Australian Mines Limited
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30 May 2022

Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000
tradinghaltssydney.com.au

Confirmation of dispatch of Prospectus

Australian Mines Limited (ASX: AUZ) (AUZ or the Company) is pleased to advise that:

1. It has sent the Prospectus concerning the Entitlement Offer announced on 23 May 2022 to Eligible Shareholders as defined in that document and the Offer is now open; and
2. It has completed the placement to clients of Bell Potter to raise approximately $3.7m – ASX Appendix 2A follows.

Attached are the following documents for reference:

- Prospectus;
- Draft Application form;
- Target Market Determination in respect of Options issued under the Prospectus; and
- Cleansing Notice.

Oliver Carton
Company secretary

For more information, please contact:

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

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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.

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Appendix 1: 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 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 Limited 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 Limited or Australian Mines Limited's securities.

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AUSTRALIAN MINES LIMITED
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PROSPECTUS

For an Offer of one New Share and one New Option for every 13.38 Shares held at an issue price of $0.115 per New Share by way of a Non Renounceable Rights Issue to raise approximately $3.7 million before costs (**Offer**).

The Directors have advised that they will take up their full Entitlement under the Offer.

This Prospectus has been prepared for the purposes of section713 of the Corporations Act.

Important Notice

This document is important and should be read in its entirety (including the 'Risk Factors' in section 4) before deciding whether to apply for New Shares. If after reading this Prospectus you have any questions about the New Shares being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The New Shares offered by this Prospectus should be considered speculative.

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IMPORTANT NOTES

This Prospectus is dated 24 May 2022 and a copy of this Prospectus was lodged with the ASIC on that date. ASIC, ASX and its officers, respectively, take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates. No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. The Company will apply to ASX for the New Shares and New Options to be granted quotation on ASX. The fact that ASX may quote the New Shares and New Options is not to be taken in any way as an indication of the merits of Australian Mines.

The Offer is not available to the general public and is only available to Shareholders on the Record Date.

This Prospectus does not constitute an offer in any place in which or to any person to whom it would not be lawful to make such an offer.

No action has been taken to lodge this Prospectus in any jurisdiction outside of Australia or New Zealand or to otherwise permit a public offering of Rights or New Shares and New Options in any jurisdiction outside Australia or New Zealand. This Prospectus is not to be distributed in, and no offer of New Shares and New Options is to be made in, countries other than Australia or New Zealand.

Neither the Rights, nor New Shares and New Options have been or will be registered under the US Securities Act of 1933 and may only be offered, sold or resold in, or to persons in, the United States in accordance with an available exemption from registration.

It is the responsibility of Applicants to ensure compliance with any laws of a country relevant to their application. Return of a duly completed Entitlement and Acceptance Form will be taken by Australian Mines as a representation that there has been no breach of such laws, that the Applicant is an Eligible Shareholder and that the Applicant is physically present in Australia.

No person is authorised to give information or to make any representation in connection with this Prospectus which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

Applicants should rely on their own knowledge of the Company, refer to disclosures made by the Company to the ASX and consult their professional advisers before deciding whether to accept the Offer. Announcements made by the Company to ASX are available from the ASX website at http://www.asx.com.au/. The information in this Prospectus does not constitute a securities recommendation or financial product advice.

In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

This Prospectus including each of the documents attached to it and which form part of this Prospectus is important and should be read in its entirety prior to making an investment decision. If you do not fully understand this Prospectus or are in any doubt as to how to deal with it, you should consult your professional adviser.

In particular, it is important that you consider the risk factors in section 5 that could affect the performance of the Company before making an investment decision.

Some words and expressions used in this Prospectus have defined meanings which are explained in section 6.

IMPORTANT DATES

Event	Date
Announcement of the Entitlement Offer, lodgement of Appendix 3B, lodgement of prospectus	Tuesday, 24 May 2022
Trading on an ex-entitlement basis	Thursday, 26 May 2022
Entitlement Offer Record Date	Friday, 27 May 2022
Retail Entitlement Offer prospectus dispatched and Retail Entitlement Offer opens	Tuesday, 31 May 2022
Retail Entitlement Offer closes	5:00pm, Friday, 10 June 2022
Securities trading on a deferred settlement basis	Tuesday, 14 June 2022
Announcement of results of Entitlement Offer and shortfall	Friday, 17 June 2022

The dates set out in the timetable above are indicative only and are subject to change without notice. Any change in the timetable does not affect the rights or obligations an investor or shareholder has following acceptance of an allocation in the Placement and/or the Entitlement Offer.

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1. DETAILS OF THE OFFER

1.1 Purpose of the Offer

As announced to the ASX on 23 May 2022, the Company has commenced a capital raising program as follows:

- The Placement to institutional and sophisticated investors to raise $3.7m;
- This Offer.

The proceeds from the Placement and Offer are to be used for:

- Exploration programs at Sconi to seek to increase size of resource,
- Additional studies to support Sconi Project Financing process,
- Expansion of senior leadership team, and
- Working capital and costs of offer.

1.2 Section 713 Corporations Act

Section 713 of the Corporations Act sets out special content rules for prospectuses for an offer of continuously quotes securities or options over continuously quoted securities. The New Shares and New Options meet this definition, and accordingly the Company has relied on disclosures made to ASX to meet some of its disclosure obligations in this Prospectus. This Prospectus therefore does not contain all the information usually included in a Prospectus and Shareholders should refer to disclosures made by the Company to ASX.

1.3 Details of the Offer

This Prospectus offers via a non renounceable pro rata entitlements issue to Shareholders approximately 32,173,913 New Shares and 32,173,913 New Options on the basis of 1 New Share and 1 New Option for every 13.38 Shares held at the Record Date at an issue price of $0.115 for each New Share to raise approximately $3.7 million before issue costs.

Shareholders who are on Australian Mines' Share Register at the close of business on the Record Date, being 5:00 pm on 27 May 2022, will receive the Offer.

The offer includes one 1 free option attaching to every one 1 New Share issued, having an exercise price of $0.14 and an expiry date of 5:00pm (AEDT) on 30 May 2024. The Company will apply to ASX to list the New Options.

Fractional entitlements will be rounded up to the nearest whole number of New Shares and New Options, and therefore the maximum number of New Shares to be issued is approximate. For this purpose, holdings in the same name are not aggregated for calculation of Entitlements, however, if Australian Mines considers that holdings have been split to take advantage of rounding, Australian Mines reserves the right to aggregate holdings held by associated Shareholders for the purpose of calculating Entitlements.

An Entitlement and Acceptance Form setting out your Entitlement to New Shares and New Options accompanies this Offer Document. The New Shares offered under this Prospectus will rank equally with the Existing Shares on issue. A summary of the rights and liabilities attaching to the Shares and Options is set out in section 4.1.

