

## ABOUT AIC MINES

AIC Mines is a growth focused Australian exploration company. The Company's strategy is to build a portfolio of gold and copper assets in Australia through exploration, development and acquisition.

AIC currently has two key projects, the Lamil exploration JV located in the Paterson Province WA immediately west of the Telfer Gold-Copper Mine and the Marymia exploration project, within the Capricorn Orogen WA strategically located within trucking distance of the Plutonic Gold Mine and the DeGrussa Copper Mine.

## CAPITAL STRUCTURE

Shares on Issue: 68.7m  
Share Price (21/4/21): \$0.27  
Market Capitalisation: \$18.5m  
Cash & Liquids (31/3/21): \$6.0m  
Enterprise Value: \$12.5m

## CORPORATE DIRECTORY

**Josef El-Raghy**  
Non-Executive Chairman

**Aaron Colleran**  
Managing Director & CEO

**Brett Montgomery**  
Non-Executive Director

**Tony Wolfe**  
Non-Executive Director

**Linda Hale & Heidi Brown**  
Joint Company Secretaries

## CORPORATE DETAILS

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Services

## Quarterly Activities Report for the Period Ending 31 March 2021

### HIGHLIGHTS

#### Lamil Project

- Final results received from maiden drilling program. Multiple narrow intervals of primary copper sulphide mineralisation with low level gold and multi-element pathfinder anomalism were intersected in two diamond drillholes spaced 800m apart along the eastern flank of the Lamil Main Dome:
- The results are highly encouraging, particularly given the wide spacing of the drilling program.
- Heritage surveys are currently underway to allow for follow-up drilling of the Lamil Dome and testing of a number of newly identified targets.

#### Marymia Project

- Mapping and geochemical sampling completed along the Copper Hills Belt indicates that the area is a previously unrecognised bi-modal volcanic sequence with the potential to host volcanogenic massive sulphide (VMS) deposits. The recognition of Copper Hills as a VMS system is a significant breakthrough. Beyond the immediate area of the Copper Hills copper-oxide occurrence the belt remains essentially unexplored and presents a rare VMS opportunity of considerable scale.
- Airborne electromagnetic survey planned to test the northern dip extensions of the Copper Hills copper-oxide occurrence where the prospective sequence dips beneath sand cover.
- Key target areas at Copper Hills to be drilled tested once heritage surveys completed.
- Drilling of a significant DeGrussa-style Cu-Mo-Au-Pb-Zr-Sc geochemical anomaly at the Curara Well prospect commenced during the Quarter. The program has been temporarily suspended due to rig breakdown but will recommence as soon as a replacement drill rig can be secured.

