



Emerging Global Leader in Scandium Supply

Low Emission and Technology Minerals
Conference

November 2016



SCANDIUM
ALLOY POTENTIAL

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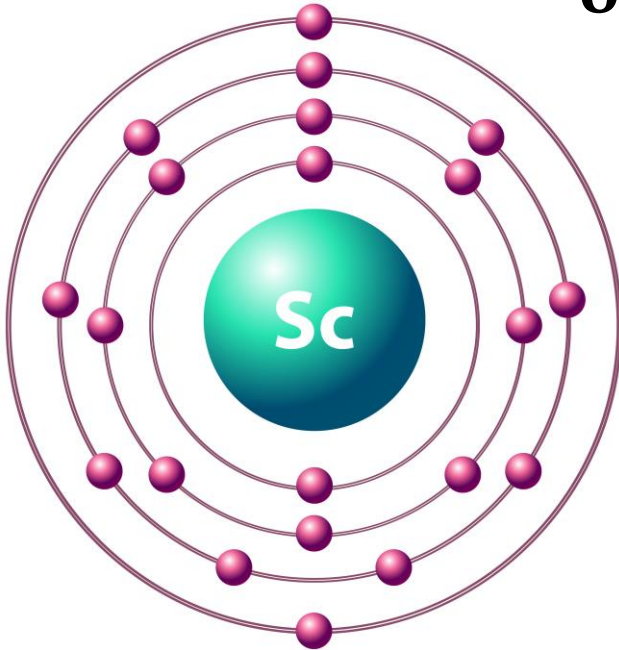
The Sconi Scandium-Cobalt Project is at Feasibility Study phase and though reasonable care has been taken to ensure that the facts are accurate and/or that the opinions expressed are fair and reasonable, no reliance can be placed for any purpose whatsoever on the information contained in this document or on its completeness.

Actual results and developments of projects and the scandium market development may differ materially from those expressed or implied by these forward looking statements depending on a variety of factors. A key conclusion of the Feasibility Study, which is based on forward looking statements, is that the Sconi Scandium-Cobalt Project is considered to have positive economic potential.

Unless otherwise stated, all figure quoted in this document are in Australian dollars.

Australian Mines' strategy

**“... to become the world's largest producer
of scandium from primary
scandium deposits”**



***– Michael Ramsden
Non-Executive Chairman***

Scandium: *the* technology metal

“... automotive is a huge potential use of scandium, perhaps the greatest one on the horizon ...” *Resource Investor* article, May 2015₁

“The world wants scandium - there just isn't enough of it available today in sufficient quantities ...”

*Richard Karn, Streetwise Report, August 2011*₂

“Combining the benefits of metallic 3D printing with new materials like Scalmalloy® (aluminium scandium alloy) can greatly expand the possibilities for modern aircraft components” *Airbus Group*₃

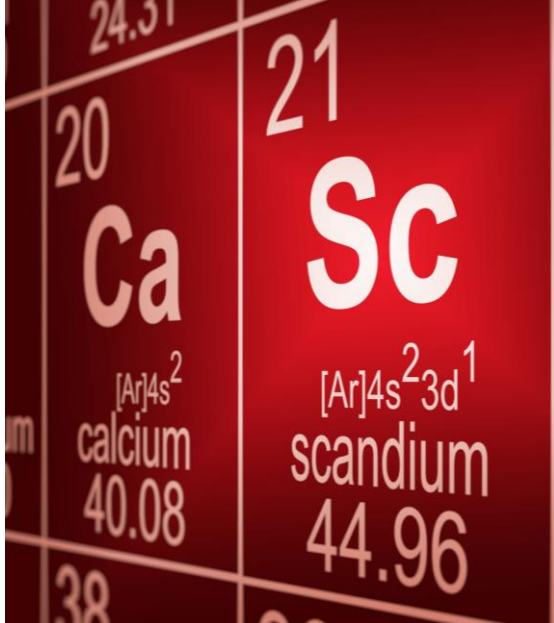


The Commodity



What is Scandium ?

