

12 June 2019

Australian Mines Launches Underwritten Share Purchase Plan

Advanced battery materials developer, **Australian Mines Limited** (“Australian Mines” or “the Company”) (Australia ASX: AUZ; USA OTCQB: AMSLF; Frankfurt Stock Exchange: MJH) is pleased to announce it is undertaking, by way of a prospectus, a Share Purchase Plan (“SPP”) to raise \$5 million (before costs), with the ability to accept oversubscriptions of an additional \$5 million.

The SPP will be underwritten to \$5 million by Patersons Securities Limited (“Patersons”) who are acting as Lead Manager and Underwriter to the SPP.

The New Shares (as defined below) will be issued at a 20% discount to the Volume Weighted Average Price (VWAP) trading price over the five trading days before the date of issue of the New Shares and will only be offered to Eligible Shareholders (as defined below) free of brokerage and fees. In addition, the SPP is subject to certain relief sought from ASX referred to on page 2.

The funds raised through this SPP will be used to advance the Company’s Sconi Cobalt-Nickel-Scandium Project in North Queensland and for general working capital.

Details of the Share Purchase Plan

The Company will offer Shareholders who were registered shareholders as at 5:00pm Australian Western Standard Time (AWST) on Tuesday 11 June 2019 (“Record Date”) (“Eligible Shareholders”) the opportunity to apply for new fully paid ordinary shares (“New Shares”) in the Company under the SPP.

Additionally, and subject to the Company’s remaining available placement capacity pursuant to ASX Listing Rules 7.1 and 7.1A, and after consultation with Patersons, the Company may undertake an offer of New Shares to sophisticated investors at the same price as those under the SPP (“Top-Up Placement”) to raise a further \$5 million (before costs). The Top-Up Placement (if undertaken) will be conducted by Patersons in its role as lead manager.

Under the SPP, Eligible Shareholders will be given the opportunity to purchase up to \$15,000 worth of New Shares in the Company at a discount and without incurring brokerage or transaction costs.

Eligible Shareholders will be able to participate in the SPP by choosing one of the following levels of participation:

- \$1,000 (minimum) of New Shares,
- \$2,500 of New Shares,
- \$5,000 of New Shares,
- \$7,500 of New Shares,
- \$10,000 of New Shares, or
- \$15,000 (maximum) of New Shares

Full details of the SPP will be set out in the SPP prospectus and personalised Application Form, which will be sent to Eligible Shareholders on or about Friday 12 June 2019.

Completed Application Forms and payment must be received by 5:00pm (AWST) on Friday 5 July 2019.

An indicative timetable for the SPP is set out below. Other than the Record Date, the Company may change these dates and times at its discretion.

| Event | Indicative Date |
|---|--|
| Record Date | 5.00pm (AWST) on Tuesday, 11 June 2019 |
| Announce SPP | Wednesday, 12 June 2019 |
| Despatch SPP Prospectus to eligible shareholders | Friday, 14 June 2019 |
| Opening Date | Friday, 14 June 2019 |
| Closing Date | 5.00pm (AWST) on Friday, 5 July 2019 |
| Company to notify Underwriter of Shortfall (if any) | Tuesday, 9 July 2019 |
| Issue of New Shares under SPP and Top-Up Placement | Monday, 15 July 2019 |
| Quotation on ASX of New Shares | Tuesday, 16 July 2019 |

The Company has applied to the ASX for waivers from ASX Listing Rules 7.1 and 10.11 to the extent necessary to permit the Company to issue shares under the SPP without shareholder approval, on condition that the number of shares issued in relation to the SPP under the prospectus will not exceed 30% of the number of fully paid ordinary shares in the Company already on issue. The grant of these ASX waivers is a condition to the SPP. If not granted, the Company may waive this condition so that the Company will proceed with the SPP to the extent it is permitted to do so under its existing placement capacity pursuant to ASX Listing Rules 7.1 and 7.1A. In this case, no securities will be issued to related parties of the Company.

For further information regarding Australian Mines or its SPP, please visit www.australianmines.com.au or contact:

Australian Mines Limited
c/- Advanced Share Registry Services Limited
<https://www.advancedshare.com.au/>

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