The maximum amount to be raised under the Offer is $3.7m. There is no minimum amount. If less than $3.7m is raised, Australian Mines will scale back its proposed operations accordingly.

1.4 Applying for additional New Shares and New Options

Entitlements not taken up may become available as Additional New Shares and New Options. Eligible Shareholders may, in addition to their Entitlement, apply for Additional New Shares and New Options regardless of the size of their present holding.

The allocation of Additional New Shares and New Options (if any) will depend on the availability of Entitlements not taken up and will be determined by the Board at its absolute

discretion. It may be necessary to scale back allocations depending on the level of Applications received. The Board will determine the methodology used for any scale back at its absolute discretion.

It is an express term of the Offer that applicants for Additional New Shares and New Options will be bound to accept a lesser number of Additional New Shares and New Options allocated to them than applied for. If a lesser number is allocated to them, excess Application Money will be refunded without interest. There can be no guarantee that you will receive any Additional New Shares and New Options applied for, and you may receive all, some or none of them.

Excess Application Money will be refunded without interest..

1.5 Opening and Closing Dates

The opening date of the Offer will be 31 May 2022 and the Closing Date will be 10 June 2022. The Directors reserve the right to close the Offer early or extend the Closing Date (as the case may be), should it be considered by them necessary to do so, subject to the Corporations Act and ASX Listing Rules.

1.6 Application

An Application for New Shares must be made using the Application Form attached to this Prospectus and must follow the procedures advised to them by the Company to apply for New Shares under the Offer.

All Application Money received before New Shares and New Options are issued will be held in a special purpose account. Excess Application Money received for Additional New Shares and New Options if not accepted will be refunded without interest. Upon allotment of New Shares and New Options the balance of funds in the account plus accrued interest will be received by the Company. If the New Shares and New Options are not quoted by ASX within three months after the date of this Prospectus, Australian Mines will refund all Application Money in full (without interest).

1.7 Risks

Section 4 outlines the key risk factors involved in investing in the Company. The risks identified by the Directors are not exhaustive and Shareholders should read this Prospectus in full and seek professional advice if they require further information on material risks in deciding whether to subscribe for New Shares and New Options.

1.8 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, no persons (together with their associates) have a relevant interest in 5% or more of the Shares on issue.

There will be no change to the substantial holders on completion of the Offer.

1.9 Effect of the Offer on the Control of the Company

There will be no effect on control as a result of the Offer.

1.10 Effect on Financial Position of the Company

The expected financial impact of the Offer will be to increase cash reserves of the Company by $3.7m before costs. Section 2 sets out further in formation.

1.11 ASX Quotation

Application will be made within seven days of the date of issue of this Prospectus for the New Shares and New Options to be granted Official Quotation by ASX.

If the New Shares are not quoted by ASX within three months after the date of this Prospectus, the Company will not issue any New Shares and will refund all Application Money in full as soon as practicable, without interest.

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The fact that ASX may agree to grant Official Quotation of the New Shares and New Options is not to be taken in any way as an indication of the merits of the Company or the New Shares or New Options.

1.12 Offer Outside Australia

The Offer in this Prospectus is not being extended to any Shareholder, as at the Record Date, whose registered address is not situated in Australia or New Zealand because of the small number of such Shareholders, the cost of complying with applicable regulations in jurisdictions outside Australia and the value of the Securities offered. The Prospectus is sent to those Shareholders for information only.

Recipients may not send or otherwise distribute this Prospectus or the Entitlement and Acceptance Form to any person outside Australia and New Zealand (other than to Eligible Shareholders).

1.13 Market Prices of Existing Shares on ASX

During the three months immediately preceding the lodgement of this Prospectus with ASIC, and the last market sale price on the date before the lodgement date of this Prospectus:

(a) the highest and lowest market sale price of the Existing Shares, which are on the same terms and conditions as the New Shares being offered under this Prospectus, are set out below:

	6 months high	6 months low	Last Market Sale Price
Share Price	$0.245	$0.12	$0.135
Date	11 April 2022	11 May 2022	19 May 2022

(b) The volume weighted average sale price (VWAP) on the Australian Securities Exchange of the Shares during the historic periods up to the close on 19 May 2021 were:

0.151 cents VWAP for the 15 day trading period

0.177 cents VWAP for the 30 day trading period, and

1.14 CHESS

The Company participates in the Clearing House Electronic Sub-register System (**CHESS**). ASX Settlement, a wholly owned subsidiary of ASX, operates CHESS in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, applicants will not receive a certificate but will receive a statement of their holding of New Shares.

If you are broker sponsored, ASX Settlement will send you a CHESS statement.

The CHESS statement will set out the number of New Shares issued under this Prospectus, provide details of your holder identification number and give the participation identification number of the sponsor.

If you are registered on the issuer sponsored sub register, your statement will be dispatched by the Company's share registrar and will contain the number of New Shares issued to you under this Prospectus and your security holder reference number.

A CHESS statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their securities holding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

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1.15 Taxation Implications

The Directors do not consider that it is appropriate to give advice regarding the taxation consequences of applying for New Shares under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation positions of applicants. Applicants should consult their own professional tax adviser in connection with the taxation implications of the Offer.

1.16 Enquiries

If you require further information about the Offer, please contact Automic on 1300 288 664 or +61 2 9698 5414 between 8:30am and 5:00pm (AEST) or email corporate.actions@automicgroup.com.au.

You can also contact your stockbroker or professional adviser with any queries in relation to the Offer.

2. USE OF FUNDS AND EFFECT OF THE ISSUE

2.1 Use of Funds

As set out in the ASX Announcement dated 23 May 2022, Australian Mines will use funds raised from the Placement and the Offer to executes its plan to bring its flagship Sconi Project into production. The funds will be applied to project financing activities, to bolster the management team and exploration outside the Sconi Project's current Ore Reserve and Mineral Resource.

Exploration programs to seek to increase size of resource	$0.95 million
Additional studies to support Sconi Project Financing process	$1.00 million
Expansion of senior leadership team	$0.75 million
Working capital and costs of offer	$1.00 million
Total	**$3.70 million**

The Directors reserve the right to make any adjustments to the use of funds as they see fit to manage the needs of the Company. Additional funds up to a maximum value of $4.508 million may become available to the Company, should the New Options be exercised, however, the Company is not relying on these additional funds for its planned work programs

2.2 Effect of the Offer on Capital Structure

The effect of the Offer on the Company's capital structure is as follows:

Ordinary shares	Number	Equity percentage
Existing Shares	430,357,697	87%
Placement Shares	32,173,913	6.5%
New Shares	32,173,913	6.5%
Total	494,705,523	100%

Options	Number	Equity percentage
Existing Options	0	0
Placement Options	32,173,913	50%
New Options	32,173,913	50%
Total	**64,347,826**	**100%**

2.3 Statement of Financial Position

Set out below is the audit reviewed Consolidated Balance Sheet of the Company as at 31 December 2021 and an unaudited pro forma Consolidated Balance Sheet of the Company after the Rights Issue assuming that the amount of $3.7 million is received. The financial information prepared below is prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS).

