ASX Announcement
21 June 2019

Costean Sampling Results from 4G Hill Prospect

Highlights

- Costean sampling to follow up previous high-grade rock chip samples at the 4G Hill Prospect have returned further high-grade results of up to 85.86 g/t gold from a highly gossanous and brecciated quartz vein.
- Four composite samples across the exposed gossan returned 8m grading 47.99 g/t gold, 5m grading 33.07 g/t gold, 5m grading 57.58 g/t gold and 6.5m grading 32.21 g/t gold.
- The host rocks can be traced for over 30 kilometres and have seen very limited exploration for gold.

AIC Mines Limited (ASX: A1M) ("AIC" or "the Company") is pleased to announce exploration results from its 100% owned 4G Hill Prospect at the Marymia Exploration Project located in central Western Australia.

Four shallow costeans have been excavated across the 4G Hill gossan (see Figure 1). The gossan was identified through soil sampling and rock chip sampling. High-grade rock chip sample assay results of 387 g/t gold and 230 g/t gold have previously been reported from the 4G Hill gossan (AIC Resources Ltd December 2018 Quarterly Report and March 2019 Quarterly Report).

Four composite samples were taken across the exposed gossan surface and returned 8m grading 47.99 g/t gold, 5m grading 33.07 g/t gold, 5m grading 57 g/t gold and 6.5m grading 32.21 g/t gold. Samples were collected on 0.5m intervals with a handheld jackhammer along channels whose orientation was dictated by exposure and were designed to return a representative grade of the gossan. The sample locations are shown in Figure 1 and further information is provided below in Table 1.

Composite Sample ID	Sample Central Location (MGA94 Z50)		Sample Orientation	Number of samples	Distance (m) and Grade (g/t Au)	
	East	North				
4G_COMP01	769257	7239760	014	16	8m @ 47.99	Including 0.5m @ 38.99, 0.5m @148.77, 0.5m @ 89.12, 0.5m @ 232.15 and 0.5m @ 149.31
4G_COMP02	769253	7239762	171	10	5m @ 33.07	Including 0.5m @ 179.46, 0.5m @ 44.49 and 0.5m @ 46.72
4G_COMP03	769250	7239761	136	10	5m @ 57.58	Including 0.5m @ 91.5, 0.5m @ 55.01, 0.5m @ 55.88, 0.5m @ 116.17, 0.5m @ 32.31, 0.5m @ 25.96, 0.5m @ 116.79 and 0.5m @ 70.85
4G_COMP04	769253	7239763	68	13	6.5m @ 32.21	Including 0.5m @ 73.62, 0.5m @ 116.52, 0.5m @ 135.65, 0.5m @ 13.13, 0.5m @ 12.07, 0.5m @ 10.36, 0.5m @ 12.41 and 0.5m @ 17.62

Table 1. Composite sample highlights

In addition to the composite samples, rock chips were taken from the four costeans at 1 metre intervals. These rock chip samples also returned high-grade gold results where the gossan was intercepted with a maximum result of 85.86 g/t gold.

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The exposed 4G Hill gossan is a highly ferruginous and shattered quartz vein up to 0.5m thick, which appears to have formed within a flexure in an iron-rich coarse gritty sandstone unit. Host rocks are Sedimentary Iron Formations (SIF), probably of Proterozoic age, and form part of the Copper Hills Schist Belt located along the northern margin of the Archean Marymia Inlier. The source of the gold is not yet understood but could be from within the Proterozoic SIF or from the Archean Basement. There has been very limited gold exploration along the SIF units which can be traced for over 30 kilometres.