#### Corporate

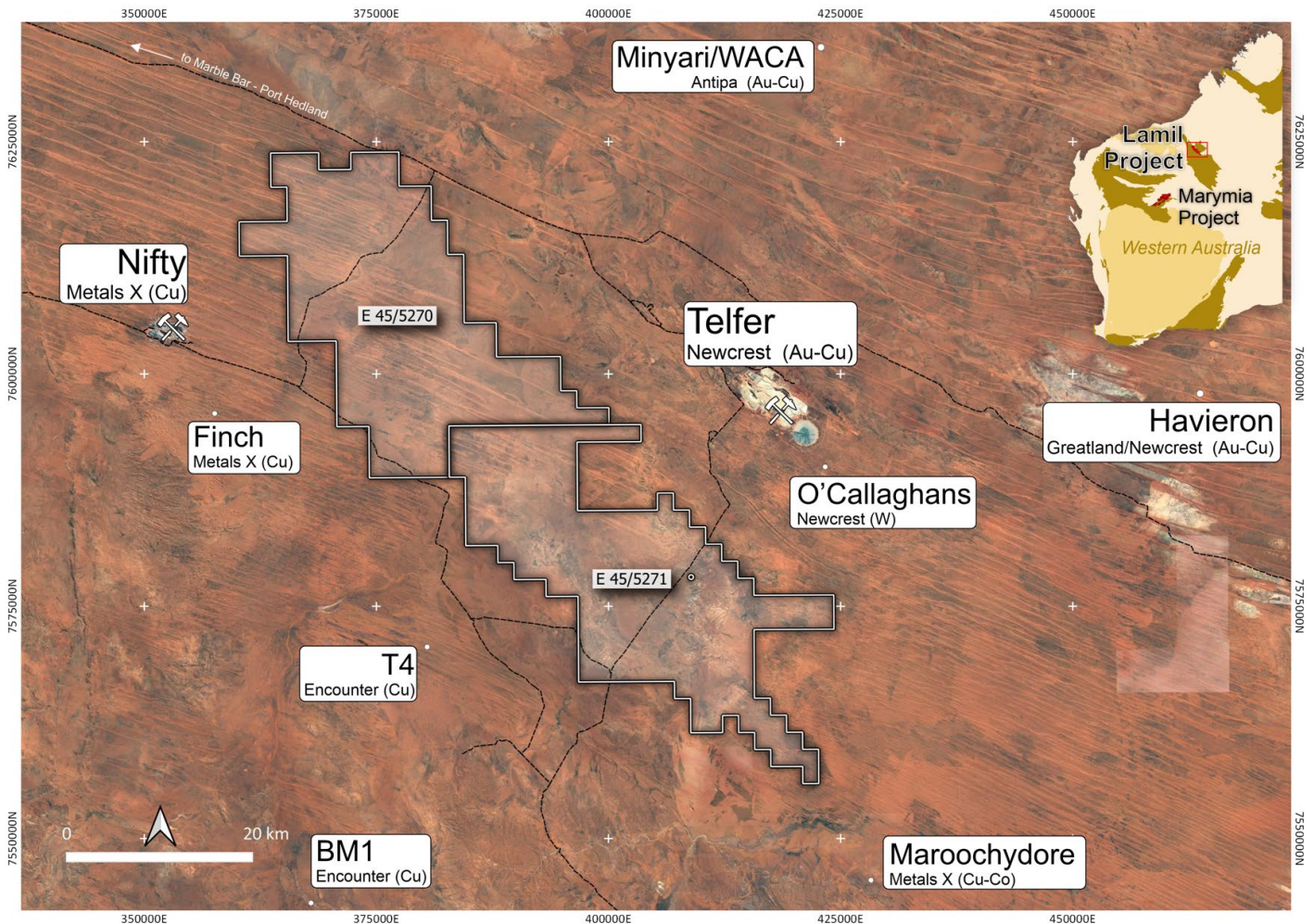
- At 31 March 2021, AIC held \$4.0 million in cash and a further \$2.1 million in listed investments.

## EXPLORATION ACTIVITIES

AIC Mines Limited (“AIC” or “the Company”) has two key projects, the Marymia Project in which it holds a 100% interest in the majority of the tenements and the Lamil Joint Venture in which it is earning an initial 50% interest. Both projects are located in Western Australia and are prospective for gold and copper.

### Lamil Joint Venture (earning up to 65%)

The Lamil Gold-Copper Project is located in the Paterson Province in the northwest of Western Australia, 500 kilometres east of Port Hedland. Under the terms of the earn-in and exploration joint venture agreement with Rumble Resources (ASX: RTR) (“Rumble”), AIC can earn a 50% interest by spending \$6 million over 4 years. Thereafter AIC can earn a further 15% by spending \$4 million over 1 year if Rumble elects not to commence contributing. The key terms of the earn-in and exploration joint venture agreement are described in the Company’s ASX announcement dated 22 July 2019. At 31 March 2021 AIC has spent approximately \$3.5 million at the Lamil Project.