	Audited Financial Report 31 December2021	Adjustments	Pro forma unaudited Financial Report 2021
	$000	$000	$000
CURRENT ASSETS			
Cash and cash equivalents *	5,749	3,700	9,449
Trade and other receivables	567		567
TOTAL CURRENT ASSETS	6,316	3,700	10,016
NON-CURRENT ASSETS			
Exploration and evaluation assets	34,452		34,452
Investment accounted for equity method	-		-
Intangibles	16		16
Property, plant and equipment	360		360
TOTAL NON-CURRENT ASSETS	34,828		34,828
TOTAL ASSETS	41,143	3,700	44,843
CURRENT LIABILITIES			
Trade and other payables	557		557

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Provisions	185		185
Lease Liability	164		164
TOTAL CURRENT LIABILITIES	906		906
NON-CURRENT LIABILITIES			
Provisions	-		-
Lease Liability	99		99
TOTAL NON-CURRENT LIABILITIES	99		99
TOTAL LIABILITIES	1,005		1,005
NET ASSETS	40,139		43,838
EQUITY			
Contributed equity	97,982	3,700	101,682
Reserves	4,145		4,145
Accumulated losses	(61,988)		(61,988)
TOTAL EQUITY	40,139	3,700	43,838

* The potential funds on completion of the Offer (using 31 December 2021 closing cash as a starting point) does not represent the actual or prospective cash or financial position of Australian Mines. The above table does not take into account activities of the Company since 1 January 2022 and this expenditure is not recognised in the pro-forma Statement of Financial Position. The above table does not take into account the costs of the Offer.

The Offer will therefore have the effect of increasing the Company's cash assets by $3.7m before costs, assuming all Entitlements are taken up. As disclosed in the ASX Appendix 5B lodged on 29 April 2022, as at 31 March 2022 the Company held $3.051m in cash. Since that time it has incurred further expenses, and raised $3.7m before costs by way of the Placement.

3. ACTION REQUIRED BY SHAREHOLDERS

3.1 What Eligible Shareholders may do

The number of New Shares and New Options to which Eligible Shareholders are entitled (your Entitlement) is shown on the accompanying Entitlement and Acceptance Form.

If you do not take up your Entitlement, then your percentage holding in the Company will be diluted.

As an Eligible Shareholder, you may:

- take up all of your Entitlement (refer Section 3.2);
- apply for Additional New Shares and New Options (refer Section 3.3);

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- take up part of your Entitlement and allow the balance to lapse (refer Section 3.4); or
- allow all or part of your Entitlement to lapse (refer section 3.4).

Non-qualifying Foreign Shareholders may not take any of the steps set out in Sections 3.2 to 3.6.

3.2 Taking up all of your Entitlement

If you wish to take up all of your Entitlement, complete the accompanying Entitlement and Acceptance Form for New Shares and New Options in accordance with the instructions set out in that form.

You must pay the Application Money in accordance with Section 3.6 to reach the Company's Share Registry no later than 5:00 pm AEDT on 10 June 2022.

3.3 Applications for Additional New Shares and New Options

Eligible Shareholders who have applied for their full Entitlement may, in addition to their Entitlement, apply for Additional New Shares and New Options as described in section 1.4. There is no limit to the amount of Additional New Shares and New Options you may apply for, however there can be no guarantee that you will receive all or any of the Additional New Shares and New Options applied for.

A single payment should be used for the Application Money for your Entitlement and the number of Additional New Shares and New Options you wish to apply for as stated on the Entitlement and Acceptance Form.

Payment may also be made by Electronic Funds Transfer (EFT) or BPay, utilising the reference numbers and details from your personalised Entitlement and Acceptance Form.

3.4 Taking up part of your Entitlement and allowing the balance to lapse

If you wish to take up part of your Entitlement and allow the balance to lapse, complete the accompanying Entitlement and Acceptance Form for the number of New Shares and New Options you wish to take up and follow the steps required in accordance with Section 3.6. If you take no further action, the balance of your Entitlement will lapse.

3.5 Allow all your Entitlement to lapse

The Offer is non-renounceable, therefore any part of your Entitlement that is not accepted will lapse and you will receive no benefit from it. Your Entitlement may be used to satisfy an Eligible Shareholder's application for Additional New Shares and New Options. Further, the Australian Mines Board reserves the right to place any Shortfall on the same terms as set out in this Prospectus within the three months after the Closing Date.

3.6 Payment

(a) Payment by BPAY®

To apply and pay via BPAY, you should:

- Read this Prospectus and the Entitlement and Acceptance Form in their entirety and seek appropriate professional advice if necessary; and
- Make your payment via BPAY for the number of New Shares and New Options you wish to subscribe for so that it is received by no later than 5:00pm (AEDT) on 10 June 2022. You can only make a payment via BPAY if you hold an account with an Australian financial institution.

(b) EFT

To apply and pay via EFT, you should:

- Read this Prospectus and the Entitlement and Acceptance Form in their entirety and seek appropriate professional advice if necessary; and
- Make your payment via EFT for the number of New Shares and New Options you wish to subscribe for so that it is received by no later than 5:00pm (AEDT) on 10 June 2022.

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- IMPORTANT: You must quote your unique reference number as your payment reference/ description when processing your EFT payment. Failure to do so may result in your funds not being allocated to your application and Shares subsequently not issued.

If you choose to pay via BPAY or EFT, you are not required to submit the Entitlement and Acceptance Form.

If you make payment by 5:00pm (AEDT) on 10 June 2022, New Shares and New Options will be allotted to you on 17 June 2022.

Your payment will not be accepted after 5:00pm (AEDT) on 10 June 2022 and no New Shares and New Options will be issued to you in respect of that Application.

If you have multiple holdings you will have multiple EFT or BPAY reference numbers. To ensure you receive your Entitlement in respect of that holding, you must use the customer reference number shown on each personalised Entitlement and Acceptance Form when paying for any New Shares and New Options that you wish to apply for in respect of that holding.

Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. You may also have your own limit on the amount that can be paid via EFT or BPAY. It is your responsibility to check that the amount you wish to pay via EFT or BPAY does not exceed your limit.

If the amount of payment is insufficient to pay in full for the number of New Shares and New Options you applied for, or is more than the number of New Shares and New Options you applied for, you will be taken to have applied for such whole number of New Shares and New Options which is covered in full by your payment, to the extent that this does not exceed your Entitlement. Alternatively, Australian Mines may in its discretion reject your Application, in which case any payment will be refunded to you after the allotment date in accordance with the Corporations Act, without interest.

