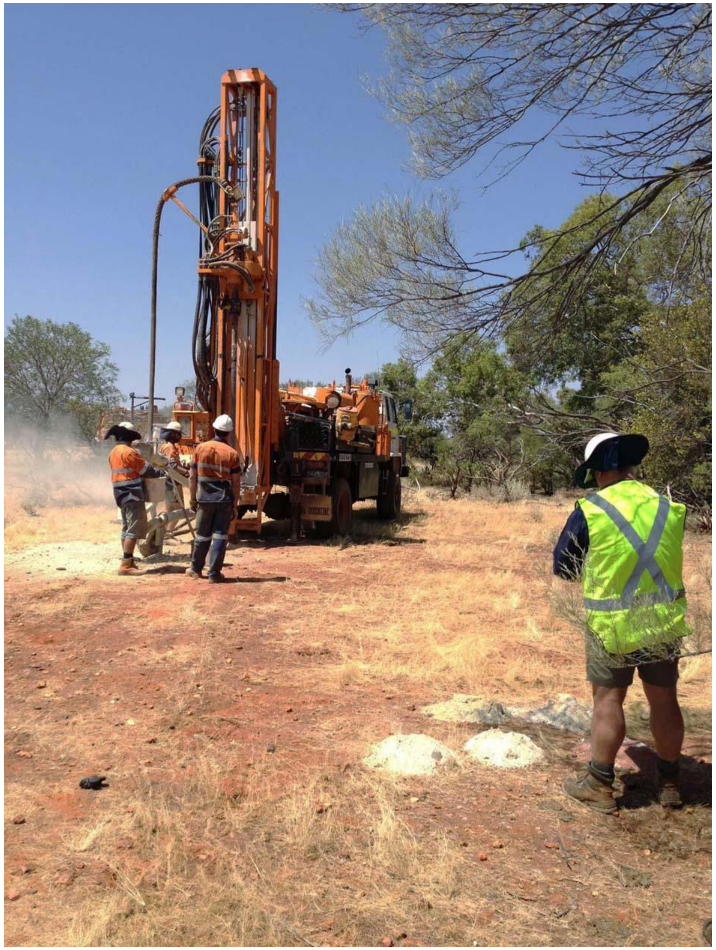

Appendix 1: References

[1] See Appendix 2 of this presentation

[2] Australian Mines Limited, High-grade gold zone extended at Doolgunna-Marymia, released 6 November 2015

[3] Australian Mines Limited, High-grade gold intersected at Doolgunna-Marymia Project, released 26 October2015

[4] Riedel Resources Limited, 2012 Annual Report, released 31 August 2012

[5] Northern Star Resources Limited, RIU 2014 Explorers Conference presentation, released 19 February 2014

[6] Galtrad Pty Ltd, Annual Report – E52/594, received by the WA Department of Mines and Petroleum 16 September 1996

[7] Bloomberg Business, Gold Bulls Feast as More Central Banks Drive Rates Below Zero, published 19 February 2016 (http://www.bloomberg.com/news/articles/2016-02-19/gold-bulls-feast-as-more-central-banks-drive-rates-below-zero)

Appendix 2: Joint Venture Agreement

<u>Australian Mines and Riedel Resources Joint Venture</u>

Agreement for Australian Mines to earn up to 80% interest in exploration tenements 52/2394 & 52/2395

Australian Mines signed a Heads of Agreement with Riedel Resources (ASX: RIE) in April 2014 covering the Doolgunna-Marymia Project tenements of E52/2394 & E52/2395.

As announced on 29 May 2015, Australian Mines currently holds a 51% interest in these tenements and the Company has elected to acquire an additional 29% interest in the project (taking the total to 80%) by spending a further $2 million on exploration by May 2018.