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AUSTRALIAN MINES LIMITED

Sconi Project
Strategic pathway redefined

October 2022

The pathway to developing the Sconi Project into a producer of nickel and cobalt sulphate

Carbon Neutral ORGANISATION

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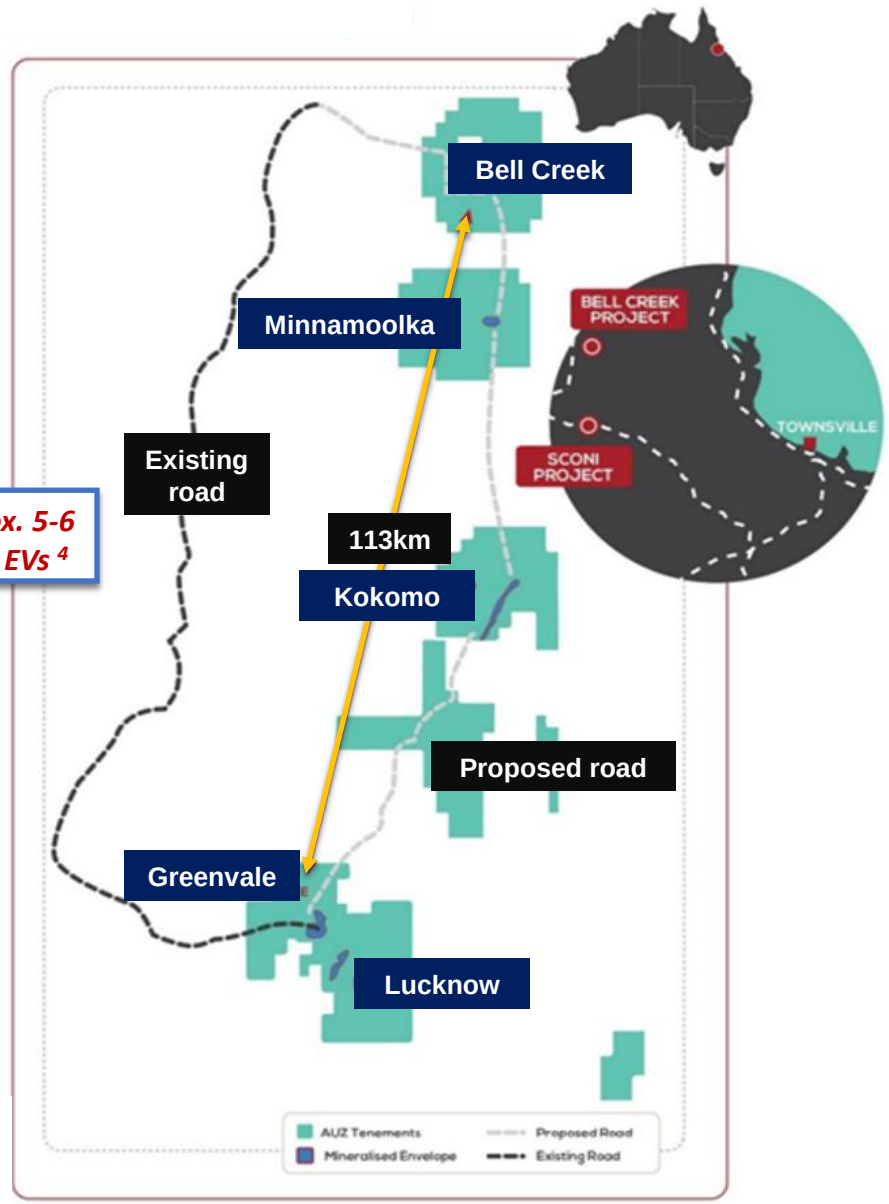
Sconi Project - Overview

- **Tier-1 nickel-cobalt-scandium asset** in Queensland, Australia
- **Close to major infrastructure**, including the Port of Townsville, with access to experienced labour market
- **BFS completed** in 2018 and mine plan updated in 2019 based on new resource estimates
- **30-year project life**, low strip ratio open pit mining, 2mtpa HPAL
- **Opportunity to expand current resource** at Sconi with further drilling
- Owners' team:
  - PQ Partners (engineering)
  - Medea (debt advisor)
  - JBS&G (environmental permitting)
- External consultants:
  - Ausenco (feasibility studies)
  - AARC Environmental Solutions