If you apply for Additional New Shares and Additional New Options in excess of your Entitlement and you are not allocated all or some of the Additional New Shares and Additional New Options, the relevant payment will be refunded to you after the allotment date in accordance with the Corporations Act, without interest.

3.7 Enquiries

If you have any questions about your Entitlement, please contact the Share registry, Automic on 1300 288 664 or +61 2 9698 5414 between 8:30am and 5:00pm (AEST) or email corporate.actions@automicgroup.com.au.

Alternatively, contact your stockbroker or other professional adviser.

4. RIGHTS AND LIABILITIES ATTACHING TO NEW SHARES AND NEW OPTIONS

4.1 Rights attaching to New Shares

The New Shares will rank equally in all respects with all Existing Shares. The rights attaching to the Shares arise from a combination of the Company's Constitution, the Corporations Act, the Listing Rules and general law. A copy of the Company's Constitution is available for inspection free of charge during business hours at its registered office.

The following is a summary of the more significant rights and liabilities attaching to the Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

(a) **General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

(i) Each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;

(ii) On a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and

(iii) On a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held.

(c) **Dividend rights**

The Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid is of the total amounts paid and payable in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

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Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

4.2 Terms and Conditions of New Options

The terms and conditions of the New Options are as follows:

(a) the New Options will be exercisable at any time prior to 5:00pm AEDT on 30 May 2024, New Options not exercised on or before the Option Expiry Date will automatically lapse;

(b) each New Option entitles the holder to subscribe for one Share upon payment of $0.14 per New Option;

(c) the New Options may be exercisable wholly or in part by completing an application form for Shares delivered to the Company's Share Registry, accompanied by payment of $0.14 per New Option, and received by it any time prior to the Option Expiry Date;

(d) the Company will in accordance with Listing Rule 2.8, make application to have the New Options listed for Official Quotation;

(e) shares issued on the exercise of the New Options will rank pari-passu with the then existing issued ordinary shares;

(f) the Company will in accordance with Listing Rule 2.8, make application to have Shares allotted pursuant to an exercise of New Options listed for Official Quotation;

(g) there will be no participating entitlements inherent in the New Options to participate in new issues of capital which may be offered to Shareholders during the currency of the New Options. Prior to any new pro rata issue of securities to Shareholders, holders of New Options will be notified by the Company;

(h) in the event the Company proceeds with a pro rata issue (except a bonus issue) of Shares to the holders of Shares after the date of issue of the New Options, the exercise price of the New Options will be adjusted in accordance with the formula set out in Listing Rule 6.22.2;

(i) in the event of any re-organisation (including reconstructions, consolidations, subdivision, reduction of capital) of the issued capital of the Company, the New Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged; and

(j) the New Options will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant New Options.

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5. RISK FACTORS

5.1 Overview

(a) The New Shares offered under this Prospectus are considered speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus, and to consult their professional advisers, before deciding whether to apply for New Shares pursuant to this Prospectus.

(b) There are specific risks which relate directly to the business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

(c) The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

5.2 Company Specific Risks

(a) **Mining and Exploration Risk**

Exploration and mining companies are subject to the inherent risks of the mineral industry. The future viability and profitability of the Company as an exploration and mining company will depend on the number of factors, including but not limited to:

(i) commodity prices and currency exchange rates are constantly changing. The Company's future revenue will be mainly derived from the sale of nickel and cobalt. Consequently, the Company's ability to attract funding for further exploration of its projects and/or potential future earnings could be closely related to the price of nickel and cobalt. The price of nickel and cobalt fluctuates and is affected by factors including the relationship between global supply, forward selling by producers, production cost levels in major producing regions and general global economic conditions such as inflation, interest rates and currency exchange rates. Changes in nickel or cobalt prices may materially impact on the cashflows and profitability of the Company. In addition, a significant portion of the Company's future revenue (if realised) and expenditure is expected to be denominated in US and Australian dollars. Accordingly, movements in currency exchange rates may affect cash flows, profitability, costs, expenses and revenue. It is not possible to accurately predict future movements in metal prices and/or exchange rates;

(ii) risks inherent in exploration and mining include, among other things, successful exploration and identification of ore reserves, satisfactory performance of mining operations if a minable deposit is discovered and competent management;

(iii) risks associated with obtaining the grant of any or all of the Company's mining tenements or permits which are applications, or renewal of tenements upon expiry of their current term, including the grant of subsequent titles where applied for over the same ground;

(iv) applications may also be subject to additional processes and requirements under the Native Title Act. The right to negotiate process under Native Title matters can result in significant delays to the implementation of any project or stall it. Negotiated native title agreements may adversely impact on the economics of projects depending on the nature of any commercial terms agreed;

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(v) the risk of material adverse changes in the government policies or legislation of Australia affect the level and practicality of mining and exploration activities;

(vi) environmental management issues, laws and regulations with which the Company may be required to comply from time to time;

(vii) poor access to exploration areas as a result of the remoteness of difficult terrain;

(viii) poor weather conditions over a prolonged period which may adversely affect mining and exploration activities and the timing of earning revenues;

(ix) The Company's capital and operating costs estimates are based on the best available information at the time. Any significant unforeseen increases in the capital and operating costs associated with the development of the Company's projects would impact the Company's future cash flow and profitability;

(x) ASIC has commenced proceedings to obtain a civil penalty against the Company (see announcement lodged on 10 May 2022). The Company intends to defend the proceedings. The proceedings may cause delays in obtaining permits and licensing from regulatory authorities;

(xi) The Company's financing and development timeframes depend on tenements which it has applied for in order to progress its projects being granted within expected timeframes, including the Greenvale Mining Lease. The Company may lose title to, or interests in, its tenements if the conditions to which those tenements are subject are not satisfied or if insufficient funds are available to meet expenditure commitments. Both the conduct of operations in relation to the Company's existing projects and the steps involved in applying for and acquiring new interests will involve compliance with numerous procedures and formalities. In particular, the tenements are subject to expenditure and work commitments which must be complied with in order to keep the tenements in good standing. Failure to meet these commitments could lead to forfeiture of the tenement; and

(xii) business risks associated with AUZ's binding Terms Sheet for Offtake Agreement with LG Energy Solution Ltd.

5.3 General Risks

(a) **Economic**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's development and production activities, as well as on its ability to fund those activities.

(b) **Market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors. The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing. In particular, the Company is completing a Feasibility Study for production at its Sconi Project, which Project will require significant

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funding to enable it to meet production targets under its Binding Offtake Agreement with SKI.

Any additional equity financing may dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations. There is, however, no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(d) **Dividends**

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. The Company can give no assurance in relation to the payment of dividends or franking credits attaching to dividends.

