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Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

ASX RELEASE

Australian Mines seeks to enhance commercial potential of the Sconi Project with additional nickel and cobalt exploration

Australian Mines Limited (“Australian Mines” or “the Company”) is pleased to announce the commencement of an additional exploration program across its Sconi Nickel-Cobalt-Scandium Project (Sconi) in North Queensland, Australia.

The additional exploration program is intended to complement the existing resource at the Sconi Project set out in Table 1 of this report.

The exploration program encompasses fourteen targets (see Table 2 of this report)¹, which are being investigated for their potential nickel and cobalt mineralisation, in the first instance via surface soil and rock sampling, field portable XRF geochemical analysis and geological mapping.

The results of the current program will be used to plan the next phase of exploration at the Sconi Project, which is intended to include a reconnaissance drilling program of priority targets. Further infill and extensional drilling phases may then follow, which would be designed to increase confidence in the grade and volume.

Australian Mines entered into a binding long form offtake agreement (“Offtake Agreement”) with LG Energy Solution (LGES) for mixed nickel-cobalt hydroxide precipitate sourced from Sconi in August 2021².

¹ Australian Mines Limited, *Additional nickel and cobalt targets identified at Sconi Project, North Queensland* (ASX: 15 May 2020)

² Australian Mines Limited, *Binding offtake agreement signed with LG Energy Solution* (ASX: 16 August 2021)
The single condition precedent in the Agreement, states that Australian Mines is to secure financing for construction of the Sconi Project by 30 June 2022 (or such later date as the parties may agree). Australian Mines is progressing financing discussions under the sole condition precedent to the Off-take Agreement and will update the market concerning this in line with its continuous disclosure obligations.

During the initial 6-year term of the offtake agreement LGES has agreed to purchase 71,000 dry metric tonnes (DMT) of nickel and 7,000 DMT of cobalt.

The additional exploration activities being undertaken at Sconi may result in an upward revision of the project's mineral resource estimates (see Table 1 of this report) and the project life span³, with the potential to enhance the longer-term commercial potential of Sconi⁴.

ENDS

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Authorised for release by the Board of Directors of Australian Mines Limited



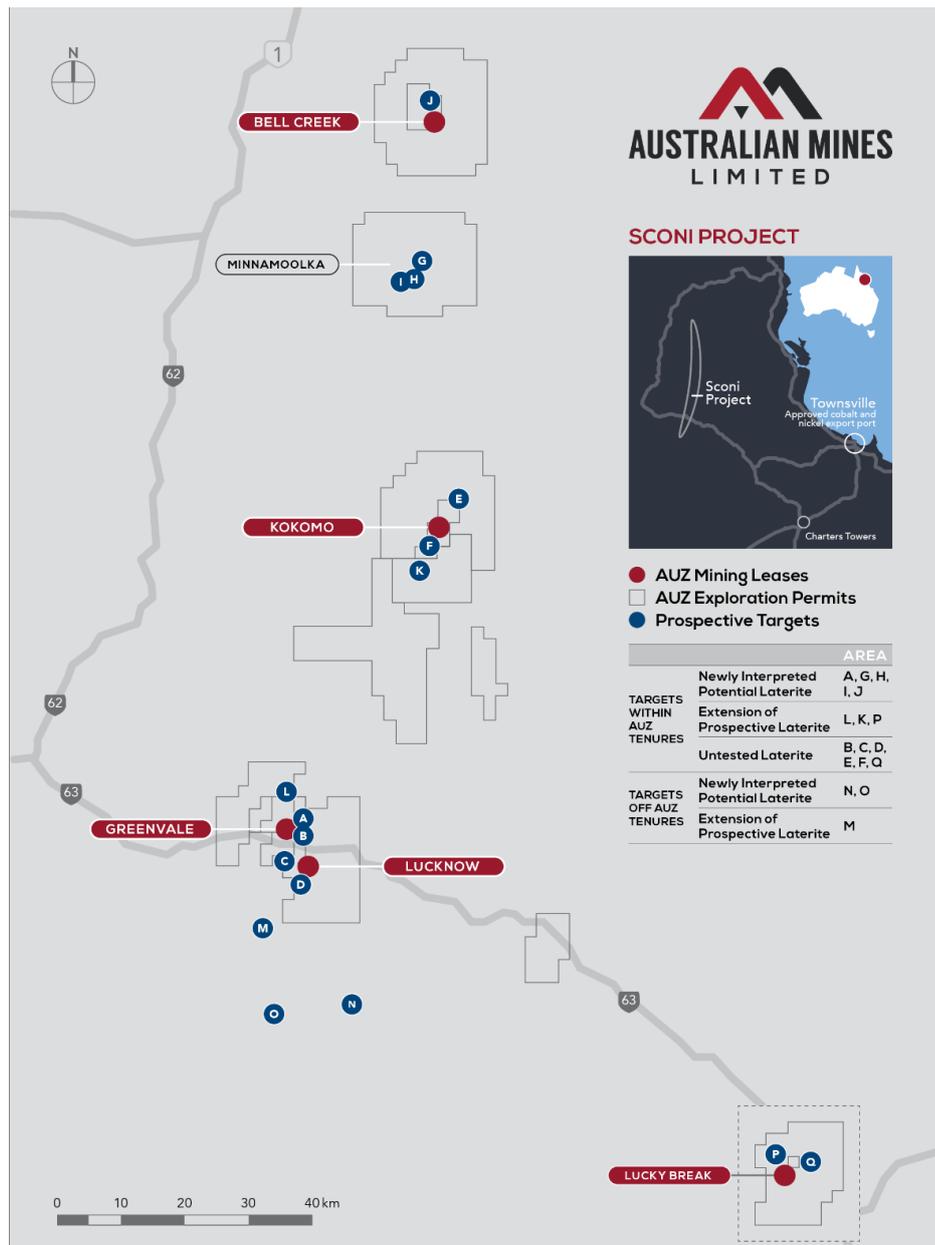
Australian Mines Limited supports the vision of a world where the mining industry respects the human rights and aspirations of affected communities, provides safe, healthy, and supportive workplaces, minimises harm to the environment, and leaves positive legacies.

