



Australian Mines Limited
ABN 68 073 914 191

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8 August 2022

Dear Shareholders

Australian Mines Limited General Meeting

The Notice of General Meeting of Australian Mines Limited (**Australian Mines or the Company**) to be held on 9 September 2022 at 2.30 pm Brisbane time is now available at the ASX Announcements section of <https://australianmines.com.au/our-value-proposition>.

Safety of our shareholders and staff is our paramount concern. With the COVID-19 pandemic resulting in ongoing health concerns and government restrictions on gatherings and travel, we will hold the meeting by way of live video conference and physical meeting.

The consequences of this are as follows:

1. If you wish to attend the virtual General Meeting, please go to www.advancedshare.com.au/virtual-meeting and use the meeting ID and Shareholder identification contained in the enclosed proxy form;
2. Questions concerning the business of the meeting should be submitted to investorrelations@australianmines.com.au in advance of the meeting. There will be a facility to put questions in writing and speak during the meeting using a Q&A facility for those attending virtually;
3. The resolution will be determined by way of a poll. The poll will be conducted based on votes submitted by proxy and by Shareholders who have indicated that they intend to vote at the Meeting. The Company's share registry will be facilitating voting during the Meeting.

Shareholders are strongly encouraged to lodge a proxy form to vote at the AGM at least 48 hours before the meeting.

Yours sincerely

A handwritten signature in black ink, appearing to read "Oliver Carton".

Oliver Carton
Company Secretary

AUSTRALIAN MINES LIMITED

ABN 68 073 914 191

NOTICE OF GENERAL MEETING

TIME: 2.30 pm Brisbane, QLD time

DATE: 9 September 2022

LOCATION: South Yarra Tennis Club, 310 Williams Road North, Toorak, Victoria, and by video conference

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the meeting of the Shareholders to which this Notice of Meeting relates will be held at 2.30 pm Brisbane QLD Time on 9 September 2022 at South Yarra Tennis Club, 310 Williams Road North, Toorak, Victoria and by video conference.

YOUR VOTE IS IMPORTANT

The business of the Meeting affects your shareholding and your vote is important.

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are registered shareholders as at 5.00pm Brisbane QLD time on 7 September 2022.

VOTING IN PERSON

To vote in person, attend the Meeting at the time, date and place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 - RATIFICATION OF ISSUE OF SECURITIES

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That for the purposes of ASX Listing Rules 7.4, and for all other purposes, Shareholders ratify the issue and allotment by the Company of the Shares to the recipients set out in Section 1 of the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the Securities issues, or any associates of those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- A person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- The Chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- A holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - The beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - The holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

BY ORDER OF THE BOARD



**OLIVER CARTON
COMPANY SECRETARY
8 AUGUST 2022**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolution which is the subject of the business of the Meeting.

Unless stated otherwise, information concerning the number of Shares on issue, market capitalisation and Share price are as at the date of the Notice of Meeting.

1. RESOLUTION 1 - RATIFICATION OF ISSUE OF SECURITIES

1.1 Background

On the dates set out in Table 1 of Schedule 1, the Company agreed to issue the Equity Securities set out in that table, for the reasons referred to in that table. The Board is allowed to issue or agree to issue up to 15% of its issued capital without Shareholder approval each 12 months under ASX Listing Rule 7.1, with a number of exceptions. The Company has issued securities for the purposes as set out in Table 1 of Schedule 1 within this limit that do not fit within any of the exceptions. Accordingly, those issues use up part of the 15% limit under Listing Rule 7.1, reducing the Company's capacity to issue Equity Securities without Shareholder approval for 12 months from the date of issue.

Under Listing Rule 7.4, the Company can seek Shareholder ratification of an issue made within the limit of ASX Listing Rule 7.1, and, if given, the effect of the ratification is to deem that the securities issued were issued with Shareholder approval, meaning that, from the date of the approval, the Board is again able to issue up to a further 15% of the issued capital without Shareholder approval.

The Company wishes to obtain as much flexibility as possible to issue Equity Securities in the future without having to obtain Shareholder approval each time. Accordingly, shareholder approval is sought. In particular the Company may seek to raise capital or place securities to assist in the development of its flagship Sconi Project. It cannot issue securities to any related party without first obtaining shareholder approval to do so.

As stated above, if Shareholder approval is given, the Equity Securities set out in Table 1 of Schedule 1 will not count in calculating the Company's 15% limit under Listing Rule 7.1, thereby increasing the number of Equity Securities it can issue in the 12 months following the issue dates.

If shareholder approval is not given, the Equity Securities set out in Table 1 of Schedule 1 will count in calculating the Company's 15% limit, thereby decreasing the number of Equity Securities it can issue in the 12 months following the issue dates.

