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AUSTRALIAN MINES LIMITED

Capital Raising Presentation

November 2022

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

Climate Active Carbon Neutral ORGANISATION

australianmines.com.au
ASX I AUZ

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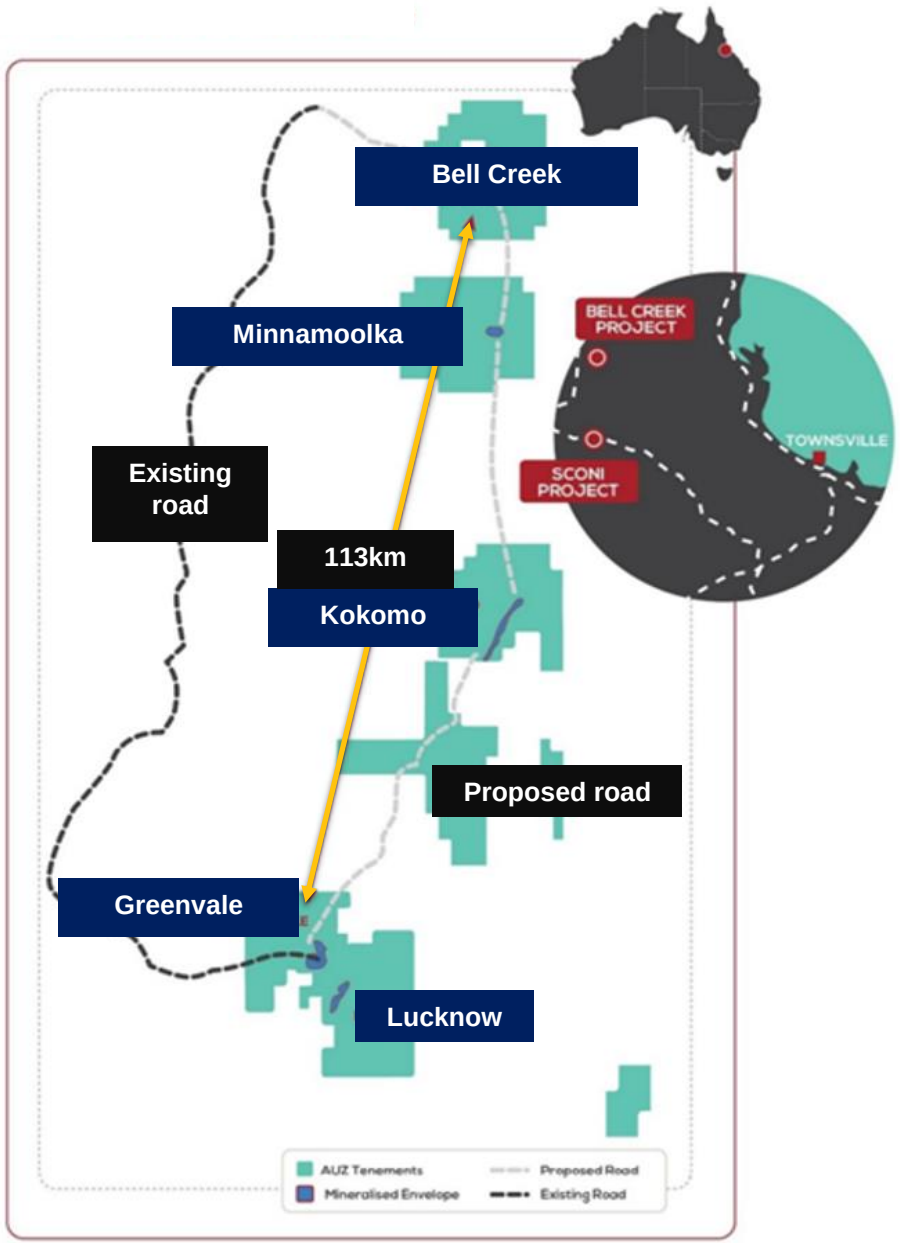
Cautionary Note For U.S. Investors Regarding Reserve and Resource Estimates: Unless stated otherwise, all resource estimates by the Company in this Presentation were calculated in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code", 2012 Edition), a professional code of practice that sets minimum standards for the public reporting of mineral exploration results, Mineral Resources, and Ore Reserves.