- Scandium, or Scandium Oxide (Sc_2O_3) as it is commonly marketed, is a relatively scarce, high-value mineral used to produce aluminium alloys
- Scandium-reinforced alloys suitable for the manufacture of weldable aluminium products such as:
 - Car chassis and body panels
 - Aircraft fuselages
- Favourable characteristics include:
 - ✓ Increased overall strength of alloy
 - ✓ Reduced overall weight
 - ✓ High level of heat resistance
 - ✓ High level of corrosion resistance



20	21
Ca	Sc
$[\text{Ar}]4s^2$	$[\text{Ar}]4s^23d^1$
calcium	scandium
40.08	44.96

Who are the currently users of Scandium?

- Existing demand across multiple civilian and military applications, including:
 - automotive & aircraft (such as Airbus)
 - solid oxide fuel cells (e.g., Bloom Energy in California)
 - sporting equipment (including Easton)
- Current scandium supply is produced as a by-product from nickel mining and processing operations
 - Resulting in an unreliable supply and unpredictable quality / purity of scandium presently available for purchase by a rapidly growing customer base



What is the growth potential for scandium ?

- Annual demand of scandium is anticipated to increase by 800% over the next decade₄
- The largest and most likely future growth market for scandium will be the automotive manufacturing sector
- Aluminium alloys are already used by leading global car makers to great effect (e.g., Aston Martin, Audi, BMW, Ferrari, Ford, Jaguar, Mercedes-Benz and Porsche)₅
- Applications likely to expand due to:
 - the unique ability of aluminium-scandium alloys to be welded like conventional steel
 - and**
 - exhibit similar strength characteristics as the heavier steel options

Scandium: Making cars greener ...

Aluminium scandium alloys enable manufacturers to build:

lighter vehicles, using smaller engines



to generate the same power-to-weight performance



resulting in reduced fuel consumption



and lower carbon emissions

... and boosting their performance

- The suitable aluminium alloy for automotive manufacturing requires only 0.2 - 0.4% scandium content or about 1 kilogram per vehicle₆ but:
 - delivers a weight saving of 200 kilograms in a passenger vehicle **and**
 - provides a 50% improvement in car body torsional rigidity **and**
 - would likely provide an optimal 50/50 front/rear weight balance_{7,8}



The lightweight aluminium alloy frame of the new Corvette Stingray, Whilst this car uses the A356 and 7000 series aluminium alloys, an aluminium-scandium alloy, such as that used by the Russian Airforce in their MIG 29 fighters, may prove superior.

That's 68 million potential customers each year

- In 2015 alone, more than 68 million new vehicles rolled off production lines around the world,
- Australian Mines sees a huge future for scandium in automotive manufacturing, due to economic and environmental benefits of weight reduction as well as performance and safety benefits of a stiffer shell
- Just a 10% take-up of scandium alloy use across global car production would result in:
 - a demand increase of 6,800 tonnes of scandium per annum

equalling

- more than 3-times the total production anticipated from Australian Mines' Flemington and Sconi Scandium Projects over their 20-year mine lives