1.2 Terms of Securities

The Securities issued were Shares ranking equally with other Shares on issue and Options.

1.3 ASX Listing Rule requirements for Resolution 1

(a) ASX Listing Rule 7.4

As stated, ASX Listing Rule 7.4 enables the Company to ratify an issue of securities made without prior Shareholder approval under ASX Listing Rule 7.1 if:

- i. the issue of securities did not breach ASX Listing Rule 7.1; and
- ii. Shareholders subsequently approve the issue of those securities by the Company.

The securities issued did not breach ASX Listing Rule 7.1.

(b) Technical information required by ASX Listing Rule 7.4

Pursuant to, and in accordance with, ASX Listing Rule 7.5, the following information is provided in relation to Resolution 1:

- i. The number of securities issued is set out in Schedule 1;
- ii. the issue price of the Securities was as set out in Schedule 1;
- iii. the terms of the Securities were as set out in Schedule 1;
- iv. the names of the persons to whom the Company issued the Securities were as set out in Schedule 1;
- v. the funds raised from the issue of the Securities were used for the purposes set out in Schedule 1.

1.4 Recommendation of directors

All Directors recommend that Shareholders vote in favour of Resolution 1.

Glossary

\$ means Australian dollars.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Brisbane, QLD Time means Australian Eastern Standard Time as observed in Brisbane Queensland.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Company means Australian Mines Limited (ACN 073 914 191).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Eligible Entity has the meaning given to that term in the ASX Listing Rules.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire shares at \$0.14 per option exercisable within 2 years from the date of issue, on the terms set out in Schedule 2.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Schedule 1

Table 1 - Issued under Listing Rule 7.1

No of securities	Date of issue announcement	Date of issue	Class	Issue Price (\$)	Close market price (\$)	Discount	Consideration cash (\$)	Consideration non cash – current value	Purpose of issue	Persons issued to or basis on which those persons were determined
32,173,913	23.05.22	27.05.22	Shares	0.115	0.135	14.8%	0.115	-	See (i)	Clients of Bell Potter Securities (ii)
32,173,913	23.05.22	27.05.22	Options	Nil	N/A	N/A	Nil	-	See (i)	Clients of Bell Potter Securities (ii)

(i) As announced to the market on 23 May 2022 Australian Mines raised \$3.7m by the placement of 32,173,913 Shares at \$0.0115 per share together with one free attaching Option, in conjunction with an Entitlement Offer.

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

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

(ii) Bell Potter Securities Limited acted as Lead Manager to the placement.

The following objectives and criteria were applied in connection with the allocation of securities in the Issuer in connection with the Placement (in no particular order):

- Seek to broaden the Issuer's register and increase liquidity by prioritising those new investors who are likely to be long term shareholders of the Issuer, having regard to the criteria set out below
- Where possible, and to the extent there is no conflict with other objectives, seek to treat existing shareholders fairly by taking into account their level of interest in the Issuer and the Institutional Placement and the size of their existing shareholding in the Issuer (noting that no verification or reconciliation of their existing shareholding will be undertaken)
- Seek to prioritise Institutional Placement allocations to wall-crossed investors who provide pre-launch orders and indications of demand

- Seek to prioritise allocations to investors who provide early bids and deal leadership post-launch of the Institutional Placement

In making recommendations on allocations, the Lead Manager will take into account relevant factors, including, but not limited to:

- Any existing security holding or, if relevant, previous dealings in the Issuer's securities;
- Size and timeliness of bid;
- Bids received during the wall-crossing process;
- Type, style, size and or geographic location of investor;
- Investor's interest and investment record in the Issuer's sector;
- Quality of investor (including credit profile) and anticipated long-term holding intention;
- Strategic alignment of the investor (including if it is an existing or previous shareholder); and
- Other relevant considerations, as agreed between the Issuer and Lead Manager in writing.

Allocations should, as always, be made in the best interests of the Issuer and its shareholders.

Schedule 2

Summary of the key terms of the Options

The terms and conditions of the Options are as follows:

- (a) the Options will be exercisable at any time prior to 5:00pm AEDT on 30 May 2024, 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 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 Options listed for Official Quotation;
- (e) shares issued on the exercise of the 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 Options listed for Official Quotation;
- (g) there will be no participating entitlements inherent in the Options to participate in new issues of capital which may be offered to Shareholders during the currency of the Options. Prior to any new pro rata issue of securities to Shareholders, holders of 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 Options, the exercise price of the 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 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 Options will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Options.



AUSTRALIAN MINES LIMITED | ABN 68 073 914 191

Proxy Voting Form

If you are attending the virtual Meeting please retain this Proxy Voting Form for online Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **2.30pm (QLD Time) on Wednesday, 7 September 2022**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise, if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at

<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

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