

25 September 2023

Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

ASX RELEASE

Appointment of Chief Executive Officer

Australian Mines Limited (“Australian Mines” or “the Company”) is pleased to announce the appointment of Andrew Luke Nesbitt as Chief Executive Officer (CEO) of the Company, effective 2 October 2023.

Mr Nesbitt holds a BSc (Eng) Mining and an MBA and has over 25 years of experience in the natural resources sector. He has held various executive, production and technical roles and has raised funds for numerous Metals and Mining companies. He has held positions with both De Beers and Goldfields and has carried out a number of feasibility studies across the world with the leading technical consulting group SRK. In addition, Mr Nesbitt is also an experienced investor, having previously worked as a partner and portfolio manager for Craton Capital Pty Limited, a global precious metals mining fund with over US\$400 million of assets under management investing in exploration and pre-development assets.

Mr Nesbitt was the previous Chief Executive Officer of Resource Mining Corporation Limited, an ASX Listed Metals and Mining exploration company focused on Nickel and Lithium exploration. He is a Director of AIM listed RiverFort Global Capital Plc, a specialist provider of financing to junior companies, personally completing more than US\$150m of capital allocation.

Mr Nesbitt has exceptional expertise and experience in identifying, progressing, and qualifying projects of significance, particularly in battery metals. This provides an excellent opportunity to AUZ, not only to cement its current foothold, but also to expand the companies offering in the green energy space.

Australian Mines Chairman, Michael Ramsden, commented that

“The Board is pleased to announce Andrew's appointment as CEO. His diverse skill set and extensive experience will play an important role in advancing negotiations with various prospective key strategic partners and guiding Australian Mines through the next phases of the Sconi Project's development. Moreover, under Andrew's leadership, there is potential for the company to explore opportunities for acquiring additional, synergistic battery mineral project.”

The Board also thanks departing CEO, Michael Holmes for his leadership in obtaining the Greenvale Mining Lease and moving the Sconi Battery Mineral Project permitting and regulatory activities forward, and we wish him success for the future. Mr Holmes will step down as CEO on 2 October 2023, but will remain with the company during a handover period until 6 October 2023.

For the purposes of ASX Listing Rule 3.16.4, a summary of the material terms of Mr Nesbitt's Executive Service Agreement is included in Appendix 1.

ENDS

For more information, please contact:

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Authorised for release by the Board of Directors of Australian Mines Limited



Australian Mines Limited 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, minimises harm to the environment, and leaves positive legacies.

Appendix 1: Key Terms of Mr Andrew Nesbitt Executive Service Agreement

Position	Chief Executive Officer
Commencement Date	2 October 2023
Salary (Total Fixed Remuneration (TFR))	A\$283,050 per annum inclusive of minimum superannuation contributions as prescribed under legislation from time to time (currently 11%) up to the maximum contribution base.
Short Term Incentive	<p>Mr Nesbitt is eligible to participate in any short-term incentive ("STI") that may be made at the discretion of the Board. If awarded, the STIs will comprise an amount equal to 30% of the annual base Salary of Mr Nesbitt.</p> <p>The STIs will be payable via cash or equity, at the election of the Company in consultation with Mr Nesbitt and will be subject to achievement of Key Performance Indicators ("KPI") to be determined from time to time by the Board.</p> <p>Any payment to be made via the issue of equity securities will be subject to shareholder approval.</p> <p>The KPIs will be determined on an annual basis by the Remuneration Committee and approved by the Board.</p> <p>The initial KPI determined for Mr Nesbitt's first 12-months in office is to either:</p> <p>A. secure investment of a minimum of US\$15m from a major project sponsor for the Sconi Project that the board considers, in its absolute discretion, is capable of providing either:</p> <ul style="list-style-type: none"> (i) a completion guarantee representing that the sponsor has committed its full balance sheet to do all things necessary to achieve lender's completion for the construction and commissioning of the Sconi Project; or (ii) a cost overrun facility, funded either through equity, letters of credit or a combination of both, that can provide lenders comfort that there is sufficient liquidity to cover any time or cost overruns that occur up until lenders