The Projects

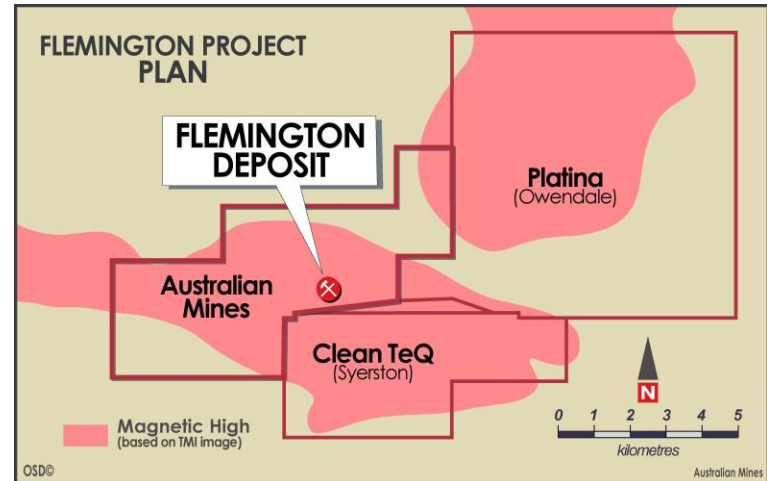


How will Aust. Mines satisfy this growing demand?

- **Acquiring 100% interest in the Flemington Scandium-Cobalt Project in New South Wales**
 - one of the highest-grade scandium deposits in the world₁₀
 - continuation of Clean TeQ's Syerston ore body
- **Acquiring 75% interest in the Sconi Scandium-Cobalt Project in Queensland**
 - Australia's largest, advanced scandium mining project
 - simple metallurgy – off-the-shelf solvent extraction processing plant consistently achieving >97% recovery of scandium₁₁
 - producing highest possible purity of the saleable scandium oxide (99.99%)₁₂

Flemington Scandium-Cobalt Project

- Located near the town of Fifield in central New South Wales, 450 kilometres west of Sydney
- Australia's premier scandium-cobalt province, being the Northern continuation of Clean TeQ's (ASX: CLQ) Syerston ore body
- Favourable metallurgy¹³
- Mining Lease application started
- Cobalt-rich zone identified at Flemington, including:¹⁴
 - 14m @ 0.21% Co from 6m
 - 9m @ 0.21% Co from 10m



Flemington: High-grade resource with upside

- One of the highest-grade scandium deposits in the world^{15,16} and mineralisation remains open¹⁷
 - potential to significantly increase the current Mineral Resource
- Flemington tenement also covers western section of Owendale Ultramafic Complex – host of Platina Resources' scandium project
 - offers additional exploration upside for Australian Mines

Measured Resource:	2.67 million tonnes	435 ppm Scandium
Indicated Resource:	0.47 million tonnes	426 ppm Scandium
Total Resource:	3.14 million tonnes	434 ppm Scandium
Total Scandium Oxide (Sc ₂ O ₃)*:		
2,085 tonnes		(using a 200ppm Sc lower cut-off)

* Total contained scandium metal tonnage multiplied by 1.53 to convert to total Sc₂O₃, being the saleable scandium product

Sconi Scandium-Cobalt Project

The Sconi Project is “uniquely positioned to deliver unprecedented tonnages of scandium and to be instrumental in the growth of a whole new market for this remarkable metal”

Richard Karn, Streetwise Report, August 2011₁₈

- Located near the mining centre of Greenvale, 250 kilometres east of Townsville
- Good surrounding infrastructure in place to support mine development
- Pre-Feasibility Study completed₁₉ demonstrating production of 51 tonnes of scandium oxide (Sc_2O_3) per annum
- Recent PFS also indicated an average EBITDA of \$59 million per year and 20+ year mine life from this project

Sconi: Almost ready to go

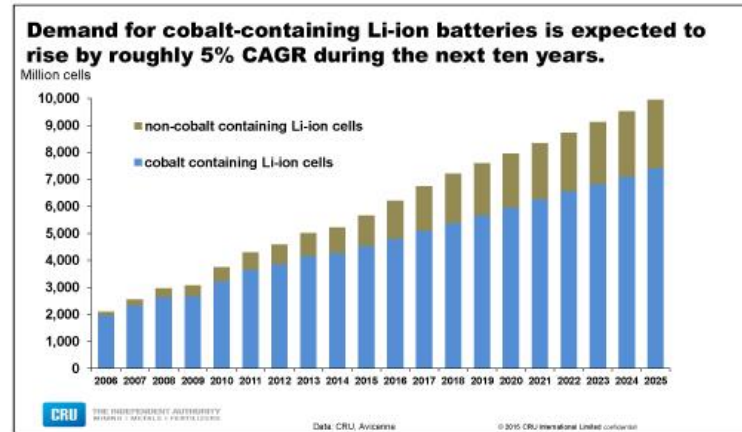
- Sconi already ticks a lot of boxes:
 - Mining Lease granted
 - Plant design identified
 - Electricity source confirmed
 - Proposed water supply on site
 - Commonwealth environmental assessment completed