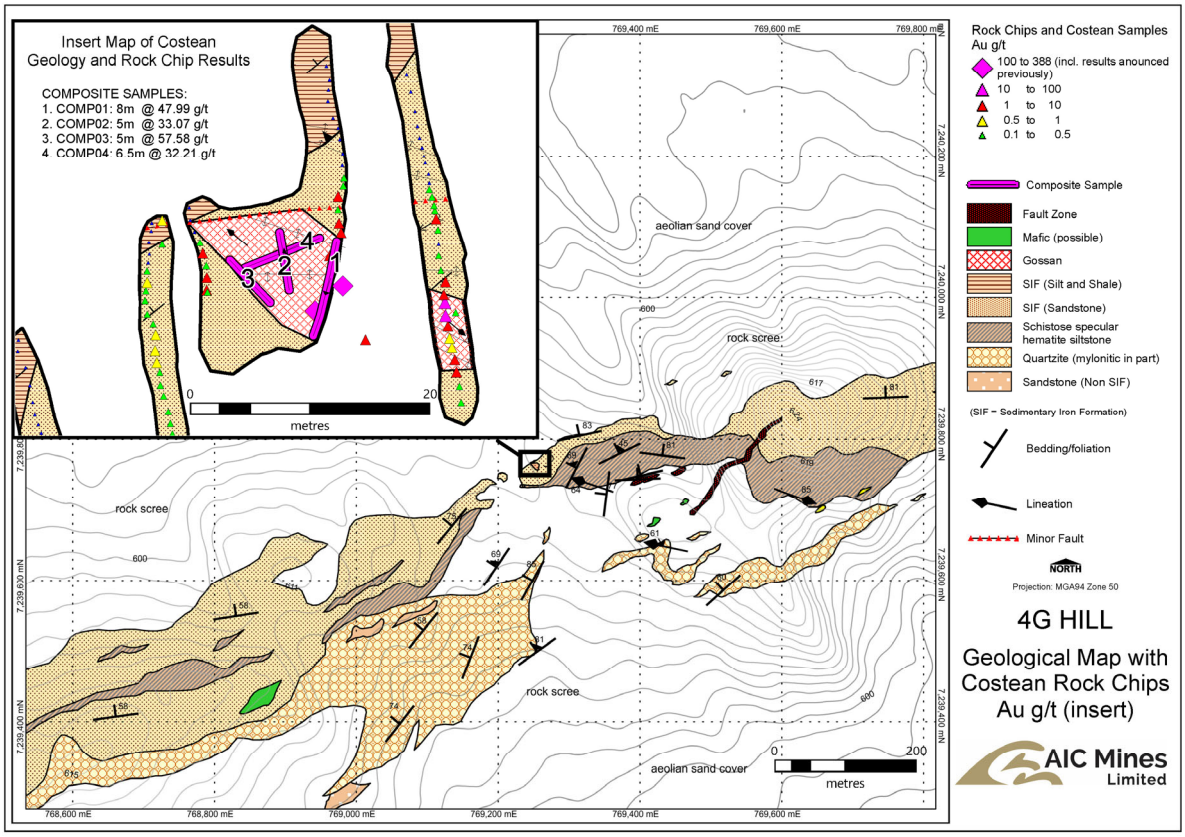

Figure 1. Location of composite channel samples and rock chip samples

These results are very promising and clearly warrant follow up. A detailed interpretation of airborne magnetic data is currently being completed with the objective of determining the likely structural controls on the location of mineralisation. This interpretation will be used to plan an RC drilling program.

Enquiries regarding this announcement may be directed to:

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About AIC Mines

AIC Mines is a growth-focused Australian exploration company. Its principal asset is the Marymia exploration project in Western Australia, strategically located within trucking distance of the Plutonic Gold Mine and the Degrussa Copper Mine.

The Company's strategy is to build a portfolio of producing gold and copper assets in Australia through exploration, development and acquisition. AIC Mines has the management and operational skills, together with the balance sheet strength, to pursue acquisitions whilst maintaining exploration momentum at Marymia.

Marymia Project Background

AIC Mines is the 100% owner of the Marymia Project located 1,200km north-east of Perth on the northern margin of the Yilgarn Craton. The Marymia Project is prospective for both gold and copper mineralisation and is strategically located within trucking distance of the Plutonic gold mine and the Degrussa copper mine. The tenement area held by AIC Mines has seen limited previous exploration. AIC Mines has recently conducted regional mapping along with regional geophysical and geochemical surveys with the aim of discovering new mineral resources.

Competent Person's Statements

The information in this report that relates to all Geological Data and Exploration Results is based on, and fairly represents information and supporting documentation compiled by consultant geologist, Joanna Pearson of Odyssey Directions Pty Ltd. Dr Pearson takes responsibility for the integrity of the Exploration Results including sampling, assaying, and QA/QC, and the preparation of the geological interpretations. Dr Pearson is a Member of The Australian Institute of Geoscientists and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken, to qualify as a Competent Person in terms of The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 edition).

