

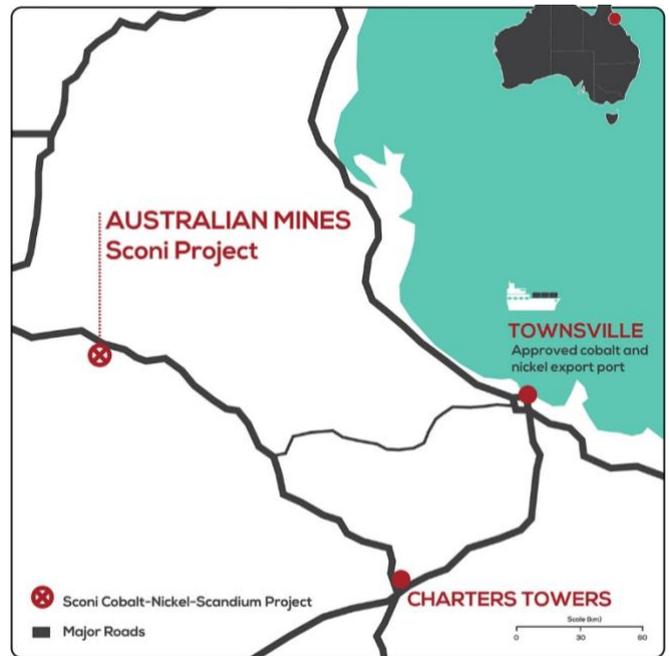
Ore Reserves & Mineral Resources

Sconi Project

Cobalt-Nickel-Scandium

Our flagship Sconi Project is one of the very few large ore bodies of its type within Australia and is also considered the most advanced towards production. The economic modelling completed for the Sconi Project Bankable Feasibility Study (BFS released November 2018) demonstrated that the project supports a two million tonne per annum process plant that would deliver long-term benefits to both the regional Queensland community and Australian Mines shareholders.

Life of Mine average annual production in the BFS is projected to be 8,496 tonnes of cobalt sulphate; 53,301 tonnes of nickel sulphate; and 89 tonnes of scandium oxide. This is based on an initial 18-year project life, however, the Sconi Project is expected to continue significantly beyond this given the opportunities for additional resources and exploration upside outlined by current Mineral Resource extension drilling.

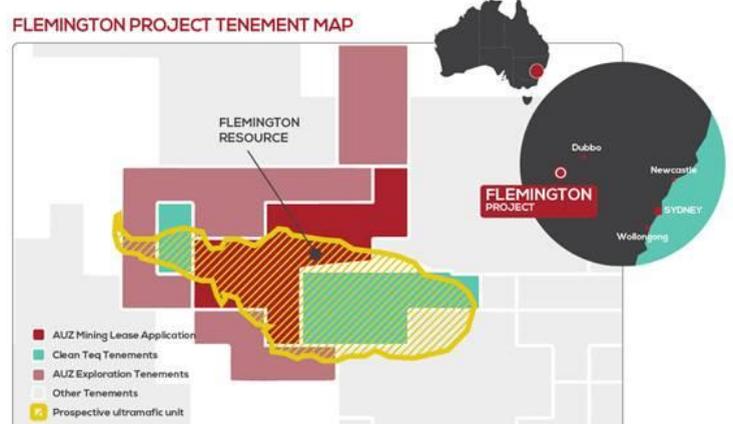


Flemington Project

Cobalt-Scandium-Nickel

Australian Mines has acquired 100% ownership of Flemington, located 370 kilometres west of Sydney in New South Wales, with the Project representing a second potential cobalt production source in the medium term.

A Mining Lease application has been submitted for Flemington and environmental studies commenced. The Project benefits from a secured, permanent water allocation to support a future mining operation.



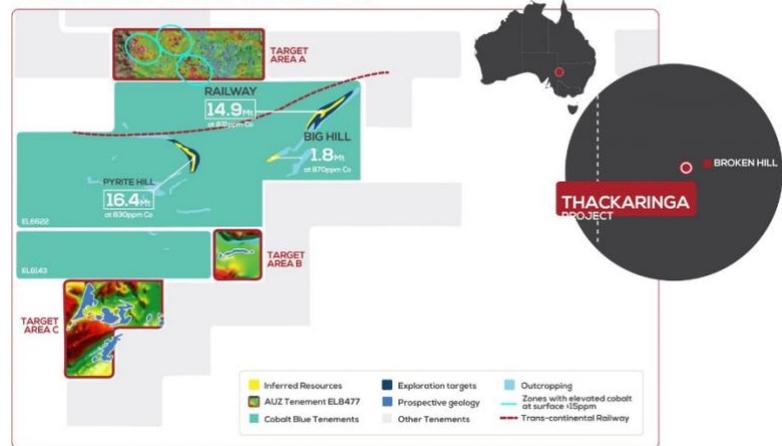
Thackaringa Project

Cobalt

Australian Mines' 100% owned Thackaringa Cobalt Project is located within 25 kilometres of the regional mining town of Broken Hill in New South Wales.

Australian Mines commenced its exploration program at the Thackaringa Project earlier in 2018, when it commissioned a high-resolution helicopter-borne electromagnetic survey of the project area. This geophysical survey complemented the outcrop geological mapping undertaken by the New South Wales Geological Survey, which indicated that Australian Mines' Thackaringa Project may contain cobalt-bearing rocks that warrant further exploration.