- Total global resource[1]:
  - 737kt nickel
  - 73kt cobalt
- Total metal in Sconi P&P Reserve[2]:
  - 329kt nickel
  - 47kt cobalt
  - 1,980t scandium
- Total recovered metal[3]:
  - **313kt nickel**
  - **44kt cobalt**
  - 1,441t scandium
- Total recovered product[3]:
  - 1,405kt nickel sulphate
  - 209kt cobalt sulphate
  - 2,217t scandium oxide
- Average annual production (years 1-6)
  - 15kt nickel in sulphate, 67kt nickel sulphate
  - 2.2kt cobalt in sulphate, 10kt cobalt sulphate
  - 62t scandium oxide, 10t p.a. sales[5]
- Average annual production (years 1-30)
  - 10kt nickel in sulphate, 47kt nickel sullphate
  - 1.5kt cobalt in sulphate, 7kt cobalt sulphate
  - 74t scandium oxide, 10t p.a. sales[5]

Sufficient supply for approx. 5-6 million high-performance EVs [4]



[1]Total Measured, Indicated and Inferred Resource for the Greenvale, Lucknow, Kokomo, Bell Creek and Minnamoolka deposits (ASX; 29 April 2019). [2]Total Proven & Probable Reserves, i.e. Greenvale, Lucknow and Kokomo deposits only (ASX: 13 June 2019). [3]Production as per 2019 BFS Update (ASX: 13 June 2019). [4]Based on 16 August 2021 LG Energy Solutions announcement announcement that 71kt Ni and 7kt Co was sufficient to produce 1.3 million EVs with >500km range. [5]BFS assumed just 10tpa of scandium oxide sales.See Tables 1 to 5 in Appendix of this report. The information outlined on this page and further pages in this presentation relating to Sconi 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 Listing Rule 5.17 continues to apply and have not materially changed. Scandium oxide production based on 1,441 tonnes of scandium metal produced over a 30-year period (65% metal: oxide ratio)

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Experienced Leadership Team - Driving growth and development

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- ✓ Experienced board enhanced by the appointment of new CEO Michael Holmes
- ✓ Clear direction to develop the Sconi battery metals project to production
- ✓ Focus on securing a major strategic collaborative partner and financial investment decision (FID) for the Sconi Project
- ✓ Extensive experience in leadership of studies, project development and production across nickel, gold and copper open cut and underground operations
- ✓ Strong, well-integrated and experienced team characterised by a diverse skills mix, stable tenure and disciplined management style
- ✓ Passionate about responsible mining and best ESG practices and building a better future for all stakeholders

Michael Holmes

Chief Executive Officer
BEng, FAusIMM

Over 30 years' experience in mining project development and operations in Australia, New Zealand, the Philippines and North and South America