The Competent Person consents to the inclusion of such information in this report in the form and context in which it appears.

Forward-Looking Statements

This Announcement includes "forward-looking statements" as that term within the meaning of securities laws of applicable jurisdictions. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond AIC Mines' control. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this announcement, including, without limitation, those regarding AIC Mines' future expectations. Readers can identify forward-looking statements by terminology such as "aim," "anticipate," "assume," "believe," "continue," "could," "estimate," "expect," "forecast," "intend," "may," "plan," "potential," "predict," "project," "risk," "should," "will" or "would" and other similar expressions. Risks, uncertainties and other factors may cause AIC Mines' actual results, performance, or achievements to

differ materially from those expressed or implied by the forward-looking statements (and from past results, performance or achievements). These factors include, but are not limited to, the failure to complete the project in the time frame and within estimated costs currently planned; the failure of AIC Mines' suppliers, service providers and partners to fulfil their obligations under supply and other agreements; unforeseen geological, physical or meteorological conditions, natural disasters or cyclones; changes in the regulatory environment, industrial disputes, labour shortages, political and other factors; the inability to obtain additional financing, if required, on commercially suitable terms; and global and regional economic conditions. Readers are cautioned not to place undue reliance on forward-looking statements. Although AIC Mines believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Results stated in this report are based on rock chip sampling in costeans. Costean was excavated to approximately 2m depth and rock chip samples taken along base and walls at approximately 1m intervals. A jack hammer was used to chisel out samples at 0.5m intervals across the exposed top surface of the iron rich gossan. • No measures have yet been taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. However, the large size of each sample (approx. 2.5kg) and the density of sampling across the exposed gossan ensures sample representivity.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• No drilling has been undertaken by AIC Mines during this reporting period.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Not applicable.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Not applicable. • Not applicable. • Not applicable. .
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Not applicable. • Not applicable. • Samples were sent to Intertek Genalysis in Perth where they were dried, crushed and pulverised to -75µm pulp. • Standard laboratory procedure is to split 1 in 30 pulps and reanalysis. AIC inserts 1 coarse blank sample (-4mm Bunbury Basalt) for every 100 rock chip samples to monitor the sample preparation process. • Field duplicates of rock chips were not taken however the sampling density was considered adequate to monitor sampling representativity.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• All samples results reported were assayed at Intertek Genalysis Laboratory in Perth. Samples were analysed by aqua-regia digest ICPMS analysis (AR10/MS, 1ppb detection level Au). Samples returning greater than 2000ppb (the maximum detection limit for AR10/MS), were reanalysed by a 25g Fire Assay ICPOES (FA25/OE 0.005ppm detection level Au). • No geophysical data or handheld XRF instrument data is reported. • Quality control procedures for rock chip sampling involves insertion of 1 certified reference material sample (standards) and 1 certified coarse blank for every 100 samples collected. This is considered acceptable levels for early stage exploration.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Significant rock chip results have not been independently verified. • No twinned holes are reported. • Field data is collected with a hand-held GPS and LogChief data collection software. It is imported directly into an SQL DataShed database. • No adjustments have been made to assay data.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Rock chip samples are collected with a hand-held Garmin GPS which has an accuracy of approximately 5m. • The company is using MGA 94 zone 50 as a standard grid system. • All topographic controls are currently by handheld GPS normally with a 5m error and visual.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Rock chip samples were taken at 1m intervals along approximately 2m deep costeans, with the sample spacing closed to 0.5m along the exposed surface of the gossan. • Not applicable. • No sample compositing has been recorded and is not being reported.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Costeans were excavated on N-S orientated lines. The general strike of the underlying sedimentary units is 060°, however the orientation of mineralised rock chips sampled veins is not yet know, and therefore a N-S orientated lines are considered appropriate. • Not applicable.
Sample security	• *The measures taken to ensure sample security.*	• Individual samples were collected in pre-numbered calico sample bags at the point of collection. Calico sample bags were then put into polyweave sacks and wired closed at exploration camp. The polyweave sacks are then driven to Newman and dispatched to Perth by commercial trucking company.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No data audits or sampling reviews have been undertaken.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• AIC Resources, a wholly owned subsidiary of AIC Mines, is the registered holder of the granted Tenements. • The Tenements co-exist with a number of pastoral leases including the Marymia, Three Rivers and Kumarina pastoral leases. • AIC Mines has undertaken an anthropological survey over all of their Marymia tenement package and the area of costeaning on 4G Hill does not fall within a sensitive area.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Exploration was undertaken by numerous sources dating from 1972 until 2016 primarily Great Central Mines from 1990 – 1993. Prior exploration at 4G Hill and throughout the Cu Hills Schist Belt was by Emergent Resources in 2009 and was focused on Magnetite and Heamatite Iron. • Information from previous exploration has been sourced from the Western Australia Mineral Exploration (WAMEX) reports database and is publicly available.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Marymia Project is located within the south-eastern part of the Capricorn Orogen situated between the Pilbara and Yilgarn Cratons. The main exploration model for the district is the Plutonic Mine sequence however, other structural styles and mineralisation may also be present. Exploration throughout the Cu Hills Schist belt is focused on Au and Cu exploration and as yet no comments can be made as to the style and setting of mineralisation that may be encountered.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• No drilling has been undertaken by AIC Mines.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Not applicable. • Not applicable.
Relationship between	• *These relationships are particularly important in the reporting of Exploration Results.*	• Not applicable at this stage of exploration.