³ The information outlined on this page was previously released to the market by Australian Mines via the ASX platform on 13 June 2019. Australian Mines confirms in the subsequent public report that all the material assumptions underpinning the forecast financial information derived from a production target, in the initial public report referred to in rule 5.17 continues to apply and have not materially changed.

⁴ Australian Mines Limited, *Sconi to generate \$5 billion in free cashflow* (ASX: 13 June 2019)

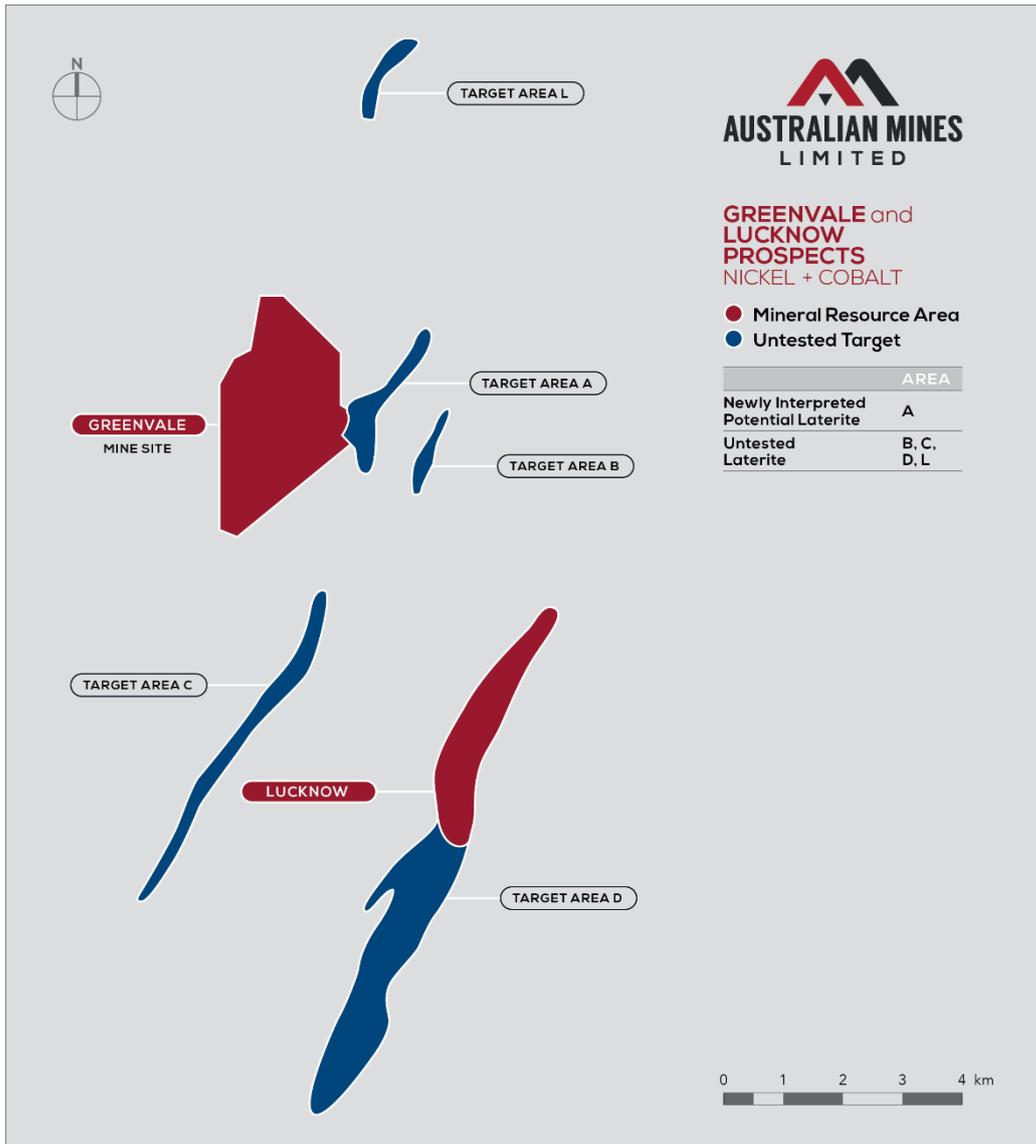
Appendix 1: Sconi Project figures, tables, and images