(e) **Reliance on key personnel**

The Company's success depends on its ability expand its leadership team by attracting and retaining and motivate high-performing personnel with specialist skills, and on the performance of its personnel. The Company's recruiting efforts may be limited or delayed by laws and regulations, such as restrictive immigration laws, and restrictions on travel or availability of visas (particularly during the ongoing COVID-19 pandemic). There is no guarantee that the Company will be able to attract and retain the personnel it requires to execute its business plan. Any loss of key personnel or under-resourcing could cause significant disruptions to the development of the Sconi Project and the Company's business generally.

(f) **Insurance risks**

The Company maintains insurance for certain activities within ranges of coverage that it believes to be consistent with industry practice and having regard to the nature of activities being conducted. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

(g) **Market risk and interest rate volatility**

From time to time, the Company may borrow money and accordingly will be subject to interest rates which may be fixed or floating. A change in interest rates would be expected to result in a change in the interest rate to the Company and, hence, may affect its profit.

(h) **Share market**

There are general risks associated with an investment and the share market. The price of the Company's securities on the ASX may rise and fall depending on a range of factors beyond the Company's control and which are unrelated to the Company's financial performance. These factors may include movements on international stock markets, interest rates and exchange rates, together with domestic and international economic conditions, inflation rates, investor perceptions, changes in government policy, commodity supply and demand, government taxation and royalties, war, global hostilities and acts of terrorism.

(i) **Liquidity risk**

There is no guarantee that there will be an ongoing liquid market for the Company's securities. Accordingly, there is a risk that, should the market for the Company's securities become illiquid, Shareholders will be unable to realise their investment in the Company.

(j) **Investment speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others

not specifically referred to above may, in the future, materially affect the financial performance of the Company and the value of the Company's securities.

6. ADDITIONAL INFORMATION

6.1 Continuous Disclosure Obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities. The New Shares which will be issued pursuant to this Prospectus are in the same class as Shares that have been quoted on the official list of the ASX during the 12 months prior to the issue of this Prospectus.

This Prospectus is a prospectus to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities in a class which has been continuously quoted by ASX in the three months prior to the date of the prospectus, and options over such continuously quoted securities. In general terms "transaction specific prospectuses" are only required to contain information in relation to the effect of the issue of New Shares on the Company and the rights attaching to the New Shares. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

(a) it is subject to regular reporting and disclosure obligations;

(b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and

(c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:

  (i) the most recent annual financial statements of the Company lodged with the ASIC before the issue of this Prospectus;

  (ii) any half year report of the Company lodged with ASIC after the lodgment of the annual financial report in (i) above and before the lodgment of this Prospectus; and

  (iii) any documents used to notify ASX of information relating to the Company in the period from lodgement of the financial statements referred to in paragraph (i) above until the issue of the Prospectus in

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accordance with the Listing Rules as referred to in section 674(1) of the Corporations Act.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

The Company has lodged the following announcements with ASX since the lodgement of the annual financial report for the financial year ended 30 June 2022:

Date	Document
23/05/2022 10:09 AM	Proposed issue of securities - AUZ 8 pages 36.3KB
23/05/2022 9:47 AM	Proposed issue of securities - AUZ 6 pages 31.1KB
23/05/2022 9:47 AM	Investor presentation 34 pages 6.1MB
23/05/2022 9:46 AM	Placement and Entitlement Offer 5 pages 136.7KB
20/05/2022 9:14 AM	Trading Halt 2 pages 608.1KB
11/05/2022 2:36 PM	Final Director's Interest Notice 2 pages 145.1KB
11/05/2022 2:35 PM	Appoints Interim CEO 3 pages 94.3KB
11/05/2022 10:47 AM	ASIC Proceedings 2 pages 74.8KB
10/05/2022 3:49 PM	ASIC proceedings 2 pages 74.7KB
10/05/2022	Trading Halt

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11:47 AM	2 pages 469.3KB
10/05/2022 11:37 AM	Pause in Trading 1 page 110.4KB
06/05/2022 2:51 PM	Exploration update - Lachlan Project 17 pages 2.3MB
05/05/2022 9:22 AM	Exploration update - Biloela Project 16 pages 1.6MB
29/04/2022 9:27 AM	Quarterly Activities Report 22 pages 305.1KB
29/04/2022 9:26 AM	Appendix 5B 6 pages 171.5KB
22/04/2022 9:15 AM	Nickel and cobalt exploration commences at Sconi Project 11 pages 676.3KB
12/04/2022 10:15 AM	West Kimberley Project exploration update 22 pages 2.1MB
12/04/2022 10:11 AM	Pause in Trading 1 page 108.5KB
11/04/2022 9:11 AM	Solid State Hydrogen Storage Presentation 3 pages 120.4KB
05/04/2022 8:41 AM	Strategy Update 41 pages 6.6MB
04/04/2022	Pre-Feasibility Study Commences on

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9:57 AM	Alternative Processing 5 pages 178.5KB
15/03/2022 4:30 PM	Half Year Accounts 23 pages 411.4KB
09/03/2022 10:13 AM	Proof-of-Concept Study Completed for Alternative Processing 8 pages 304.5KB
18/02/2022 8:10 AM	Change of share registry details 2 pages 66.7KB
09/02/2022 8:52 AM	Greenvale Mining Lease Compensation Agreement 3 pages 78.4KB
04/02/2022 8:21 AM	Sconi Owners Team Appointment 3 pages 94.5KB
03/02/2022 9:37 AM	R&D Tax Offset Refund 3 pages 139.4KB
31/01/2022 8:52 AM	Quarterly Activities Report 22 pages 456.3KB
31/01/2022 8:06 AM	Appendix 5B 5 pages 172.0KB
10/01/2022 10:05 AM	Change of Director's Interest Notice x 4 11 pages 290.3KB
30/12/2021 4:44 PM	Confirmation of share consolidation 1 page 203.2KB
20/12/2021	Consolidation/Split - AUZ

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12:26 PM	4 pages 25.7KB
17/12/2021 4:33 PM	Results of Meeting 2 pages 420.9KB
17/12/2021 8:22 AM	2021 AGM - Chairman's Address 7 pages 159.0KB
17/12/2021 8:22 AM	2021 AGM - Presentation 32 pages 2.8MB
17/11/2021 4:52 PM	Investor Presentation 37 pages 5.7MB
17/11/2021 9:42 AM	Notice of Annual General Meeting 37 pages 491.4KB
02/11/2021 9:13 AM	JobKeeper Report 1 page 30.8KB
25/10/2021 8:37 AM	Quarterly Activities Report 23 pages 335.8KB
25/10/2021 8:28 AM	Annual Report to shareholders 90 pages 9.6MB
25/10/2021 8:13 AM	Appendix 4G 13 pages 254.2KB
25/10/2021 8:12 AM	Appendix 5B

Announcements are available online from ASX at www2.asx.com.au, and from the Company's website – www.australianmines.com.au/our-value-proposition.