Measured Resource:	0.7 million tonnes	208 g/t Scandium
Indicated Resource:	6.5 million tonnes	174 g/t Scandium
Total Resource:	7.2 million tonnes	177 g/t Scandium
Total Scandium Oxide (Sc ₂ O ₃)*:		
	1,950 tonnes	(using a 100g/t Sc lower cut-off)

* Total contained scandium metal tonnage multiplied by 1.53 to convert to total Sc₂O₃, being the saleable scandium product

Plus potential to expand into battery market

- Cobalt and Nickel are co-products of the scandium mineralisation at both Flemington and Sconi
 - Sconi has 54,500 tonnes of contained Cobalt metal in Resource + 514,000 tonnes of contained Nickel metal in Resource₂₀
- Cobalt and Nickel are critical materials used in the production of lithium-ion batteries
- Testing confirms the scandium processing operations proposed by Australian Mines can be expanded at any time to allow efficient processing of Sconi's and Flemington's cobalt and nickel-rich ore₂₁



1.136	0.66	+1.54	631.0	1.12	1.13	905.860	1.12	+1.56	2.227	73.76	74.00	4884	74.00	+0.95	330	22.8	
3.10	1.765	3.10	+0.32	270.000	4.11	4.14	161.919	4.14	-0.24	587	117.90	118.00	9.958	117.90	+6.80	60	9.4
0.15	200	10.28	+5.01	1.354	73.51	73.80	2.697	73.80	+5.43	8	35.45	35.50	7.289	35.50	+4.72	25	43
95	1.233	1.80	+9.09	22.000	118.00	121.50	3.500	117.00	+12.66	130	29.00	29.50	1.080	29.45	+3.19	130	14
95	9	168.10	+0.06	1.550	54.00	54.40	7.140	54.40	+1.12	2.971	23.71	24.00	2.992	24.00	+3.00	2.103	1
0	99.966	8.90	+5.45	1.000	61.00	61.82	2.880	61.82	+0.36	71	30.61	31.95	99	31.49	-0.03	368	1
7	110	54.36	-0.07	100	0.39	0.50	4.180	0.46	+17.95	1.060	55.98	56.25	4.763	56.25	+4.17	3.127	1
2.670	10.62	+5.15	3.255	20.55	21.30	4.20	21.00	+2.39	100	33.35	34.70	350	34.70	0.00	3	1	
1.43	68.00	+14.29	28	251.00	252.00	3.20	251.00	+1.21	884	0.70	0.80	8.334	0.70	+18.64	100	1	
514	15.49	1.00	12.00	6.34	6.40	2.12	6.40	-0.08	2.139	4.60	5.02	448	5.01	+9.39	2.318	1	
332	23.80	+16.11	3.471	2.25	2.26	75.87	2.25	+1.22	189	60.40	60.42	6.21	60.40	+2.10	15	1	
216	254.05	+1.42	3.29	86.81	87.00	2.008	87.00	+0.99	195	180.50	181.50	26	181.50	+1.97	89	1	
4.146	55.98	+1.23	1.416	14.45	14.49	1.155	14.45	+9.06	4.24054	33.54	33.67	84.566	33.53	+2.51	1	1	
370	14.89	+14.63	1.811	117.40	118.00	6.00	117.50	+0.17	546	7.50	8.20	1.635	8.40	+27.27	13.85	1	
000	18.04	+1.01	7.263	35.00	35.35	8.03	35.00	+2.94	1.000	2.69	2.72	1.288	2.70	0.00	1	1	
93	27.00	0.00	1.145	0.53	0.54	393.536	0.53	+23.26	13	9.80	11.20	142	11.20	+8.74	1	1	
93	7.98	+14.00	1.67	49.99	50.00	2.244	49.99	+7.30	4.193	33.92	34.65	3.290	34.70	+1.20	331	1	