Figure 1: Nickel and cobalt exploration target areas located within the Sconi Project as identified by independent studies⁵.



⁵ Australian Mines Limited, *Additional nickel and cobalt targets identified at Sconi Project, North Queensland* (ASX: 15 May 2020)

Figure 2: Greenvale and Lucknow Prospects – Interpreted potential nickel and cobalt laterite and untested targets within Australian Mines’ existing Sconi Project⁶.



⁶ Australian Mines Limited, *Additional nickel and cobalt targets identified at Sconi Project, North Queensland (ASX: 15 May 2020)*

Figure 3: Kokomo Prospects – Interpreted potential nickel and cobalt laterite and untested targets within Australian Mines’ existing Sconi Project⁷.



⁷ Australian Mines Limited, *Additional nickel and cobalt targets identified at Sconi Project, North Queensland* (ASX: 15 May 2020)⁷

Figure 4: Minnamoolka Prospects – Interpreted potential nickel and cobalt laterite and untested targets within Australian Mines’ existing Sconi Project⁸.

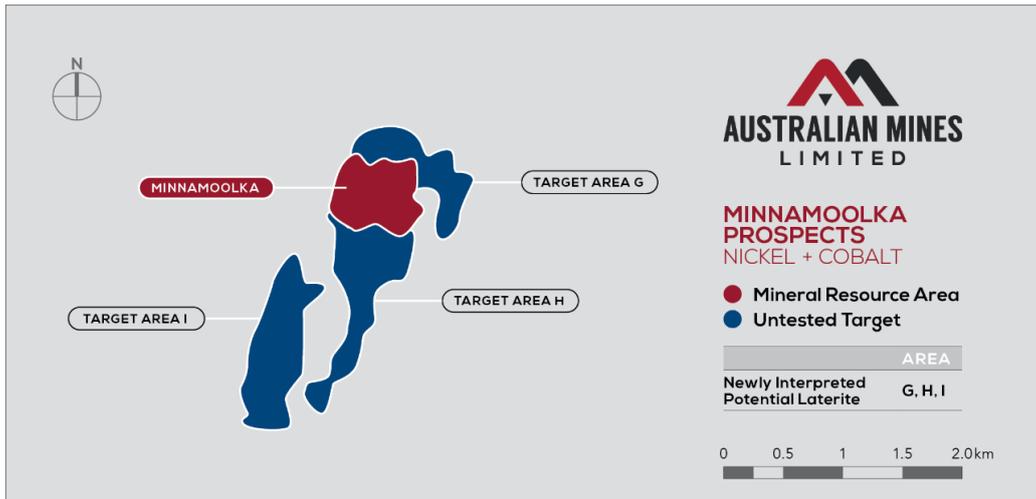


Table 1: Sconi Project Mineral Resource Estimates⁹

Table 1-1: Greenvale Mineral Resource. (Lower cut-off grade: Nickel equivalent 0.40%)