These standards differ significantly from the requirements of the U.S. Securities and Exchange Commission for descriptions of mineral properties, which requirements are set forth in SEC Industry Guide 7, under Regulation S-K of the United States Securities Act of 1933, as amended. Information concerning mineralization, deposits, mineral reserve and resource information contained or referred to herein may not be comparable to similar information disclosed by U.S. companies. In particular, and without limiting the generality of the foregoing, this Presentation uses the terms "Resource", "Mineral Resource", "Measured Resource", "Indicated Resource", and "Inferred Resource". U.S. investors are advised that, while such terms are recognized and required under Australian securities laws, the United States Securities and Exchange Commission does not recognize them. Under U.S. standards, mineral resources may not be classified as "reserves" unless the determination has been made the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. U.S. investors are cautioned not to assume that any part of a "measured resource" or "indicated resource" will ever be converted into a "reserve". U.S. investors should also understand the "inferred resources" have a great amount of uncertainty as to their existence and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of "inferred resources" will ever be upgraded to a higher category. Accordingly, the information in this document containing descriptions of the Company's mineral properties may not be comparable to the information disclosed by companies that report in accordance with U.S. standards.

Sconi Project - Overview

- **Tier-1 nickel-cobalt-scandium asset** in Queensland, Australia
- **Clear pathway to production of Nickel and Cobalt Sulphate** with potential of Scandium Oxide[1]
- **Offtake Agreement in Place with LG Energy Solution** and in discussions regarding amendment and collaborative partnership[2]
- **Targeting agreement with a Strategic Collaborative Partner** to fund the Project to financial investment decision (FID) by 31 March 2023
- **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
- **Large proven Resource 30-year project life**, low strip ratio open pit mining, 2mtpa HPAL
- **Opportunity to expand current resource** at Sconi with further drilling
- **Approximately 5-6 million high performance EVs[3]** can be supported from Sconi's Nickel and Cobalt resources
- **EV/Resource (A$/NiEQ t) of approximately $36 compared with other ASX listed peers which are valued at a median EV/Resource >$207 A$/NiEq t** – represents attractive exposure to battery metals thematic



[1]*Australian Mines Limited, Investor Presentation (ASX: 24 October 2022).*
[2]*Australian Mines Limited, CEO Letter to Shareholders (ASX: 24 October 2022).*
[3]*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.*

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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 who commenced in September
- ✓ Extensive experience in leadership of studies, project development and production across nickel, gold and copper open cut and underground operations
- ✓ Michael has provided 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
- ✓ 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

Michael Elias

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

Oliver Canton

Company Secretary
BJuris, LLB

Les Guthrie

Non-Executive Director
BSc, MAICD
Independent

Dominic Marinelli

Non-Executive Director
BEng, PGD Sc, MBA
Independent

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[4]
- ✓ 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 capacity
  - 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

[4] 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 – Economics[5]

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30 Year Project Life

Pre-Tax IRR: 20%
Post-Tax IRR: 15%

Pre-Tax NPV: $1.47 Billion
Post-Tax NPV: $817 million
(@ 8% discount rate)

5.8 Year Payback Period
(post tax)

Strong Forecasted Financials
Average Annual Revenue: $442 million
Average Annual EBITDA: $231 million

Life-of-Mine Average Production
Nickel sulphate: 46,800 tonnes per annum
Cobalt sulphate: 7,000 tonnes per annum

Operating Costs: US$1.46 per pound
Nickel
(post by-product credits)

Capital Cost Estimate: US$974 million
Including US$110 million contingencies

[5]*Australian Mines Limited, Sconi to generate $5 billion in free cashflow over 30-year mine life (ASX: 13 June 2019).*