2	193.35	+0.97	25	190.45	190.55	13	190.55	+0.55	14	13.96	14.15	9.20	13.96	-0.29	1	1	
1	389.00	-0.13	4.895	26.96	26.97	3.634	26.96	+1.54	75	291.95	292.00	3.14	292.00	+1.39	1	1	
0	0.73	+4.29	100.000	37.70	37.75	4.864	37.75	+2.81	1.335	5.62	5.90	2.275	5.90	+4.24	1	1	
0	1.02	+20.00	1.75	114.00	114.80	9.0	114.00	-0.78	5.143	6.41	6.45	44	6.44	+6.45	1	1	
2.49.15	+6.50	4.7104	143.10	143.50	22.700	143.10	+2.51	15	228.00	234.75	29	234.75	+2.07	1	1		
401.50	-0.12	1.179	32.59	32.60	6.00	32.59	+1.88	8.710	3.10	3.22	2.460	3.22	+12.98	1	1		
21.95	+3.18	1.06	516.00	519.00	24	519.00	+2.17	16.252	12.40	12.70	898.444	12.70	-0.39	1	1		
64.82	+1.42	21	94.55	94.80	519	94.90	+2.04	21	352.80	360.00	29	365.00	+1.39	1	1		
3.42	+2.12	1.015	7.20	7.40	15	7.40	0.00	17	80.00	81.83	10	81.50	-0.12	1	1		
5.85	+0.86	21.350	12.07	12.17	14.875	12.17	+1.42	6.00	75.60	76.49	858	75.80	+3.27	1	1		
20	+0.45	8.10	12.40	13.33	7.60	13.33	+7.50	98	60.21	60.25	380	60.21	+1.77	1	1		
05	+0.90	14	90.50	92.38	31	90.50	+0.01	95	122.50	122.75	1.373	122.50	+0.1	1	1		
2	+0.86	5.50	55.77	55.79	100	55.78	+2.31	112	706.00	716.00	60	716.00	+1.7	1	1		
7	+2.04	4.730	36.64	36.80	9.255	36.80	-0.27	100	50.12	51.20	62	51.38	-0	1	1		
0	+1.73	2.04	281.20	284.00	142	282.25	+1.02	131	10.01	10.13	311	10.00	0	1	1		
0	0.00	4.5300.10	5.329.80	8.5300.10	+2.12	92	10.75	10.89	66	10.89	+	1	1	1	1		
18.65	80	23.30	23.60	194	23.60	-0.42	4.68043	12.90	13.00	102.429	12.99	+	1	1	1		
+0.37	11	8.64	8.65	504	8.40	+5.00	125	63.50	65.00	90	65.00	+	1	1	1		
5.12	1.02	1.022	1.021	0.05	1.021	+0.05	1.0	11.522	11.622	1.02	11.522	+	1	1	1		

Your Opportunity

What's possible for shareholders...



- Clean TeQ's share price has increased 440% over the past 6 months on the back of its Syerston scandium-cobalt project

Scandium operations: Peer comparison

	Flemington	Sconi	Syerston
Company	Australian Mines (ASX: AUZ)	Australian Mines (ASX: AUZ)	Clean TeQ (ASX: CLQ)
Market cap (as at 3 Nov. 2016)	\$10 million	-	\$189 million
Resource (for economic study)	Measured + Indicated ²² 3.14 Mt @ 434ppm Sc	Measured + Indicated ²³ 7.2 Mt @ 177ppm Sc	Proved + Probable ²⁴ 1.20 Mt @ 583ppm Sc
Status	Scoping study commenced	Definitive Feasibility Study commenced	Feasibility Study completed
Co-Products	Cobalt Mineral Resource calculation in progress	Cobalt 54,500 tonnes of contained cobalt metal in Resource ²⁵	Cobalt 114,000 tonnes of contained cobalt metal in Resource ²⁶
	Nickel Mineral Resource calculation in progress	Nickel 514,000 tonnes of contained nickel metal in Resource ²⁷	Nickel 700,000 tonnes of contained nickel metal in Resource ²⁸