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6.2 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

(a) the formation or promotion of the Company;

(b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the offer of New Shares pursuant to this Prospectus; or

(c) the offer of New Shares pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner, either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the firm in connection with the formation or promotion of the Company or offer of New Shares pursuant to this Prospectus.

Directors' direct and indirect interests in securities of the Company at the date of this Prospectus are:

Director	Shares	Options	Performance Rights
Michael Ramsden	7,209,469	Nil	Nil
Michael Elias	1,842,290	Nil	Nil
Dominic Marinelli	4,485,738	Nil	Nil
Les Guthrie	Nil	Nil	Nil

The Directors may be paid such remuneration as is from time to time determined by the Company in general meeting and all travelling, hotel and other expenses properly incurred by them in attending at and returning from meetings of the directors or any committee of the directors or general meetings of the Company or otherwise in connection with the business of the Company. The Directors remuneration is deemed to accrue from day to day and the remuneration (other than a managing director or other executive director) shall be a fixed sum and not a commission or calculated on a percentage of profits or turnover.

A Director may be paid a fee or other amounts (i.e. non-cash performance incentives such as options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The Directors' remuneration for the 2021 financial year, together with the current financial year is set out in the table below:

Director	Remuneration for FY2021	Current financial year
Michael Ramsden	$105,000	$105,000
Michael Elias	$70,000	$70,000
Dominic Marinelli	$70,000	$70,000
Lee (Les) Guthrie *	$70,000	Daily rate of $1,600

* Mr Guthrie assumed the role of Interim CEO on 11 May 2022 pending the appointment of a replacement CEO.

6.3 Interests and Consents of Experts and Advisers

Other than as set out in this Prospectus, all persons named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation of or distribution of this Prospectus do not have, and have not had in the two years before the date of this Prospectus, any interest in:

(a) the formation or promotion of the Company;

(b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the offer of New Shares pursuant to this Prospectus; or

(c) the offer of New Shares pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) and no other benefit has been given or agreed to be given to any of those persons for services provided by those persons in connection with the formation or promotion of the Company or the offer of New Shares pursuant to this Prospectus.

6.4 Consents

Other than as set out in this Prospectus, each of the parties named in this Prospectus:

(a) does not make, or purport to make, any statement in this Prospectus, nor is any statement in this Prospectus based on any statement by any of those parties;

(b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of the party; and

(c) did not authorise or cause the issue of all or any part of this Prospectus.

6.5 Estimated Expenses of the Offer

The estimated expenses of the Offer are approximately $75,000 including ASIC, ASX, printing, postage and legal costs.

6.6 Litigation

ASIC has commenced proceedings to obtain a civil penalty against the Company (refer to announcement lodged with ASX on 10 May 2022). The Company intends to defend the proceedings. Other than as disclosed, the Company is not currently involved in any material legal proceedings.

6.7 Privacy Act

If you complete an Application, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your New Shares in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules. You should note that if you do not provide the information required on the Application the Company may not be able to accept or process your Application.

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6.8 Directors' Consent

Each Director has consented to the lodgement of this Prospectus with the ASIC and has not withdrawn that consent.

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Signed on behalf of the Directors pursuant to a resolution of the Board.

Michael Ramsden

Michael Ramsden
Chairman

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7. GLOSSARY

A$**, **$ and **dollars**	Australian dollars, unless otherwise stated.
Application	An application for New Shares pursuant to the Application Form.
Application Form	The application form attached to or accompanying this Prospectus and relating to the Offer.
Application Money	The money received in respect of an Application.
ASIC	The Australian Securities and Investments Commission.
ASX	ASX Limited (ABN 98 008 624 691) or the market operated by that entity, as the context requires.
ASX Settlement	ASX Settlement Pty Ltd (ABN 49 008 504 532).
ASX Settlement Operating Rules	The settlement rules of ASX Settlement.
Board	The board of Directors.
CHESS	ASX Clearing House Electronic Sub-register System.
Closing Date	5pm AEST on 10 June 2022, or such other date as may be determined by the Directors under this Prospectus.
Company	Australian Mines Limited (ABN 60 073 914 191).
Constitution	The constitution of the Company, as amended from time to time.
Corporations Act	The *Corporations Act 2001* (Cth).
Director	A Director of the Company at the date of this Prospectus and **Directors** has a corresponding meaning.
Existing Share	An issued Share in the capital of the Company.
Listing Rules or **ASX Listing Rules**	The official listing rules of the ASX.
New Option	A call option exercisable into a Share for $0.14 expiring 30 May 2024.
New Share	A Share in the capital of the Company to be issued under this Prospectus.
Offer	Means the offer of New Shares and New Options described in section 1.
Official Quotation	Official quotation on ASX.
Placement	Means the placement of Shares to raise $3.7m announced on 23 May 2022.
Prospectus	The prospectus constituted by this document.

Sconi Project	Means the Sconi Cobalt-Nickel-Scandium Project located in Queensland.
Share	A fully paid ordinary share in the capital of the Company.
Shareholder	The holder of a Share.

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CORPORATE DIRECTORY

Directors

Michael Ramsden (Chairman, Non-Executive Director)
Les Guthrie (Acting CEO)
Michael Elias (Non-Executive Director)
Dominic Marinelli (Non-Executive Director)

Management

Oliver Carton (Company Secretary)
Tim Maclean (Chief Operating Officer)

Registered Office

Level 6, 66 St Georges Terrace
PERTH WA 6000
Telephone: +61 8 941 5811
Facsimile: +61 8 9481 5611
Email: office@australianmines.com.au
Website: www.australianmines.com.au

Share Registry*

GPO Box 5193, Sydney NSW 2001
1300 288 664 (within Australia)
+61 2 9698 5414 (international)
corporate.actions@automicgroup.com.au
www.automicgroup.com.au

Auditors*

BDO Audit (WA) Pty Ltd
38 Station Street
SUBIACO WA 6008

ASX Code: AUZ

ABN: 68 073 914 191

*This entity has not been involved in the preparation of this Prospectus and has not consented to being named in the Prospectus. Its name is included for information purposes only.

AUSTRALIAN MINES LIMITED

Australian Mines Limited | ACN 073 914 191

All Registry Communication to:
AUTOMIC
GPO Box 5193, Sydney NSW 2001
1300 288 664 (within Australia)
+61 2 9698 5414 (international)
corporate.actions@automicgroup.com.au
www.automicgroup.com.au

[EntityRegistrationDetailsLine1Envelope]
[EntityRegistrationDetailsLine2Envelope]
[EntityRegistrationDetailsLine3Envelope]
[EntityRegistrationDetailsLine4Envelope]
[EntityRegistrationDetailsLine5Envelope]
[EntityRegistrationDetailsLine6Envelope]

Holder Number:
[HolderNumberMasked]

Shares held as at the Record Date at 5.00 pm (AEST) 27 May 2022
[CumBalance]

ENTITLEMENT AND ACCEPTANCE FORM

OFFER CLOSES 5.00 PM (AEST) 10 JUNE 2022 (WHICH MAY CHANGE WITHOUT NOTICE)

On Monday 23 May 2022, the Company announced its intention to raise $3,700,000 by way of a 1 for 13.38 pro-rata non-renounceable entitlement offer of new fully paid ordinary shares in Australian Mines Limited. The offer includes one 1 free option attaching to every one 1 New Share issued, having an exercise price of $0.14, expiring 30 May 2024. Under the Entitlement Offer, eligible shareholders are entitled to subscribe for 1 New Share and 1 New Option for every 13.38 existing Shares held at 5:00pm (AEST) on Friday 27 May (**Record Date**), at the Offer Price of $0.115 per New Share.

