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28 July 2021

Successful Institutional Placement Raises A\$6.5 Million

Highlights:

- Firm commitments received to raise A\$6.5 million, led by offshore and domestic institutional investors
- Design of the Precursor Cathode Active Material (P-CAM) pilot processing facility is now complete
- P-CAM facility expected to materially improve the Sconi Project's economics with an added NPV of A\$352 million¹
- Offtake negotiations progressing with a range of global car and battery manufacturers

Advanced battery materials development company Australian Mines Limited ("**Australian Mines**" or "the **Company**") (Australia ASX:AUZ; USA OTCQB:AMSLF; Frankfurt Stock Exchange:MJH) is pleased to announce that it has successfully received firm commitments to raise approximately A\$6.5 million (before costs) in new equity via a fully committed share placement to institutional, sophisticated and professional investors ("**Placement**").

Strong support for the Placement was received from institutional investors domestically and internationally.

Australian Mines Managing Director, Benjamin Bell, commented: *"I am pleased with the strong support from both offshore and domestic investors for the Placement. This is an indication of the strengthening battery materials market and Australian Mines' future role as a large-scale, long life battery materials producer. We will now be producing P-CAM samples in addition to continuing to produce nickel and cobalt sulphate samples, which will help secure offtake agreements with various international battery and motor vehicle manufacturers"*.

¹ Australian Mines, Study indicates integrated Precursor Cathode Active Material (P-CAM) production circuit improves the already attractive economic profile of the Sconi Project, released 2 June 2021.

Australian Mines confirms in the subsequent public report that all the material assumptions underpinning the forecast financial information derived from a production target, in the initial public report referred to in rule 5.17 continues to apply and have not materially changed.

Placement

The Placement comprises the issue of approximately 342.1 million new shares in the Company (“**New Shares**”) at an issue price of A\$0.019 per New Share. The New Shares to be issued under the Placement will rank pari passu with existing fully paid ordinary shares and the Company will be utilising its existing placement capacity in accordance with ASX Listing Rule 7.1. Funds raised will be used for nickel and cobalt sulphate samples, exploration activities, the acquisition of additional tenements, and general working capital.

Canaccord Genuity acted as Lead Manager and Bookrunner to the Placement.

Settlement of the New Shares is expected to occur on 4 August 2021, with quotation on 5 August 2021. The New Shares will rank equally with all existing fully paid ordinary shares on issue.

ENDS

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Authorised for release by the Managing Director & Chief Executive Officer



Australian Mines is a member of IRMA, the Initiative for Responsible Mining Assurance. This means we are participating in, and supporting, credible independent third-party verification and certification against a comprehensive best-practice standard that addresses the range of environmental and social issues related to industrial-scale mines.

Additionally, Australian Mines supports the vision of a world where the mining industry respects the human rights and aspirations of affected communities, provides safe, healthy and supportive workplaces, minimizes harm to the environment, and leaves positive legacies.

Forward Looking Statements

This announcement contains forward looking statements. Forward looking statements can generally be identified by the use of forward looking words such as, 'expect', 'anticipate', 'likely', 'intend', 'should', 'could', 'may', 'predict', 'plan', 'propose', 'will', 'believe', 'forecast', 'estimate', 'target', 'outlook', 'guidance', 'potential' and other similar expressions within the meaning of securities laws of applicable jurisdictions.

There are forward looking statements in this document relating to the outcomes of the Sconi Project Bankable Feasibility Study and ongoing refinement work as outlined in this report. Actual results and developments of projects and the market development may differ materially from those expressed or implied by these forward-looking statements. These, and all other forward-looking statements contained in this announcement are subject to uncertainties, risks and contingencies and other factors, including risk factors associated with exploration, mining and production businesses. It is believed that the expectations represented in the forward looking statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, drilling and productions results, resource estimations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory changes, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

Any forward-looking statement is included as a general guide only and speak only as of the date of this document. No reliance can be placed for any purpose whatsoever on the information contained in this document or its completeness. No representation or warranty, express or implied, is made as to the accuracy, likelihood or achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this document. Australian Mines does not undertake to update or revised forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this announcement, except where required by applicable law and stock exchange listing requirements. To the maximum extent permitted by law, Australian Mines Limited and its Associates disclaim all responsibility and liability for the forward-looking statements, including, without limitation, any liability arising from negligence. Recipients of this document must make their own investigations and inquiries regarding all assumptions, risks, uncertainties and contingencies which may affect the future operations of Australian Mines Limited or Australian Mines Limited's securities.

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