Michael Ramsden

Chairman
BEc, LLB, FFIN
Independent

Les Guthrie

Non-Executive Director
BSc, MAICD
Independent

Michael Elias

Non-Executive Director
BSc(Hons), FAusIMM, CPGeo
Independent

Dominic Marinelli

Non-Executive Director
BEng, PGD Sc, MBA
Independent

Oliver Canton

Company Secretary
BJuris, LLB

Australian Mines - Overview

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Company Overview	• Australian Mines is developing world-class Nickel-Cobalt-Scandium projects in Australia to meet surging demand from electric battery manufacturers • The Flagship Sconi Nickel-Cobalt-Scandium Project has a 30+ year mine life and contained metal quantities (nickel/cobalt) exceeding 700,000t of contained Nickel[6] • New CEO, Michael Holmes, has a clear Board direction, extensive project development and operatonal experience and aligned targets and incentives
Sconi Project transitioning to sulphate production	• The 2019 updated Bankable Feasibility Study (BFS)[7] indicates a post tax NPV of US$580 million and free cash-flow generation of $5bn over the 30-year mine life • Transition to sulphate production supports access to funding, including higher levels of debt funding, and maximises the value of the project for all stakeholders • Discussions are underway with LG Energy Solution regarding their current binding long-form offtake agreement[8]
Strategic pathway to Final Investment Decision	• Project financing discussions underway for securing a strategic collaboration partner targeting the end of Mar 2023 • Leverage ongoing test work to update the 2019 BFS with update target of Q1 FY2024 • Timing includes completion of a full Environmental Impact Statement to reach a Final Investment Decision, expected by end of H1 FY2026
Production timetable will meet market demand	• More than 300 new mines could need to be built over the next decade to meet the projected demand for electric vehicle and energy storage batteries[9] • The right materials, being supplied at the right time and sourced from a low risk, mining friendly jurisdiction to support a clean energy and energy storage future • Opportunity to expand current resource through further exploration

[6,7] See Tables 1 to 5 in Appendix of this report. The information outlined on this page relating to Sconi 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 Listing Rule 5.17 continues to apply and have not materially changed. Scandium oxide production based on 1,441 tonnes of scandium metal produced over a 30-year period (65% metal: oxide ratio).

[8] Australian Mines Limited, Binding offtake agreement with LG Energy Solution for supply of mixed nickel-cobalt hydroxide from the Sconi Project, Queensland (ASX: 16 August 2021 & 29 June 2022). The binding long form offtake agreement has only one condition precedent, which is that Australian Mines secures financing for construction on the Sconi Project on or before 31 December 2022, extended from 30 June 2022 (or such later date as the parties may agree).

[9] Benchmark Mineral Intelligence Battery Raw Materials report 6 September 2022 - https://www.benchmarkminerals.com/membership/more-than-300-new-mines-required-to-meet-battery-demand-by-2035/

Sconi Project - Transition to Sulphate Production

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- ✓ Lowest cost quartile with a 30+ year mine life
- ✓ Potential to expand the current Mineral Resource with additional targets identified[10]
- ✓ Potential to add value through commercialisation of Scandium by-product over time.
- ✓ Transition to sulphate production maximises value of project
  - Enhances ability to source funding with strategic collaborative partner
  - Provides access to higher levels of debt funding
  - Sulphate provides stronger economic returns for all stakeholders
  - Current nickel in MHP payability has impact on cashflows that would undermine the project's debt capacity
  - MHP less attractive

Sconi Nickel-Cobalt-Scandium Project

[10] Australian Mines Limited, *Australian Mines seeks to enhance commercial potential of the Sconi Project with additional nickel and cobalt exploration* (ASX: 22 April 2022).

Sconi Project – Strategic Pathway to Final Investment Decision

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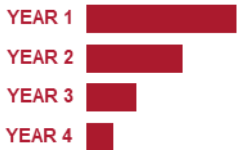
- ✓ Discussions underway with LGES about sulphate product and strategic collaborative partnership
- ✓ Update to BFS and integrate findings from ongoing test work and technical studies
- ✓ Completion of Environmental Impact Statement to secure Environmental Approvals and support FID
- ✓ FID expected in 1H FY2026 prior to initiation of sulphate project construction phase
- ✓ Continued strong Government support however due to revised timetable; decision made to not renew Prescribed Project status and terminate Jobs and Regional Growth Fund at this time