Sconi Project – Strategic Pathway to Final Investment Decision

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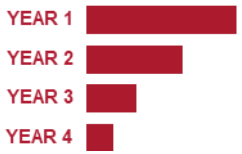
- ✓ Discussions underway with LGES about sulphate product and strategic collaborative partnership targeting 31 March 2023
- ✓ Update to BFS and integrate findings from ongoing test work and technical studies
- ✓ Completion of Environmental Impact Statement to secure Environmental Approvals and support 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

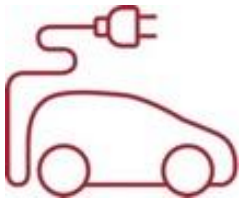
Secure strategic collaborative partner

Update BFS



Complete EIS

Production to Meet Surge in EV Demand



Sconi Project – Supportive demand and market dynamics

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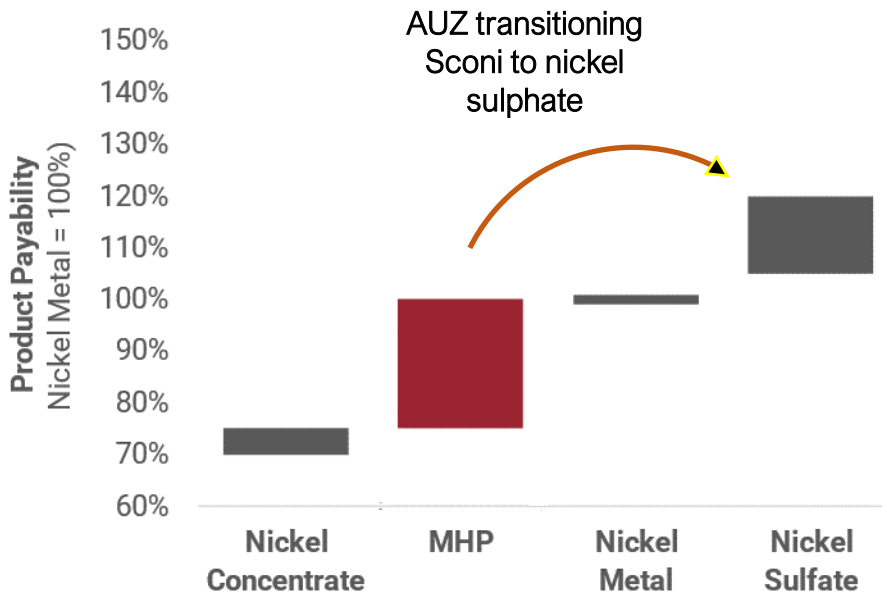
- ✓ Economics of nickel & cobalt sulphate production superior to MHP
- ✓ At least 384 new graphite, lithium, nickel and cobalt mines are required, based on average mine sizes in each industry[6]
- ✓ 72 mining projects with an average size of 42,500 tonnes will be required to meet battery demand for refined nickel[7]
- ✓ 62 new cobalt mining projects averaging 5,000 tonnes each will be required[8]
- ✓ Including forecast recycled volumes for cobalt the number of mines required is 38[9]

Nickel Product Economics[10]

(Indicative Nickel product payability vs metal spot price)



