

15 January 2019

\$1.9 million received from Commonwealth Government

HIGHLIGHTS:

- **\$1.9 million Research and Development tax rebate received for 2017-18 financial year**
- **Rebate paid in relation to trial activities completed at the demonstration-size processing plant in Western Australia**
- **Australian Mines' has an ongoing commitment to research and development**

Australian Mines Limited ("Australian Mines" or "the Company") (Australia ASX: AUZ; USA OTCQB: AMSLF; Frankfurt Stock Exchange: MJH) is pleased to announce it has received a rebate from the Australian Taxation Office of \$1,911,075 in relation to the Company's research and development (R&D) expenditure during the 2017-18 financial year.

The R&D tax incentive is a program run by the Australian Commonwealth Government to encourage companies to engage in R&D benefiting Australia, by providing a tax offset for eligible R&D activities.

This rebate is in addition to the \$295,765 R&D tax rebate received in October 2018 and relates to continued development work completed at Australian Mines' demonstration-size High-Pressure Acid Leach (HPAL) and solvent extraction (SX) plant¹ located in Perth, Western Australia, in conjunction with Simulus Group's laboratories.

¹ Australian Mines Limited, Construction commences of processing plant, released 15 May 2017

R&D continues to be a critical component of Australian Mines' plans, as demonstrated by the company's partnership with United Kingdom-based technology company Metalysis, to support their R&D program to produce a cost-competitive aluminium - scandium alloy², as well as the Amrita Centre for Research and Development on the use of scandium in next generation metal hydride batteries and hydrogen storage applications³.

Australian Mines Managing Director, Benjamin Bell, commented:

"The operation of the demonstration plant has continued to play an instrumental role for Australian Mines in our strategy to maximise economic returns from our assets, especially our flagship Sconi Cobalt-Nickel-Scandium Project in North Queensland.

"Not only has operation of the plant allowed optimisation of the proposed flowsheet for Sconi, the R&D work conducted has also allowed us to explore potential future commercial opportunities for scandium oxide expected to be produced at Sconi."

*****ENDS*****

For further information:

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² Australian Mines Limited, Australian Mines enters international research partnership to develop next-generation scandium alloy, released 11 June 2018

³ Australian Mines Limited, Australian Mines takes lead on scandium R&D for next generation of battery storage technology, released 2 November 2018