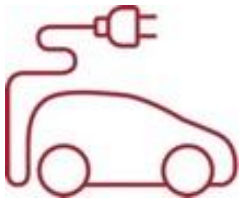
Secure strategic collaborative partner

Update BFS



Complete EIS

Production to Meet Surge in EV Demand



Sconi Project – Funding Strategy

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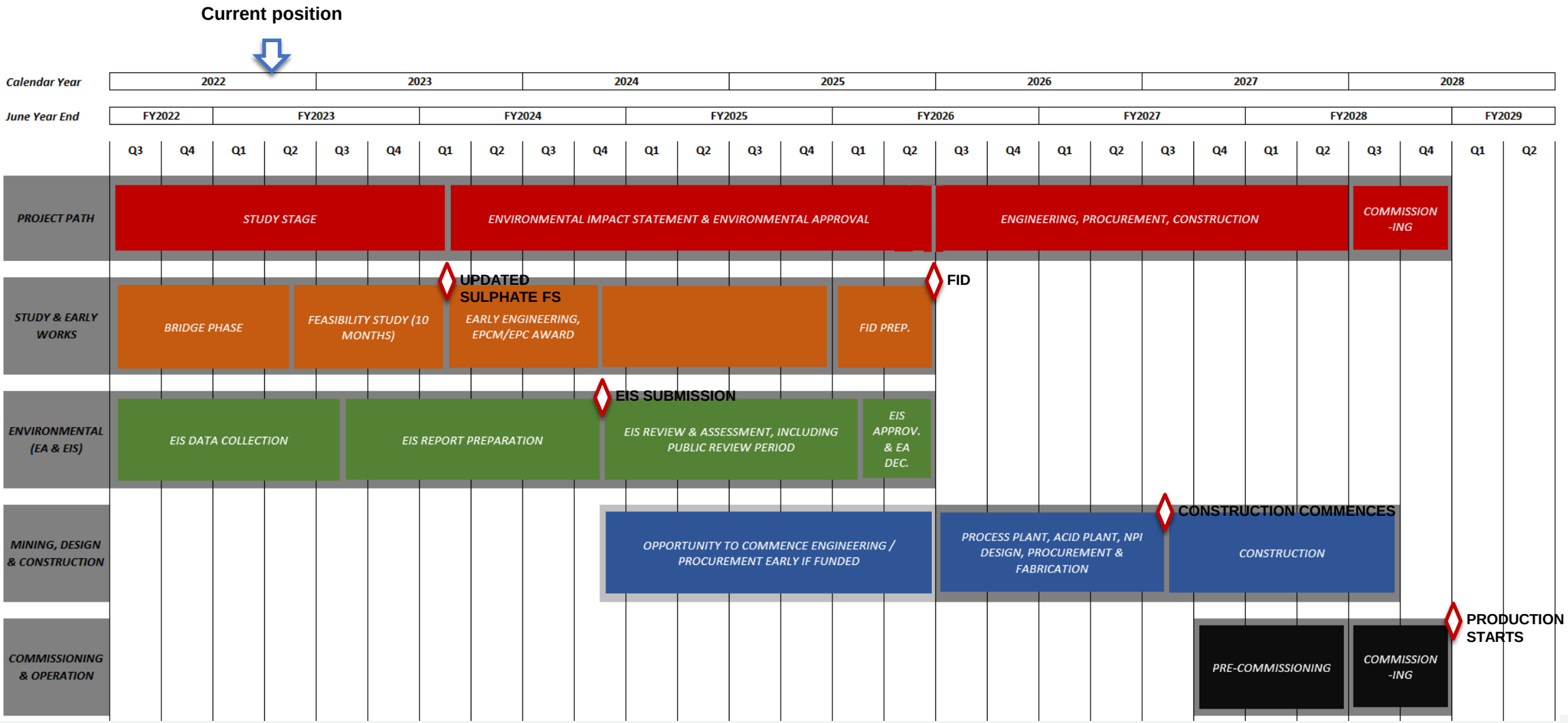
- ✓ Focusing on the attainment of a Strategic Collaborative Partner capable of providing equity support for the project, including:
  - ✓ Completion guarantee or cost overrun facility as may be required by debt providers for any capital cost overruns and to maintain schedules
  - ✓ Offtake contract terms that match lenders' requirements
- ✓ Targeting debt funding from International and Australian banks, Export Credit Agencies (ECAs), Development Financial Institutions (DFIs) and other government agencies
- ✓ Debt capacity will be a function of margin, length of facility, long-term commodity price views and the individual requirements of the lenders in any consortium

Sconi Project – Key milestone timeline



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Sconi Project – Supportive demand and market dynamics