The Next Steps



Sconi: DFS and approval process started

- Definitive (or Bankable) Feasibility Study being conducted by SRK Consulting and expected to be completed within 2 years
- Off-take Heads of Agreements for scandium oxide from Sconi operations previously in place
- Commencing discussions with parties potentially interested in the Cobalt and Nickel output from a future operation at Sconi
- Final statutory mining approvals underway

Flemington: Scoping Study also in progress

- Economic and Technical Scoping Study commenced by SRK Consulting and expected to be completed by March 2017
- Mineral Resource estimate for Cobalt and Nickel mineralisation at Flemington similarly anticipated to be reported in the first half of 2017
- Mining Lease application started and on schedule for submission to New South Wales Government by April 2017

Proposed Timeline



- Australian Mines' strategy:
 - develop the Sconi Scandium-Cobalt Project to generate revenue in 2020
 - to be followed by production at Flemingington Scandium-Cobalt Project by 2022

Key Take-Away Points

- Commercial scale, mineable deposits of scandium are rare globally
- Worldwide demand for scandium expected to increase by 800% over the next 10 years – primarily driven by the automotive industry
- Scandium resources and grades recorded at Sconi and Flemington are multiple times higher than existing production sources
- Australian Mines plans to become the world's largest pure scandium producer, delivering cost-effective and reliable production of scandium
 - Focus on optimising scandium production and quality to provide certainty for our future off-take partners
 - First mining operation (Sconi) expected to come online in 2020
 - Second mining operation (Flemington) expected to be online in 2022

Thank You

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Mineral Resource Estimate: Sconi Project

Measured Resource:	17 million tonnes	0.80% Nickel	0.07% Cobalt
Indicated Resource:	48 million tonnes	0.58% Nickel	0.07% Cobalt
Inferred Resource:	24 million tonnes	0.41% Nickel	0.04% Cobalt
Total Resource:	89 million tonnes	0.58% Nickel	0.06% Cobalt
Total Contained Metal:	514,000 tonnes of Nickel metal 54,500 tonnes of Cobalt metal		Using a COG of 0.7% NiEq

This Mineral Resource for the Sconi Nickel and Cobalt Mineral Resources is reported under JORC 2012 Guidelines and was first reported by Australian Mines' joint venture partner, Metallica Minerals Limited on 21 October 2013. There has been no Material Change or Re-estimation of the Mineral Resource since this 21 October 2013 announcement by Metallica Minerals Limited. The NiEq is similarly described in their 21 October 2013 announcement.

Competent Persons Statements

Flemington Scandium-Cobalt Project

The Mineral Resource for the Flemington Scandium-Cobalt Project contained within this document is reported under JORC 2012 Guidelines. This Mineral Resource was first reported by Jervois Mining Limited on 20 August 2015. There has been no Material Change or Re-estimation of the Mineral Resource since this 20 August 2015 announcement by Jervois Mining Limited.

