

26 October 2020

Australian Mines to distribute its Norwest Minerals shareholding to investors

Advanced battery materials developer, Australian Mines Limited (“Australian Mines” or “the Company”) (Australia ASX: AUZ; USA OTCQB: AMSLF; Frankfurt Stock Exchange: MJH) is today announcing it proposes to put a resolution to shareholders for approval at an upcoming general meeting (subject to necessary approval and an appropriate ATO private ruling) to undertake a capital return via an in-specie distribution of its shareholding in Norwest Minerals Limited (“Norwest”) (ASX:NWM).

On the resolution being approved and the distribution proceeding, Australian Mines shareholders will receive approximately 1 NWM share for every 189 Australian Mines shares held at the record date (to be advised).

Australian Mines’ strategic focus is pursuing a dominant position in the production and supply of ethically sourced battery materials. Central to achieving this strategic goal is the development of the Company’s world class Sconi Nickel-Cobalt-Scandium Project in North Queensland and other portfolio assets.

To align Australian Mines’ portfolio with its strategic focus, in November 2018 the Company ‘spun out’ its gold and copper exploration interests into the ASX-listed Norwest Minerals Limited¹. Australian Mines’ minority shareholding in Norwest was placed in escrow until 29 November 2020. As at close of ASX trading on 23 October 2020, Australian Mines’ shareholding in Norwest was valued at approximately \$2.5 million.

As previously advised, Australian Mines’ intention was to distribute its interest in Norwest to its shareholders at the appropriate time. The Company believes the combination of its holding in Norwest coming out of escrow, the current strength of the gold price and positive sentiment in the gold market creates an opportune moment to distribute its Norwest shares to Australian Mines shareholders.

The Company is seeking demerger relief, by way of a Class Ruling application, for both Australian Mines and its shareholders.

¹ Norwest Minerals Limited, Norwest successfully lists on ASX, drilling commenced at Warriedar gold project, released via the ASX Market Announcement Platform on 4 December 2018

Australian Mines Managing Director, Benjamin Bell, commented, “With our strategic focus on becoming a globally significant supplier to the electric vehicle and energy storage industries, Australian Mines’ holding in Norwest is non-core. Our Norwest shares are coming out of escrow at a time when gold is trading at historic highs, up to US\$2,075 per ounce in August 2020, and Norwest has exposure to some potentially attractive gold resources at Marymia East. Now is the ideal time to distribute our Norwest shares to our existing investors.”

*** ENDS ***

This ASX announcement has been approved and authorised for release by Benjamin Bell, Managing Director of Australian Mines Limited.

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Australian Mines is a member of IRMA, the Initiative for Responsible Mining Assurance. This means we are participating in, and supporting, credible independent third-party verification and certification against a comprehensive best-practice standard that addresses the range of environmental and social issues related to industrial-scale mines.

Additionally, Australian Mines supports the vision of a world where the mining industry respects the human rights and aspirations of affected communities, provides safe, healthy and supportive workplaces, minimizes harm to the environment, and leaves positive legacies.