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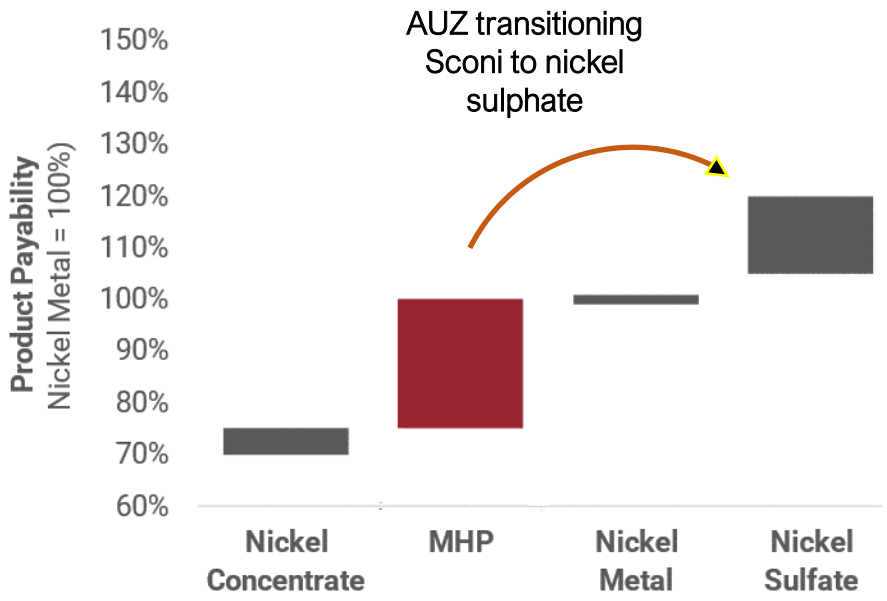
- ✓ Economics of nickel & cobalt sulphate production superior to MHP
- ✓ At least 384 new graphite, lithium, nickel and cobalt mines are required, based on average mine sizes in each industry[11]
- ✓ 72 mining projects with an average size of 42,500 tonnes will be required to meet battery demand for refined nickel[12]
- ✓ 62 new cobalt mining projects averaging 5,000 tonnes each will be required[13]
- ✓ Including forecast recycled volumes for cobalt the number of mines required is 38[14]

Nickel Product Economics[15]

(Indicative Nickel product payability vs metal spot price)



[11,12,13,14]Benchmark Mineral Intelligence Battery Raw Materials report 6 September 2022 - https://www.benchmarkminerals.com/membership/more-than-300-new-mines-required-to-meet-battery-demand-by-2035/ [15]Shanghai Metals Market/SMM (www.metal.com), Fastmarkets MB (www.metalbulletin.com) and Benchmark Mineral Intelligence (www.benchmarkminerals.com), various publications as at 4 April 2022

Sconi Project - Scandium potential and market

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SCANDIUM AT SCONI

- Sconi estimated to produce 1,441t of scandium or 2,217t of scandium oxide (Sc_2O_3 or 'scandia') over the 30 year project life
- Base BFS case assumes 10tpa of scandia sales (vs average 74tpa production) at US$1,000/kg, i.e. US$10m p.a. of revenue
- Much higher prices being used by other scandium developers, e.g. US$3675/kg for NioCorpo's Elk Creek project in Nebraska[16]

BFS Assumption

Potential Annual Average Scandium Revenue (US$m)

	SCANDIA PRICE US$/KG						
	1,000	1,500	2,000	2,500	3,000	3,500	4,000
10	10	15	20	25	30	35	40
20	20	30	40	50	60	70	80
30	30	45	60	75	90	105	120
40	40	60	80	100	120	140	160
50	50	75	100	125	150	175	200
60	60	90	120	150	180	210	240
70	70	105	140	175	210	245	280