Information in this document that relates to Exploration Results and Mineral Resources for the Flemington Scandium-Cobalt Project is based on information compiled by Max Rangott, who is a Fellow of The Australasian Institute of Mining and Metallurgy (AusIMM) and a Director of Rangott Minerals Exploration Pty Ltd. Mr Rangott has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration and to the activity which they are undertaking 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 Rangott consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Sconi Scandium-Cobalt Project

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Footnotes

- ¹ Resource Investor, Why is everyone talking about scandium, published 4 May 2015
(<http://www.resourceinvestor.com/2015/05/04/why-everyone-talking-about-scandium?page=1>)
- ² Richard Karn, Australian Scandium Could Create New Market, published 8 August 2011,
<https://www.streetwisereports.com/pub/na/richard-karn-australian-scandium-could-create-new-market>
- ³ Airbus Group, <http://www.airbusgroup.com/int/en/story-overview/Pioneering-bionic-3D-printing.html>, July 2016
- ⁴ Platina Resources Limited, Owendale Scandium Project presentation, released 22 August 2014
- ⁵ European Aluminium Association, The Aluminium Automotive Manual 2013, http://european-aluminium.eu/media/1543/1_aam_body-structures.pdf, 1 October 2016
- ⁶ AZO Materials, <http://www.azom.com/article.aspx?ArticleID=10670>, 1 October 2016
- ⁷ European Aluminium Association, The Aluminium Automotive Manual 2013, http://european-aluminium.eu/media/1543/1_aam_body-structures.pdf, 1 October 2016
- ⁸ SAE International, All-aluminium frame of GM's 2014 Corvette saves 99 lb, <http://articles.sae.org/11744/>, 5 October 2016
- ⁹ Organisation Internationale des Constructeurs d'Automobiles (OICA), <http://www.oica.net/category/production-statistics/>, 1 October 2016
- ¹⁰ Jervois Mining Limited, Quarterly Report to 31 December 2015, released 29 January 2016
- ¹¹ Metallica Minerals Limited, Sconi Project – Nickel-Cobalt and Scandium Resource Upgrade, released 21 October 2013

Footnotes

- ¹² Metallica Minerals Limited, Very Successful Scandium Pilot Plant Test Work Produces High Purity Scandium Oxide, released 25 July 2012
- ¹³ Jervois Mining Limited, Quarterly Activities Report to 30 June 2016, released 28 July 2016
- ¹⁴ Jervois Mining Limited, Quarterly Activities Report to 30 June 2014, released 30 July 2014
- ¹⁵ Clean Teq Holdings Limited, Syerston Project presentation, released 17 May 2016
- ¹⁶ Jervois Mining Limited, Quarterly Report to 31 December 2015, released 29 January 2016
- ¹⁷ SRK Consulting, Internal company report to Australian Mines Limited, dated October 2016
- ¹⁸ Richard Karn, Australian Scandium Could Create New Market, published 8 August 2011, <https://www.streetwisereports.com/pub/na/richard-karn-australian-scandium-could-create-new-market>
- ¹⁹ Metallica Minerals Limited, Sconi Scandium Project – Positive Pre-Feasibility Study, released 28 March 2013
- ²⁰ Metallica Minerals Limited, Sconi Project – Nickel-Cobalt and Scandium Resource Upgrade, released 21 October 2013
- ²¹ Metallica Minerals Limited, Sconi Scandium Project – Positive Pre-Feasibility Study, released 28 March 2013
- ²² Metallica Minerals Limited, Sconi Project – Nickel-Cobalt and Scandium Resource Upgrade, released 21 October 2013
- ²³ Metallica Minerals Limited, Sconi Scandium Project – Positive Pre-Feasibility Study, released 28 March 2013

Footnotes

²⁴ Clean TeQ Holdings, Completion of Syerston Scandium Project Feasibility Study, released 30 August 2016

²⁵ Metallica Minerals Limited, Sconi Project – Nickel-Cobalt and Scandium Resource Upgrade, released 21 October 2013

²⁶ Clean TeQ Holdings, Syerston Nickel and Cobalt Feasibility Completed, released 5 October 2016

²⁷ Metallica Minerals Limited, Sconi Project – Nickel-Cobalt and Scandium Resource Upgrade, released 21 October 2013

²⁸ Clean TeQ Holdings, Syerston Nickel and Cobalt Feasibility Completed, released 5 October 2016