[6,7,8,9]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/
[10]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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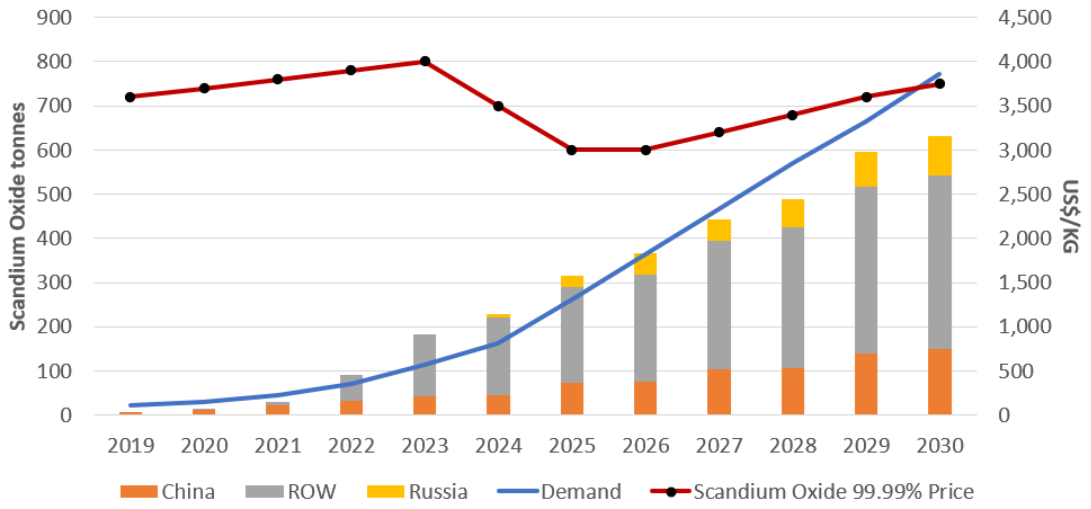
SCANDIUM AT SCONI

- 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 only 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 NioCorp's Elk Creek project in Nebraska[11]
- Significant upside potential if annual scandia sales average 74tpa and a potential scandia price of US$3675/kg is achieved.

SCANDIUM MARKET

- Designated a 'Critical Mineral' by the US Geological Survey
- Solid oxide fuel cells and aluminium-scandium alloys the main demand drivers
- Current world 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

[11]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)

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:
  - ✓ Ability to fund the company through to financial investment decision (FID)
  - ✓ 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

Near Term Catalysts and Milestones

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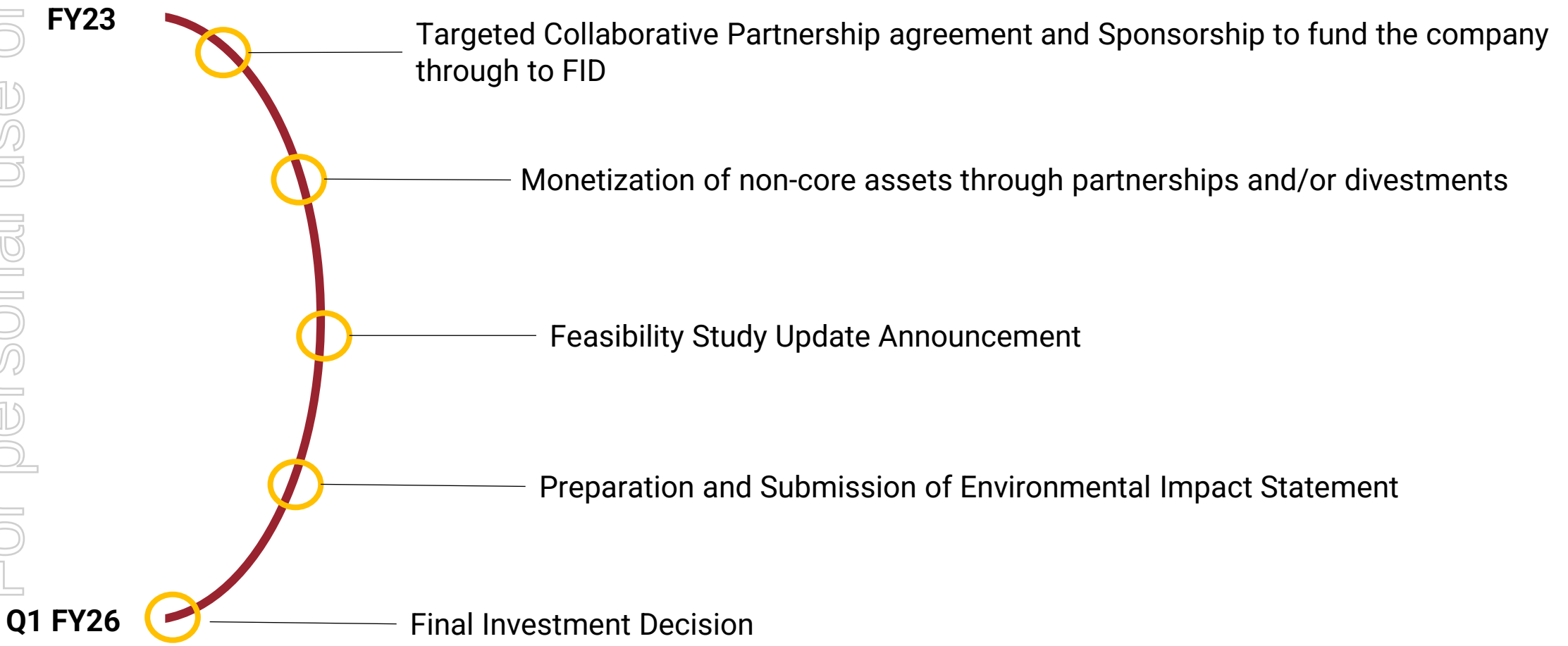