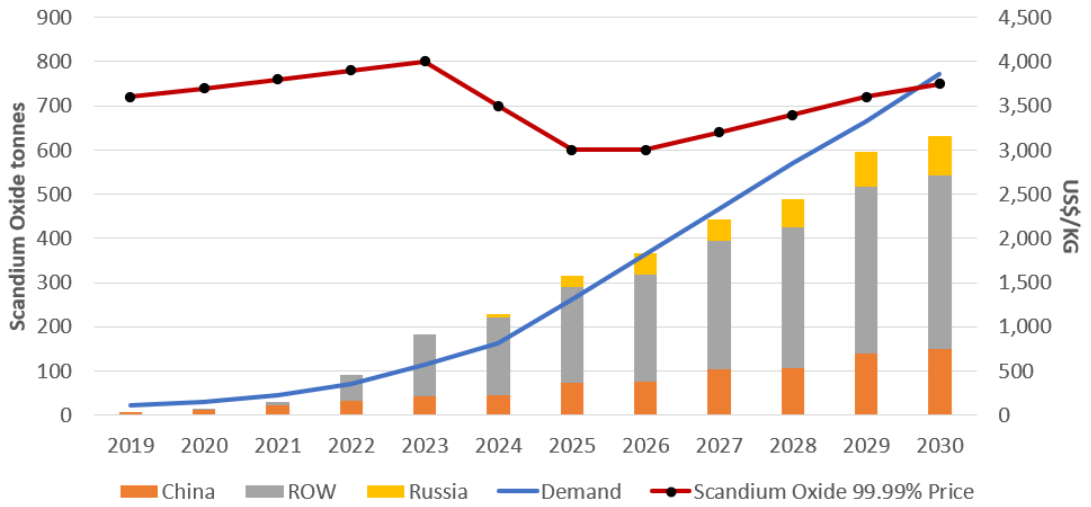
Potential Scandia Price US$/kg

Potential annual scandia sales, tonnes

[16]*June 2022 NI 43-101 Technical Report for the Feasibility Study of the Elk Creek Scandium-Niobium-Titanium Project in Nebraska, owned by TSX-listed NioCorp Developments Ltd (C$407m market cap)*

SCANDIUM MARKET

- Designated a 'Critical Mineral' by the US Geological Survey
- Solid oxide fuel cells and aluminium-scandium alloys the main demand drivers
- Current market small at approx. 20-30tpa, but potential for 600-700tpa market by 2030, new supply likely to initially come as by-product
- Most material from China, with potential future production from Australia, the US, Russia, Turkey, Canada, Guinea, Uganda and India

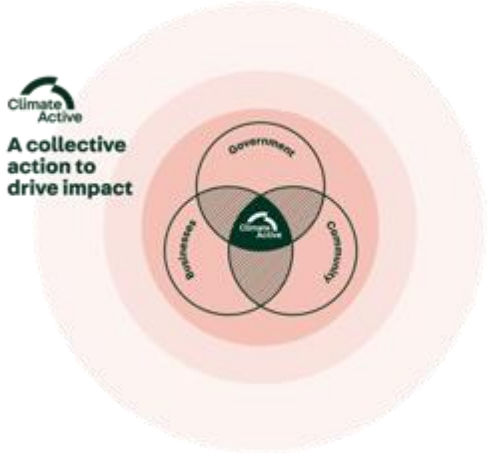


Sources: ONG Commodities LLC, Nordmin Resource & Industrial Engineering, NiCorp Developments 2019

Sconi Project - Summary

- ✓ Right project – nickel and cobalt sulphate with resource expansion and scandium oxide upside
- ✓ Right time – strategic pathway to production to meet surging demand from electric vehicle and battery storage sectors
  - Over 300 new mines needed within 10 years[17]
- ✓ Right market - nickel and cobalt sulphate production delivers economic returns for all stakeholders
- ✓ Right people - experienced team with diverse skills and disciplined management style
  - new CEO Michael Holmes has a clear mandate and strategic pathway to production
- ✓ Right ESG credentials
  - certified a Carbon Neutral organisation[18]
  - third-party ESG verification and certification

Climate Active Carbon Neutral ORGANISATION



[17] Benchmark Mineral Intelligence Battery Raw Materials report 6 September 2022 - https://www.benchmarkminerals.com/membership/more-than-300-new-mines-required-to-meet-battery-demand-by-2035/

[18] Australian Mines Limited, *Australian Mines achieves industry first carbon neutral certification* (ASX: 18 August 2020).

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Appendix

Competent Persons' Statements
Sconi Project Mineral Resources
Sconi Project Ore Reserve
Asset portfolio

Competent Persons' Statements

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Sconi Project, Queensland (Australia)

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 Limited on 14 February 2019. The original source report can be accessed via the ASX or the Australian Mines' website. There has been no Material Change or Re-estimation of the Mineral Resource since this 14 February 2019 announcement by Australian Mines Limited.