The Entitlement Offer Prospectus dated 24 May 2022 contains information about the Entitlement Offer and you should carefully read the Prospectus before applying for Shares. This Entitlement and Acceptance Form should be read in conjunction with the Entitlement Offer Prospectus. If you do not understand the information provided in the Entitlement Offer Prospectus or you are in doubt as to how you should deal with it, you should seek professional advice. Other than as defined in this Entitlement and Acceptance form, capitalised terms have the same meaning as defined in the Entitlement Offer Prospectus.

1 ACCEPTANCE OF ENTITLEMENT OR PART THEREOF

	Payment Amount A$ ($0.115 per Share)	Number of Shares Applied
Full Entitlement	[EntPayable]	[Entitlement]
Partial Entitlement	___ , ___ , ___ , __	_____

2 APPLICATION FOR SHORTFALL SHARES

As an Eligible Shareholder, you are invited to apply for Shortfall Shares**,** providing you have taken up your full Entitlement.

	Payment Amount A$ ($0.115 per Share)	Number of Shortfall Shares Applied
Shortfall Application	___ , ___ , ___ , __	_____

No fractional shares will be issued. If the dollar amount for additional shares, divided by the issue price ($0.115), is a fraction of a New Share, the New Shares allotted will be rounded down).

3 MAKE YOUR PAYMENT BY BPAY® OR ELECTRONIC FUNDS TRANSFER (EFT)

Payments must be made by BPAY® or by EFT and may not be made by cheque or money order. You do not need to return this form if you have made payment via BPAY® or EFT.

Total Payment A$	___ , ___ , ___ , __

Option A – BPAY®

Biller Code: 329482

Ref No: [BPayCRN]

Contact your financial institution to make your payment from your cheque or savings account.

Note: You do not need to return this form if you have made payment via BPAY® or EFT. Your BPAY® reference number or unique reference number will process your payment for your application for New Shares electronically.

Option B – Electronic Funds Transfer (EFT)

The unique reference number which has been assigned to your Application is: [HolderId]-4684-AUZ

Funds are to be deposited in AUD currency directly to following bank account:

Account name: Automic Pty Ltd
Account BSB: 036011
Account number: 607179
Swift Code: WPACAU2S

IMPORTANT: You must quote your unique reference number as your payment reference/ description when processing your EFT payment. Failure to do so may result in your funds not being allocated to your application and Shares subsequently not issued.

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4 Elect to receive email communication

Return to Automic Group by email to corporate.actions@automicgroup.com.au

Telephone Number	Contact Name (PLEASE PRINT) AUZ [HolderId]
( )	

Please insert your email address if you wish to elect to be an e-Shareholder, and you consent to receiving communications from the Share Registry

INSTRUCTIONS FOR COMPLETION OF THIS FORM

The right to participate in the Entitlement Offer is optional and is offered exclusively to all Shareholders who are registered as holders of fully paid ordinary shares in the capital of the Company on the Record Date with a registered address in Australia or New Zealand (**Eligible Shareholders**).

ACCEPTANCE OF OFFER

By making a BPAY® or EFT payment:

- you represent and warrant that you have read and understood the Entitlement Offer Prospectus and that you acknowledge the matters, and make the warranties and representations contained therein and in this Entitlement and Acceptance Form;
- you provide authorisation to be registered as the holder of Shares acquired by you and agree to be bound by the Constitution of the Company.

1 Acceptance of Full or Partial Entitlement for Shares

If you wish to accept your full entitlement:

- make payment by BPAY® or EFT for your full entitlement by following the instructions on this Entitlement and Acceptance Form.

If you only wish to accept part of your entitlement:

- calculate the payment amount for the portion of your entitlement that you wish to take up in accordance with the partial entitlement section of this Entitlement and Acceptance Form; and
- make payment by BPAY® or EFT for that portion of your entitlement by following the instructions on this Entitlement and Acceptance Form.

2 Applying for Shortfall Shares

If you accept your full entitlement and wish to apply for Shortfall Shares in excess of your entitlement:

- make payment by BPAY® or EFT of the total payment amount for your full entitlement AND your participation in the Shortfall Offer by following the instructions on this Entitlement and Acceptance Form.

Your application for Shortfall Shares may not be successful (wholly or partially). The decision in relation to the number of Shortfall Shares in excess of your entitlement to be allocated to you will be final. No interest will be paid on any application monies received and returned.

3 Payment

By making a payment via BPAY or EFT, you agree that it is your responsibility to ensure that funds are submitted correctly and received by Automic Share Registry by the closing date and time. Payment must be received by the Share Registry by 5:00pm (AEST) on Friday, 10 June 2022.

It is your responsibility to ensure your CRN or unique Payment Reference is quoted, as per the instructions in Section 3. If you fail to quote your CRN or unique Payment Reference correctly, Automic may be unable to allocate or refund your payment. If you need assistance, please contact Automic.

Payment by BPAY®: You can make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. To BPAY® this payment via internet or telephone banking use your reference number on this Form. Multiple acceptances must be paid separately.

Payment by EFT: You can make a payment via Electronic Funds Transfer "EFT". Multiple acceptances must be paid separately. Please use your unique reference on this Form. This will ensure your payment is processed correctly to your application electronically.

Applicants should be aware of Automic's financial institution's cut off-time, their own financial institution's cut-off time and associated fees with processing a funds transfer. It is the Applicant's responsibility to ensure funds are submitted correctly by the closing date and time, including taking into account any delay that may occur as a result of payments being made after 5pm (AEST) and/or on a day that is not a business day (payment must be made to be processed overnight). You do not need to return this Form if you have made payment via BPAY® or EFT. Your reference number will process your payment to your application electronically and you will be deemed to have applied for such shares for which you have paid.

4 Contact Details - Elect to receive email communication

As a valued shareholder in Australian Mines Limited, the Company encourages shareholders to elect to receive their shareholder communications electronically. This will ensure you receive all future important shareholder communications in a faster and more secure way and reduce the environmental footprint of printing and mailing.