Sconi Project - Summary

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- ✓ 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[12]
- ✓ Right market - nickel and cobalt sulphate production delivers economic returns for all stakeholders
- ✓ Right partnerships – Existing partnership with global customer for near term expansion of relationship in Q1 2023
- ✓ 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[13]
  - third-party ESG verification and certification

[12] 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/

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

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Capital Raising Details

Pre-Paid Share Subscription Agreements
Underwritten Entitlement Offer

AUSTRALIAN MINES

Subscription Agreement Overview

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Overview	The Investors will pre-pay a total of $4,550,000 in return for the Options and a credit amount worth $5,000,000
Commitment Fee	Fees totalling $150,000 are payable to the Investors
Initial Shares	On payment, AUZ will issue the Investors a total of 25,000,000 shares (which may be applied towards satisfying the Company's subscription obligations under the Funding Agreement)
Options	On payment, and shareholder approval, AUZ will issue the Investors a total of 42,372,882 options, with an exercise price of A$0.089 per share, which will expire 3-years after the date of issue. If shareholder approval for the issue of the Options is not obtained the Investors retain the Initial Shares and they are not applied towards satisfying the Company's subscription obligations under the Funding Agreement
Purchase Price of Placement Shares	Placement Shares may be issued at two different prices, being: 1. A$0.089 per share (Fixed Subscription Price); or 2. 90% of the average of the five lowest daily VWAPs during the 20 days the Company's shares trade on the ASX prior to the date on which the price is to be determined, rounded down to the lowest $0.001 (Variable Subscription Price).
Purchase of Placement Shares	The investors can subscribe for Placement Shares during the Term, subject to the following conditions: 1. Until 28 February 2023, at the Fixed Subscription Price; 2. From 1 March 2023 until 21 November 2023, the Fixed Subscription Price or the Variable Subscription Price, however the Investors may only subscribe for shares at the Variable Subscription Price up to a maximum amount of $200,000 each for each calendar month during this period; 3. Following 21 November 2023 at] the Fixed Subscription Price or the Variable Subscription Price, without monthly limits. The limits in (1) and (2) above will only apply after 28 February 2023 if the Company has raised at least $2,500,000 by way of placement and/or entitlement offer or has announced a collaboration agreement with a strategic partner that includes an unconditional funding component sufficient to take the Sconi Project to final investment decision by 28 February 2023; and receives at least A$2,500,000 (net of fees) under that collaboration agreement or by placement and/or entitlement offer by 31 March 2023.
Unused Advance Payment Credit:	The Advance Payment Credit (initially $5,000,000) will be reduced by the value of shares subscribed for by the Investors during the Term.
Term	18 months, subject to the Investor's right to extend for six months
Company's Option to Pay in Cash	Following a subscription request by the Investors, the Company has the right to pay an amount instead of issuing shares, with this amount being the amount of shares applied for multiplied by the daily VWAP on the trading day immediately prior to the subscription request.
Company Buy-Back Right	The Company may elect to repay the entire Unused Advance Payment Credit at any time with a 5% premium, by providing notice to the Investors. If the Company does so, the Investors have the right to apply to subscribe to shares to the aggregate value of one-third of the Unused Advanced Payment Credit, at either the Fixed Subscription Price or the Variable Subscription Price.
Repayment on Capital Raise	The Investors may elect for the Company to direct up to 20% of the proceeds of any subsequent capital raise towards the Unused Advance Payment Credit.
Other terms	The agreement contains customary investor protections such as negative covenants, default events and representations and warranties.
Shares Issued at Maturity	If any amount of the Advance Payment Credit is unused at the end of the Term, the Company will issue shares to the Investors to the extent that no amount of the Advance Payment Credit remains unused.
Rights of Investor upon default	The agreement contains events of default considered standard for equivalent agreements. If a default event occurs that is incapable of being remedied the Investor may require the Company to repay the Unused Advance Payment Credit.