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 Limited 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 Limited.

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 Limited 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 Limited.

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 Limited 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 Limited.

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.

Sconi Project Mineral Resources

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

Mineral Resources as per Australian Mines' announcement released via the ASX platform on 14 February 2019. Prepared by CSA Global in accordance with the current 2012 JORC Code. There has been no Material Change or Re-estimation of the Mineral Resource since this 14 February 2019 announcement by Australian Mines.

Classification	Tonnes (million tonnes)	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**

Table 2: Lucknow Mineral Resource
Lower cut-off grade: 0.55% Nickel equivalent

Mineral Resources as per Australian Mines' announcement released via the ASX platform on 14 February 2019. Prepared by CSA Global in accordance with the current 2012 JORC Code. There has been no Material Change or Re-estimation of the Mineral Resource since this 14 February 2019 announcement by Australian Mines.

Classification	Tonnes (million tonnes)	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 3: Kokomo Mineral Resource
Lower cut-off grade: 0.45% Nickel equivalent

Mineral Resources as per Australian Mines' announcement released via the ASX platform on 14 February 2019. Prepared by CSA Global in accordance with the current 2012 JORC Code. There has been no Material Change or Re-estimation of the Mineral Resource since this 14 February 2019 announcement by Australian Mines.

Classification	**Tonnes (million tonnes)**	**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**

Nickel equivalent grades were calculated according to the following formula: NiEq = [(nickel grade x nickel price x nickel recovery) + (cobalt grade x cobalt price x cobalt recovery] / (nickel price x nickel recovery). The formula was derived using the following commodity prices and recoveries: Forex US$:A$ = 0.71, Nickel – A$27,946/t and 94.8% recovery, Cobalt – A$93,153/t and 95.7% recovery. Prices and recoveries effective as at 10th February 2019.

Metal recovery data was determined by variability test work of nickel and cobalt solvent extraction during the inhouse pilot plant test work program. Results typically achieved between 90% and 99% from samples with nickel and cobalt grades aligned with expected mine grades as reported from the Mineral Resource model. Lower recoveries of between 85% and 90% were achieved from some lower-grade samples to determine economic cut-off grades. It is the opinion of Australian Mines that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold. Detail supporting the formula are provided within the Company's 14 February 2019 announcement. The Competent Person and Australian Mines believe there are reasonable prospects for eventual economic extraction of the Mineral Resources. Consideration was given to the relatively shallow depth of the mineralisation, existing infrastructure near to the project including sealed road access, power, labour and water, and positive results from the 2018 Feasibility Study.

Sconi Project Mineral Resources

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Table 4: Bell Creek Mineral Resource
Lower cut-off grade: 0.45% Nickel equivalent

Mineral Resources as per Australian Mines' announcement released via the ASX platform on 29 April 2019. Prepared by Mr Mick Elias in accordance with the current 2012 JORC Code. There has been no Material Change or Re-estimation of the Mineral Resource since this 29 April 2019 announcement by Australian Mines.

Classification	Tonnes (million tonnes)	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**

Table 5: Minnamoolka Mineral Resource
Lower cut-off grade: 0.45% Nickel

Mineral Resources as per Australian Mines' announcement released via the ASX platform on 21 October 2019. Prepared by CSA Global in accordance with the current 2012 JORC Code. There has been no Material Change or Re-estimation of the Mineral Resource since this 21 October 2019 announcement by Australian Mines.

Classification	Tonnes (million tonnes)	Nickel (%)	Cobalt (%)
Indicated	11.9	0.67	0.03
Inferred	2.4	0.60	0.02
TOTAL	**14.2**	**0.66**	**0.03**

Nickel equivalent grades were calculated according to the following formula: NiEq = [(nickel grade x nickel price x nickel recovery) + (cobalt grade x cobalt price x cobalt recovery] / (nickel price x nickel recovery). The formula was derived using the following commodity prices and recoveries: Forex US$:A$ = 0.71, Nickel – A$27,946/t and 94.8% recovery, Cobalt – A$93,153/t and 95.7% recovery. Prices and recoveries effective as at 10 February 2019.