Classification	Tonnes (millions)	Nickel equivalent (%)	Nickel (%)	Cobalt (%)
Measured	5.05	1.06	0.83	0.07
Indicated	17.24	0.90	0.73	0.05
Inferred	10.34	0.63	0.54	0.04
Total	32.63	0.84	0.69	0.05

⁸ Australian Mines Limited, *Additional nickel and cobalt targets identified at Sconi Project, North Queensland (ASX: 15 May 2020)*

⁹ The Mineral Resource Estimates for the Greenvale, Lucknow and Kokomo deposits are reported under JORC 2012 Guidelines and were reported by Australian Mines on 14 February 2019. There has been no Material Change or Re-estimation of the Mineral Resource since this 14 February 2019 announcement by Australian Mines.

Table 1-2: Lucknow Mineral Resource. (Lower cut-off grade: Nickel equivalent 0.55%)

Classification	Tonnes (millions)	Nickel equivalent (%)	Nickel (%)	Cobalt (%)	
Measured	1.60	0.91	0.53	0.11	
Indicated	12.63	0.83	0.47	0.11	
Inferred	0.38	0.66	0.55	0.03	
Total	14.62	0.83	0.48	0.11	

Table 1-3: Kokomo Mineral Resource. (Lower cut-off grade: Nickel equivalent 0.45%)

Classification	Tonnes (millions)	Nickel equivalent (%)	Nickel (%)	Cobalt (%)
Measured	1.62	1.17	0.73	0.15
Indicated	19.37	0.83	0.57	0.09
Inferred	7.48	0.70	0.53	0.07
Total	28.47	0.81	0.57	0.09

Table 1-4: Bell Creek Mineral Resource¹⁰. (Lower cut-off grade: Nickel equivalent 0.45%)

Classification	Tonnes (millions)	Nickel equivalent (%)	Nickel (%)	Cobalt (%)
Measured	11.4	1.02	0.84	0.05
Indicated	12.7	0.74	0.64	0.03
Inferred	1.7	0.66	0.55	0.03
Total	25.8	0.86	0.72	0.04

¹⁰ The Mineral Resource Estimate for the Bell Creek deposit is reported under JORC 2012 Guidelines and was reported by Australian Mines on 29 April 2019. There has been no Material Change or Re-estimation of the Mineral Resource since this 29 April 2019 announcement by Australian Mines.

Table 1-5: Minnamoolka Mineral Resource¹¹. (Lower cut-off grade: Nickel equivalent 0.45%)

Classification	Tonnes (millions)	Nickel (%)	Cobalt (%)
Indicated	11.9	0.67	0.03
Inferred	2.4	0.60	0.02
Total	14.3	0.66	0.03

Table 2: Summary of priority targets located within Australian Mines' existing Sconi tenure¹²

Prospect	Target Area	Description
Greenvale	A	Newly interpreted potential laterite
	B	Untested laterite
	C	Untested laterite
	L	Extension of prospective laterite
Lucknow	D	Untested laterite
Kokomo	E	Untested laterite
	F	Untested laterite
	K	Extension of prospective laterite
Minnamoolka	G	Newly interpreted potential laterite
	H	Newly interpreted potential laterite
	I	Newly interpreted potential laterite
Bell Creek	J	Newly interpreted potential laterite
Lucky Break	P	Extension of prospective laterite
	Q	Extension of prospective laterite

¹¹ The Mineral Resource Estimate for the Minnamoolka deposit is reported under JORC 2012 Guidelines and was reported by Australian Mines on 21 October 2019. There has been no Material Change or Re-estimation of the Mineral Resource since this 21 October 2019 announcement by Australian Mines.

¹² Australian Mines Limited, *Additional nickel and cobalt targets identified at Sconi Project, North Queensland (ASX: 15 May 2020)*

Appendix 2: Forward Looking Statements

This announcement contains forward looking statements. Forward looking statements can generally be identified by the use of forward looking words such as, 'expect', 'anticipate', 'likely', 'intend', 'should', 'could', 'may', 'predict', 'plan', 'propose', 'will', 'believe', 'forecast', 'estimate', 'target', 'outlook', 'guidance', 'potential' and other similar expressions within the meaning of securities laws of applicable jurisdictions.