	<p>completion of the construction and commissioning of the Sconi Project; or</p> <p>B. securing the sale of 10% or more of the Sconi project on terms approved by the Board and subject to any required Shareholder approvals; or</p> <p>C. the Company completing an equity capital raising of a minimum of A\$5 million.</p>
<p>Long Term Incentive</p>	<p>Mr Nesbitt is eligible to participate in any long-term incentive (“LTI”) schemes that may be in operation from time to time, run at the absolute discretion of the Company.</p> <p>Mr Nesbitt’ initial LTI for FY2024 will comprise the grant of 20,000,000 Performance Shares (to be delivered after 13 October 2023) under the Australian Mines Limited Loan Share Plan, under which Mr Nesbitt will be invited to acquire these shares at market value, being the 5-day VWAP prior to date of appointment or \$0.0149 per share, for an aggregate share price (‘Aggregate Share Price’) of \$298,000.</p> <p>Each Performance Share is an ordinary share in the Company.</p> <p>A limited recourse loan will be provided to Mr Nesbitt by the Company to allow Mr Nesbitt to purchase the Performance Shares pursuant to the terms of a loan agreement (“Loan Agreement”).</p> <p>Mr Nesbitt’ ability to dispose of the Performance Shares will be subject to satisfaction of the following vesting provisions over the period to 30 June 2025, subject to continued employment and satisfaction of the following hurdles:</p> <p>(i) Total Shareholder Return: 10,000,000 Performance Shares will vest on Total Shareholder Return (“TSR”), measured against a comparator group of companies (‘Peer Group’), as set out below:</p> <p>(a) if TSR is at 50th percentile of the Peer Group, 65% of the Performance Shares will vest;</p>



	<p>(b) if the TSR is at 90th percentile of the Peer Group, 100% of the Performance Shares will vest; and</p> <p>(c) if the TSR is between 50th and 90th percentile, a pro-rata number of the Performance Shares will vest.</p> <p>For the purposes of determining TSR measured against the Peer Group, the VWAP of the shares in the one-month preceding 30 June 2026 compared to the VWAP of the shares in the one month preceding the commencement of Mr Nesbitt' appointment will be used.</p> <p>The TSR incorporates capital returns as well as dividends notionally reinvested and is considered the most appropriate means of measuring the Company's performance.</p> <p>(ii) Final Investment Decision: 10,000,000 Performance Shares will vest upon a decision by the Board, project sponsor, capital provider, and/or joint owner to fully proceed with the investment for the Sconi Project, including the decision that sufficient financial resources are available to meet the total project spend.</p> <p>After the initial LTI detailed above for FY2024, Mr Nesbitt will be entitled to an annual allocation of Performance Shares (commencing in FY2025) pursuant to the terms of the Company's employee incentive plan and, subject to shareholder approval, the LTIs will be granted on an annual basis from FY2025, and vesting will be contingent on the achievement of specific performance hurdles.</p>
<p>Loan Share Plan</p>	<p>Under the Loan Agreement, the Company will lend to Mr Nesbitt the funds required by him to pay the Aggregate Share Price ("Loan"). No interest will be payable on the Loan.</p> <p>Mr Nesbitt may repay the Loan at any time.</p> <p>However, the Loan is a limited recourse loan such that if the market value of the Performance Shares acquired by him with the assistance of the Loan is</p>

	less than the amount of the Loan outstanding, at the time the Loan is due for repayment the Company will accept market value in full satisfaction of repayment of the Loan.
Termination Notice by the Company	<p>1 month notice is required in the period to 30 December 2023. Following that, 3 months' notice is required.</p> <p>The Company may also pay Mr Nesbitt in lieu of notice.</p>
Termination Notice by the Mr Nesbitt	1 month notice is required in the period to 30 December 2023. Following that, 3 months' notice is required.

Appendix 2: 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.

Any forward-looking statements in this document relating to the outcomes of the Sconi Project Feasibility Studies 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 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 or Australian Mines' securities.