Metal recovery data was determined by variability test work of nickel and cobalt solvent extraction during the inhouse pilot plant test work program. Results typically achieved between 90% and 99% from samples with nickel and cobalt grades aligned with expected mine grades as reported from the Mineral Resource model. Lower recoveries of between 85% and 90% were achieved from some lower-grade samples to determine economic cut-off grades. It is the opinion of Australian Mines that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold. Detail supporting the formula are provided within the Company's 14 February 2019 and 29 April 2019 announcements. The Competent Person and Australian Mines believe there are reasonable prospects for eventual economic extraction of the Mineral Resources. Consideration was given to the relatively shallow depth of the mineralisation, existing infrastructure near to the project including sealed road access, power, labour and water, and positive results from the 2018 Feasibility Study.

Sconi Project Ore Reserve

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Ore Reserve as per Australian Mines' announcement released via the ASX platform on 13 June 2019. Prepared by specialist mine planning consultants, Orelogy, in accordance with the current 2012 JORC Code. There has been no Material Change or Re-estimation of the Ore Reserve since this 13 June 2019 announcement by Australian Mines.

Classification	Pit	Ore (Million tonnes)	Nickel (%)	Cobalt (%)	Scandium (ppm)
Proved	Greenvale	4.49	0.83	0.07	36
	Kokomo	1.52	0.72	0.15	58
	Lucknow	2.07	0.47	0.09	51
	Sub-total	**8.08**	**0.72**	**0.09**	**44**
Probable	Greenvale	13.08	0.73	0.05	29
	Kokomo	17.43	0.57	0.09	31
	Lucknow	18.71	0.42	0.08	38
	Sub-total	**49.22**	**0.55**	**0.08**	**33**
Total	Greenvale	17.57	0.76	0.06	31
	Kokomo	18.96	0.58	0.10	33
	Lucknow	20.77	0.42	0.08	39
	TOTAL	**57.30**	**0.58**	**0.08**	**35**

Sconi Project Ore Reserve summary based on variable nickel equivalent cut-off between 0.40% and 0.45%.

The Mineral Resource figures in the preceding slide are inclusive of the Ore Reserve figures above. Approximately 14% of the Ore Reserves (outlined in the table above) are classified as Proved and 86% are classified as Probable. It should be noted that the Proved and Probable Reserves are inclusive of allowance for mining dilution and ore loss.

The breakeven cut-off grade was determined to be between 0.40% - 0.45% nickel equivalent using the formula: Nickel equivalent (%) = [(Ni grade x Ni price x Ni recovery) + (Co grade x Co price x Co recovery] ÷ (Ni price x Ni recovery) where: nickel price = 27,946 AUD, cobalt price = 93,153 AUD, Nickel Recovery = 94.8%, Cobalt Recovery = 95.7%.

Open pit optimisation was undertaken using US$7/lb for nickel and US$30/lb for cobalt and an exchange rate of 0.71 AUD/USD. No value was applied to scandium.

Optimisation inputs parameters were:

1. Ore processing rate of 2 million tonne per annum throughput.
2. Dilution was applied through re-blocking to the 2m mining height.
3. Overall slope angle of 45.
4. Mining costs based on contractor rates averaging of US$2.26/t mined.
5. Ore costs for grade control, rehandle, reclaim and extra over for ore mining of US$1.88/t ore.
6. Mining overheads of US$2.15/t ore.
7. Road train haulage of US$2.05/t ore and US10.04/t ore from Lucknow and Kokomo respectively.
8. Variable processing costs (averaging US$30.70/t ore) based on sulphur, limestone consumption linked primarily to magnesium and aluminium and NaOH consumption linked to nickel and cobalt.
9. Fixed overheads of US$33.21/t for G&A, plant labour, maintenance and sustaining capital.
10. Selling costs of $32.77/t product plus royalties of 3.2% and 5.0% for Ni and Co respectively. Due to the variable processing costs the pit optimisation was based on block value calculations for free cashflow. The breakeven cut-off grade was determined to be between a 0.4% and 0.45% nickel equivalent grade.

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