If you require further information about the Offer, please contact Automic on 1300 288 664 or +61 2 9698 5414 between 8:30am and 5:00pm (AEST).

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Australian Mines Limited
ABN 68 073 914 191
ASX | AUZ

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TARGET MARKET DETERMINATION Made by: Australian Mines Limited (ACN 073 914 191) (**Company**).

Product: Free attaching options in connection with a Non-Renounceable Entitlement Offer under a prospectus dated 24 May 2022 (**Options**).

Effective date: 24 May 2022.

This target market determination (**TMD**) has been prepared by the Company in relation to an offer to issue the Options made by the Company under a prospectus dated 24 May 2022 (**Prospectus**). A copy of the Prospectus is available on the Company's website, www.australianmines.com.au

The offer will be made under, or accompanied by, a copy of the Prospectus. Any recipient of this TMD should carefully read and consider the Prospectus in full and consult their professional adviser if they have any questions regarding the contents of the Prospectus.

Any recipient of this TMD who wants to acquire Options under the offer will need to complete the application form that will be in, or will accompany, the Prospectus. There is no cooling off period in respect of the issue of the Options.

Application will be made for the attaching Options to be quoted on the Australian Securities Exchange (**ASX**), subject to compliance with any conditions imposed by ASX. Subject to the commencement of quotation, the attaching Options will be transferable on ASX.

This TMD is not a disclosure document for the purposes of the *Corporations Act 2001* (Cth), and therefore has not been lodged, and does not require lodgement, with the Australian Securities and Investments Commission (**ASIC**). This TMD does not take into account what you currently have, or what you want and need, for your financial future. It is important for you to consider these matters and read the Prospectus before you make an investment decision.

The Company is not licensed to provide financial product advice in relation to the Options.

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1. TARGET MARKET

Investment Objective

The Company expects that an investment in Options will be suitable to investors who wish to gain exposure to equities in a mining company listed on the ASX.

Investment Timeframe

The target market of investors will take a short to medium term outlook on their investment. Investors with a short-term outlook for their investment will benefit from an ability to exercise Options and trade the underlying shares issued on exercise should the Option exercise price of the Options be lower than the trading price of shares. If ASX lists the Options, they may also be tradeable in the short term in these circumstances. Investors with a medium-term outlook will benefit from an ability to exercise Options within the two-year term of the Options and increase their shareholding and exposure to the potential upside in the Company's shares into the future.

Given the need to pay the exercise price in order to acquire shares, investors in the target market are in a financial position that is sufficient for them to invest their funds on exercise the Options over a two-year time horizon, during which their ability to liquidate their Options in the Company may be limited by the trading price of shares.

Investment Metrics

While the Company does not have an established eligibility framework for investors based on metrics such as age, expected return or volatility, it is expected that the target market of investors will be able to withstand potential fluctuations in the value of their investment. The Options offer no guaranteed income or capital protection.

Risk

The Company considers that an investment in the underlying shares is highly speculative, such that an investment in the Company is not appropriate for an investor who would not be able to bear a loss of some or all of the investment. As the Options are issued at nil cost, investors should consider this when deciding whether or not to exercise an Option. Investors should also have a sufficient level of financial literacy and resources (either alone or in conjunction with an appropriate adviser) to understand and appreciate the risks of investing in Options as an asset class generally and the more specific risks of investing in an Australian listed mining company.

Further risks are disclosed in the Risk Factors section of the Prospectus.

2. DISTRIBUTION CONDITIONS

The offer of Options under the Prospectus is being made to those shareholders in the Company registered at the record date specified in the Prospectus (**Eligible Shareholders**). Any entitlement not taken up under the offer will form a shortfall offer (**Shortfall Offer**). Eligible Shareholders may also subscribe for Options above their entitlement

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under the Shortfall Offer. The Prospectus will include jurisdictional conditions on eligibility. The Company will include a copy of this TMD on its website along with the Prospectus. The Company considers that these distribution conditions will ensure that persons who invest in Options fall within the target market in circumstances where personal advice is not being provided to those persons by the Company.

3. REVIEW TRIGGERS

The Options are being offered for a limited offer period set out in the Prospectus, after the conclusion of which the Options will no longer be available for investment by way of issue. It follows that the TMD will only apply in the period between the commencement of the offer of the Options and the issue of the Options shortly after the close of the Offer (**Offer Period**).

To allow the Company to determine whether circumstances exist that indicate this TMD is no longer appropriate to the Options and should be reviewed, the following review triggers apply for the Offer Period:

(a) a new offer of Options that requires preparation of a disclosure document is made after completion of the Offer Period;
(b) any event or circumstance that would materially change a factor taken into account in making this TMD;
(c) the existence of a significant dealing of the Options that is not consistent with this TMD. The Company does not consider that an on-sale of the Options on market is a significant dealing;
(d) ASIC raises concerns with the Company regarding the adequacy of the design or distribution of the Options or this TMD; and
(e) material changes to the regulatory environment that applies to an investment in the Options.

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4. REVIEW PERIOD

If a review trigger occurs during the Offer Period, the Company will undertake a review of the TMD in light of the review trigger. The Company will otherwise complete a review of the TMD immediately prior to the issue of Options under the Offer.

5. INFORMATION REPORTING

The reporting requirements of all distributors is set out below.

Information type	Description	Timeframe for reporting
Complaints about the attaching Options.	Information relating to the number of complaints received and a summary of the nature of each complaint or a copy of each complaint.	During the Offer Period, the distributor is to make a report within 10 business days after the end of each quarter. A report is also to be made 10 business days after the end of the Offer Period.
A significant dealing of the attaching Options that is not consistent with this TMD.	Information to include details of the significant dealing and reasons the distributor considers the significant dealing is not consistent with this TMD.	Report as soon as reasonably practicable (and in any event not more than 10 business days) after the significant dealing occurs.

CONTACT DETAILS in respect of this TMD for the Company are:

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30 May 2022

Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000
tradinghaltssydney.com.au

Cleansing Notice

This notice is given by Australian Mines Limited (Company) under Section 708A(5)(e) of the Corporations Act 2001 (Cth) (Corporations Act).

The Company hereby confirms that:

(a) the Company will issue fully paid ordinary shares and/or options (Securities) in the number, at the issue price, on the terms and for the purposes as set out in the ASX Appendix 2A lodged on 30 May 2022.

(b) the Securities will be issued without disclosure to investors under Part 6D.2 of the Corporations Act;

(c) the Company is providing this notice under paragraph 5(e) of section 708A of the Corporations Act;

(d) as at the date of this notice the Company, as a disclosing entity under the Corporations Act, has complied with:

(i) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
(ii) section 674 of the Corporations Act as it applies to the Company; and

(e) as at the date of this announcement, there is no excluded information of the type referred to in Sections 708A(7) and 708A(8) of the Corporations Act.

Oliver Carton
Company secretary