Capital Raising Overview

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Capital Raising	• AUZ is undertaking a pro rata non-renounceable entitlement offer of 1 new share for every 9.8 shares on issue to existing shareholders to raise approximately A$2.8m ("Entitlement Offer") • A$1.3m of the Entitlement Offer is underwritten, with A$551,000 of the underwriting support coming from AUZ directors, key management personnel and Share Subscription Agreement participants.
Attaching Options	• All new fully paid ordinary shares issued in the Entitlement Offer will receive one free attaching option for every two shares subscribed for. Each attaching option will be unlisted with an exercise price of A$0.089 and will expire on 28 December 2025 ("Options"). The option terms intended to be consistent with the options included in the Subscription Agreements announced concurrently with this offer on 22 November 2023.
Offer Pricing	• Offer price of $0.059 per New Share represents a: • ~14.5% discount to the last closing price (on 18 November 2022) of A$0.069 per share
Ranking	• Pari passu with existing fully paid ordinary shares on issue
Lead Manager	• Bell Potter Securities Limited
Director KMP Participation	• Directors and members of the Executive Team have underwritten $251k of the Entitlement Offer

Uses of Funds

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Sources of funds	A$m
Underwritten Entitlement Offer	$2.80m
Pre-Paid Equity Facility	$4.55m
Total	**$7.35m**

Uses of funds	A$m
Sconi Owners team employment	$2.0m
Sconi nickel exploration	$1.0m
Flemington cobalt exploration	$0.3m
Broken Hill cobalt exploration	$0.3m
Test work for studies	$1.65m
Working capital	$1.6m
Costs of the offer	$0.5m
Total	**$7.35m**

- ***Use of funds***
  - Expansion of senior leadership team to manage the environmental monitoring and works, technical studies and test work and onsite activities
  - Exploration activities at Sconi to increase size of resource including infill and expansion exploration works around the three deposits
  - Maintenance of current tenements at Flemington and Broken hill as part of Australian Mines Strategy
  - Engineering and metallurgical test work and design for studies and environmental monitoring and works to advance the permitting process to support Sconi Project Financing process
  - Working capital for the progress of Australian Mines strategy

Indicative Timetable

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Event	Indicative Date[14]
Announcement of Subscription Agreements and Entitlement Offer	23 November 2022
Entitlement Offer Record Date	28 November 2022
Entitlement Offer prospectus dispatched and Entitlement Offer opens	1 December 2022
Entitlement Offer closes	5.00 pm on 13 December 2022
Securities quoted on a deferred settlement basis from market open	14 December 2022
Announcement of results. Last day for entity to issue the securities taken in the pro rata and lodge Appendix 2A	20 December 2022 (no later than 12.00pm)
Quotation of securities commences	21 December 2022
Expected despatch of holding statements	23 December 2022

[14] The above timetable is indicative only and subject to change without notice.