THACKARINGA PROJECT Tenement MAP



In addition to the project's impressive cobalt potential, modelling of the helicopter-borne electromagnetic survey data acquired over the Thackaringa Project also identified a conductive body (notionally called BR_02_CC), which appears to have the geophysical characteristics of base metal (copper-silver-gold-lead-zinc) mineralisation. A follow-up ground-based fixed loop electromagnetic survey (FLEM) subsequently conducted over this conductive body by Australian Mines during the year re-affirmed the presence of a potential sulphide body at target BR_02_CC. To ascertain whether this bedrock conductor may be the surface expression of the next "Cobar-style" polymetallic discovery within New South Wales.

Processing plant

Australian Mines invested in the construction of a demonstration-size processing plant in Perth, with multiple batch and continuous testing campaigns carried out at the facility to confirm the metallurgical process design and recoveries factored in to the Bankable Feasibility Study (BFS) report.



Ore from Sconi was processed through the High Pressure Acid Leach (HPAL) circuit at the demonstration plant, with the resulting leach liquor then taken through scandium solvent extraction, scandium precipitation and calcination, iron removal and mixed sulphide precipitation (MSP). The resulting MSP was then fed through the refinery circuit, which includes pressure oxidation followed by impurity removal, cobalt and nickel solvent extraction and crystallisation steps.

Australian Mines proposed commercial processing plant benefits from using a conventional, industry standard processing flow chart and construction design

Ore reserves and mineral resources tables

Sconi Ore Reserves as at 30 June 2019

Following an update of the Mineral Resources at Sconi in February 2019, the Company updated the mine plans for the project and reported an updated Ore Reserve on 13 June 2019.

The Ore Reserve is sufficient to support a mining operation at Sconi for 30+ years, based on the assumptions used in the updated mine plan.

Further details on the Ore Reserve can be found in the 13 June 2019 ASX announcement.

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

Mineral resource estimates

Queensland, Australia

Sconi Cobalt-Nickel-Scandium Project – Mineral Resource (Effective 14 February 2019)¹⁸

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 1: Greenvale Mineral Resource

Lower cut-off grade: Nickel equivalent 0.40%¹⁹

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 2: Lucknow Mineral Resource

Lower cut-off grade: Nickel equivalent 0.55%¹⁹

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

Table 3: Kokomo Mineral Resource

Lower cut-off grade: Nickel equivalent 0.45%¹⁹

¹⁸The Mineral Resource Estimates for the Sconi Project are reported under JORC 2012 Guidelines and were reported by Australian Mines Limited on 14 February 2019. There has been no Material Change or Re-estimation of the Mineral Resource since this 14 February 2019 announcement by Australian Mines.

¹⁹See page 109 of this document for the Nickel Equivalent calculation related to the Sconi Project's Mineral Resource Estimate.

Bell Creek Nickel-Cobalt Project – Mineral Resource (Effective 29 April 2019)²⁰

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 4: Bell Creek Mineral Resource
Lower cut-off grade: Nickel equivalent 0.45%¹⁹

Minnamoolka Nickel Project – Mineral Resource (Effective 31 March 2017)²¹

Classification	Tonnes (million tonnes)	Nickel (%)	Cobalt (%)
Indicated	11.8	0.67	0.03
Inferred	2.9	0.64	0.02
Total	14.7	0.66	0.03

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

²⁰The Mineral Resource Estimate for the Bell Creek Project is reported under JORC 2012 Guidelines and was 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.

²¹The Mineral Resource for the Minnamoolka Project is reported under JORC 2004 Guidelines and was reported by Metalica Minerals on 19 January 2009. Australian Mines wishes to remind shareholders that the full results of the Pre-Feasibility Study on the Sconi Project completed by its then joint venture partner Metalica Minerals Limited and announced by Metalica Minerals on 28 March 2013, including the full disclosure on the Mineral Resource, were comprehensively reviewed and confirmed by Australian Mines' Competent Person, and subsequently released via the ASX Announcement Platform on 31 March 2017. The information regarding the Minnamoolka Mineral Resource has been extracted from various announcements released via the ASX Announcements Platform, including Australian Mines' announcement dated 31 March 2017 titled Technical Reports, which is available either on the Australian Mines website (www.australianmines.com.au) or through the ASX website at www.asx.com.au (using ticker code "ALJZ"). Australian Mines confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in that market announcement continue to apply and have not materially changed. Australian Mines confirms that the form and context in which the Competent Person's findings are presented have not materially modified from the original market announcement. The Minnamoolka Mineral Resource in this document is reported under JORC 2004 Guidelines, as there has been no Material Change or Re-estimation of the Mineral Resource since the introduction of the JORC 2012 Code. Future estimates of the Minnamoolka Project resource will be completed to JORC 2012 Guidelines.

New South Wales, Australia

Flemington Cobalt-Nickel-Scandium Project – Mineral Resource (Effective 31 October 2017)²²

Classification	Tonnes (million tonnes)	Cobalt (%)	Scandium (ppm)
Measured	2.5	0.103	0403
Indicated	0.2	0.076	408
Total	2.7	0.101	403

Table 6: Flemington Mineral Resource
Lower cut-off grade: Cobalt 0.03%

²²The Mineral Resource Estimate for the Flemington Project is reported under JORC 2012 Guidelines and was reported by Australian Mines Limited on 31 October 2017. There has been no Material Change or Re-estimation of the Mineral Resource since this 31 October 2017 announcement by Australian Mines.