Criteria	JORC Code explanation	Commentary
mineralisation widths and intercept lengths	• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• A plan of the location of costeans and rocks chips is given in the report.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Not applicable to this stage of exploration.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Not applicable to this stage of exploration.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• AIC Mines is actively exploring the Cu Hills Schist Belt that includes 4G Hill with the aim to define a drilling program.

Appendix 1. Composite sampling information

Composite Sample ID	Sample ID	Au_ppm	Sample Weight (kg)
4G_COMP01	Z001757	23.31	1.86
4G_COMP01	Z001758	38.987	2.16
4G_COMP01	Z001759	1.776	1.93
4G_COMP01	Z001760	148.771	1.77
4G_COMP01	Z001761	3.098	1.99
4G_COMP01	Z001762	89.121	1.85
4G_COMP01	Z001763	7.186	2.32
4G_COMP01	Z001764	12.328	1.62
4G_COMP01	Z001765	1.651	2.29
4G_COMP01	Z001766	232.146	1.76
4G_COMP01	Z001767	0.932	2.33
4G_COMP01	Z001768	149.305	2.00
4G_COMP01	Z001769	2.728	2.23
4G_COMP01	Z001770	48.658	1.89
4G_COMP01	Z001771	4.809	1.67
4G_COMP01	Z001772	3.021	2.12
4G_COMP02	Z001825	0.201	2.49
4G_COMP02	Z001826	0.496	3.05
4G_COMP02	Z001827	0.195	2.73
4G_COMP02	Z001828	0.542	2.35
4G_COMP02	Z001829	1.129	2.47
4G_COMP02	Z001830	0.969	2.51
4G_COMP02	Z001831	179.464	2.18
4G_COMP02	Z001832	44.487	2.38
4G_COMP02	Z001833	46.715	2.54
4G_COMP02	Z001834	56.496	2.12
4G_COMP03	Z001747	91.506	1.35
4G_COMP03	Z001748	55.006	2.38
4G_COMP03	Z001749	55.881	1.33
4G_COMP03	Z001750	116.172	1.00
4G_COMP03	Z001751	32.309	2.06
4G_COMP03	Z001752	25.96	2.18
4G_COMP03	Z001753	1.477	1.67
4G_COMP03	Z001754	9.874	2.24
4G_COMP03	Z001755	116.788	1.87
4G_COMP03	Z001756	70.851	1.40
4G_COMP04	Z001812	6.586	2.80
4G_COMP04	Z001813	9.348	3.80
4G_COMP04	Z001814	3.968	3.95
4G_COMP04	Z001815	2.127	3.35
4G_COMP04	Z001816	73.621	2.56
4G_COMP04	Z001817	116.522	2.38
4G_COMP04	Z001818	135.648	2.16
4G_COMP04	Z001819	13.133	2.11
4G_COMP04	Z001820	5.322	2.74
4G_COMP04	Z001821	12.067	3.71
4G_COMP04	Z001822	10.361	2.61
4G_COMP04	Z001823	12.406	3.79
4G_COMP04	Z001824	17.615	2.58