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Appendix

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.

Key Risks

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The Company has identified the following non-exhaustive list of some of the key risks which investors need to be aware of in evaluating the Company's business and investing in its Securities. There is no guarantee that other factors will not affect the Company in the future. Investors should carefully consider the following factors in addition to other information presented in this Presentation.

Financing Risk and Offtake Agreement	The Company may not be able to secure finance for the development, construction and operation of its Sconi Project within targeted time-frames or on acceptable terms. As stated, and previously announced to the ASX, it is a condition precedent to the offtake agreement with LG Energy Solution that financing be secured by 31 December 2022 (or such later date as the parties may agree). Additionally Australian Mines has made the strategic decision to produce Nickel and Cobalt sulphates and are in continuing discussions with LGES regarding amending the agreement and collaboration. There is no guarantee the amended agreement will be finalised.
Resource and Reserve Estimates	The Company has made estimates of its resources and reserves based on relevant reporting codes, where required, and judgments based on knowledge, skills and industry experience. However, there is no guarantee that estimates will prove to be accurate. Actual mining results may materially differ from forecasts and estimates due to further findings and results not previously known or fluctuations in operating costs, exchange rates and metal prices.
Exploration and Operating Risks	The future profitability of the Company and the value of its Securities are directly related to the results of exploration and any subsequent project development. Until the Company can realise value from its projects, it is likely to incur ongoing operating costs. There are risks in undertaking exploration and development activities, which are inherently risky and speculative including: a) There is no guarantee that nickel, cobalt or other mineral deposits will be discovered in the locations being explored by the Company. In the event that deposits are, or have been discovered, there is no guarantee that they will be in commercially viable quantities or economically profitable. b) Operational risks including geological conditions, technical difficulties, the outcomes of ongoing test work on facilities, securing and maintaining tenements, weather and construction of efficient processing facilities. The Company's operations may be affected by force majeure, engineering difficulties and other unforeseen events. c) Obtaining approvals and licences necessary to conduct the exploration and mining, and satisfying conditions which may be imposed in order to proceed with the exploration or mining of the deposits. It may not be possible for the Company to satisfy these conditions, which may preclude the Company from carrying out its activities. d) The Company's operations may be impacted by local community actions. There is no assurance that the Company's operations will not be impacted by such actions or to the extent they may be impacted. To the extent such actions occur, the Company may be curtailed or prohibited from continuing with its exploration activities or proceeding with any future exploration or development. e) These factors affect the Company's ability to establish mining operations, continue with its projects, earn income from its operations and will affect the Share price.

Key Risks

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Nickel and Cobalt Prices and Exchange Rates	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.
Reliance on Key Personnel	The Company's success depends on its ability to 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 as impacted by the 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.
Capital and Operating Costs	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.
Land and Resource Tenure	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.

International Offering Jurisdictions

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Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorized by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). Accordingly, this document may not be distributed, and the New Shares may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

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New Zealand

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The New Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the "SFA") or another exemption under the SFA.

This document has been given to you on the basis that you are an "institutional investor" or an "accredited investor" (as such terms are defined in the SFA). If you are not such an investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

International Offering Jurisdictions Continued

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United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

The New Shares will only be offered and sold in the United States to:

- “institutional accredited investors” within the meaning of Rule 501(a)(1), (2), (3), (7), (8), (9) and (12) under the US Securities Act; and
- dealers or other professional fiduciaries organized or incorporated in the United States that are acting for a discretionary or similar account (other than an estate or trust) held for the benefit or account of persons that are not US persons and for which they exercise investment discretion, within the meaning of Rule 902(k)(2)(i) of Regulation S under the US Securities Act.

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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