Any forward looking statements in this document relating to the outcomes of the Sconi Project Feasibility Studies and ongoing refinement work as outlined in this report. Actual results and developments of projects and the market development may differ materially from those expressed or implied by these forward looking statements. These, and all other forward looking statements contained in this announcement are subject to uncertainties, risks and contingencies and other factors, including risk factors associated with exploration, mining, and production businesses. It is believed that the expectations represented in the forward looking statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, drilling and productions results, resource estimations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory changes, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

Any forward looking statement is included as a general guide only and speak only as of the date of this document. No reliance can be placed for any purpose whatsoever on the information contained in this document or its completeness. No representation or warranty, express or implied, is made as to the accuracy, likelihood or achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this document. Australian Mines does not undertake to update or revised forward looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this announcement, except where required by applicable law and stock exchange listing requirements.

To the maximum extent permitted by law, Australian Mines and its Associates disclaim all responsibility and liability for the forward looking statements, including, without limitation, any liability arising from negligence. Recipients of this document must make their own investigations and inquiries regarding all assumptions, risks, uncertainties, and contingencies which may affect the future operations of Australian Mines or Australian Mines' securities.

Appendix 3: Competent Persons Statement – Sconi Project

The Mineral Resource for the Sconi Project contained within this document is reported under JORC 2012 Guidelines. This Mineral Resource for the Greenvale, Lucknow and Kokomo deposits within the Sconi Project were first reported by Australian Mines on 14 February 2019. There has been no Material Change or Re-estimation of the Mineral Resource since this 14 February 2019 announcement by Australian Mines.

The information in this report that relates to Sconi Project's Greenvale, Lucknow and Kokomo Mineral Resources is based on, and fairly reflects, information compiled by Mr David Williams, a Competent Person, who is an employee of CSA Global Pty Ltd and a Member of the Australian Institute of Geoscientists (#4176). Mr Williams has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the "Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves" (JORC Code). Mr Williams consents to the disclosure of information in this report in the form and context in which it appears.

The Ore Reserve for the Sconi Project contained within this document is reported under JORC 2012 Guidelines. This Ore Reserve was first reported by Australian Mines on 13 June 2019. There has been no Material Change or Re-estimation of the Ore Reserve since this 13 June 2019 announcement by Australian Mines.

The information in this report that relates to Ore Reserves is based on, and fairly reflects, information compiled by Mr Jake Fitzsimons, a Competent Person, who is an employee of Orelogy Consulting Pty Ltd and a Member of the Australian Institute of Mining and Metallurgy (MAusIMM #110318). Mr Fitzsimons has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the "Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves" (JORC Code). Mr Fitzsimons consents to the disclosure of information in this report in the form and context in which it appears.

The Mineral Resource for the Bell Creek deposit, located within the Sconi Project, contained within this document is reported under JORC 2012 Guidelines. This Mineral Resource was first reported by Australian Mines on 29 April 2019. There has been no

Material Change or Re-estimation of the Mineral Resource since this 29 April 2019 announcement by Australian Mines.

The information in this report that relates to the Sconi Project's Bell Creek Mineral Resource is based on, and fairly reflects, information compiled by Mr David Williams, a Competent Person, who is an employee of CSA Global Pty Ltd and a Member of the Australian Institute of Geoscientists (#4176). Mr Williams has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the "Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves" (JORC Code). Mr Williams consents to the disclosure of information in this report in the form and context in which it appears.

The Mineral Resource for the Minnamoolka deposit, located within the Sconi Project, contained within this document is reported under JORC 2012 Guidelines. This Mineral Resource was first reported by Australian Mines on 21 October 2019. There has been no Material Change or Re-estimation of the Mineral Resource since this 21 October 2019 announcement by Australian Mines.

The information in this report that relates to the Sconi Project's Minnamoolka Mineral Resources is based on, and fairly reflects, information compiled by Mr David Williams, a Competent Person, who is an employee of CSA Global Pty Ltd and a Member of the Australian Institute of Geoscientists (#4176). Mr Williams has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the "Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves" (JORC Code). Mr Williams consents to the disclosure of information in this report in the form and context in which it appears.