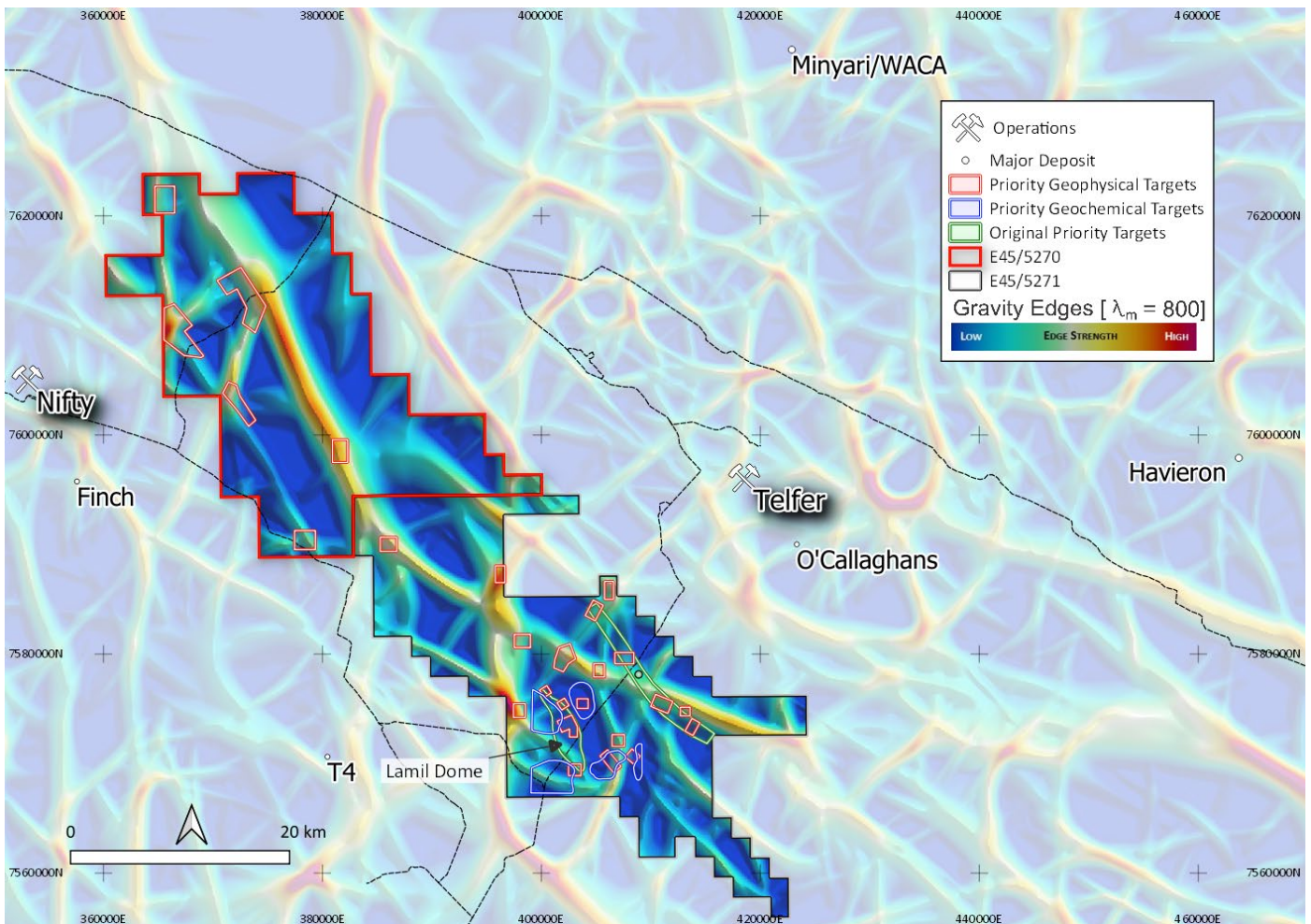
**Figure 1. Location of the Lamil Project – Tenements E45/5270 and E45/5271**

The Paterson Province is one of the most highly endowed yet under-explored mineral provinces in Australia. It hosts the world-class Telfer gold-copper mine and the Nifty copper mine. The Lamil Project, which covers

an area of 1,280km<sup>2</sup>, is situated midway between these two mines. Discoveries by Rio Tinto at Winu and by the Newcrest-Greatland Gold JV at Havieron has confirmed the prospectivity of the region and particularly in areas where the basement rocks of interest are hidden beneath younger cover. These discoveries have resulted in the Paterson Province becoming one of the most sought-after exploration areas in Australia.

The Lamil Project occupies a prominent regional structural “hinge zone” which is clearly defined by a significant flexure in a set of major deep penetrating, belt parallel structures. The structures trend NNW in E45/5270 (the northern tenement) and swing NW in E45/5271 (the southern tenement). The hinge transition is dissected by a series of major NE trending structures extending through the tenement package and linking across to the Telfer gold-copper deposit.

The most noteworthy of these NE cross structures correlates with the well documented Telfer Main Dome structures and is traceable for over 30 kilometres from Telfer to the northern boundary of the Lamil Dome. These features represent a potential locus of deep crustal faulting and an associated plumbing system for circulating and trapping mineralising fluids (see Figure 2).

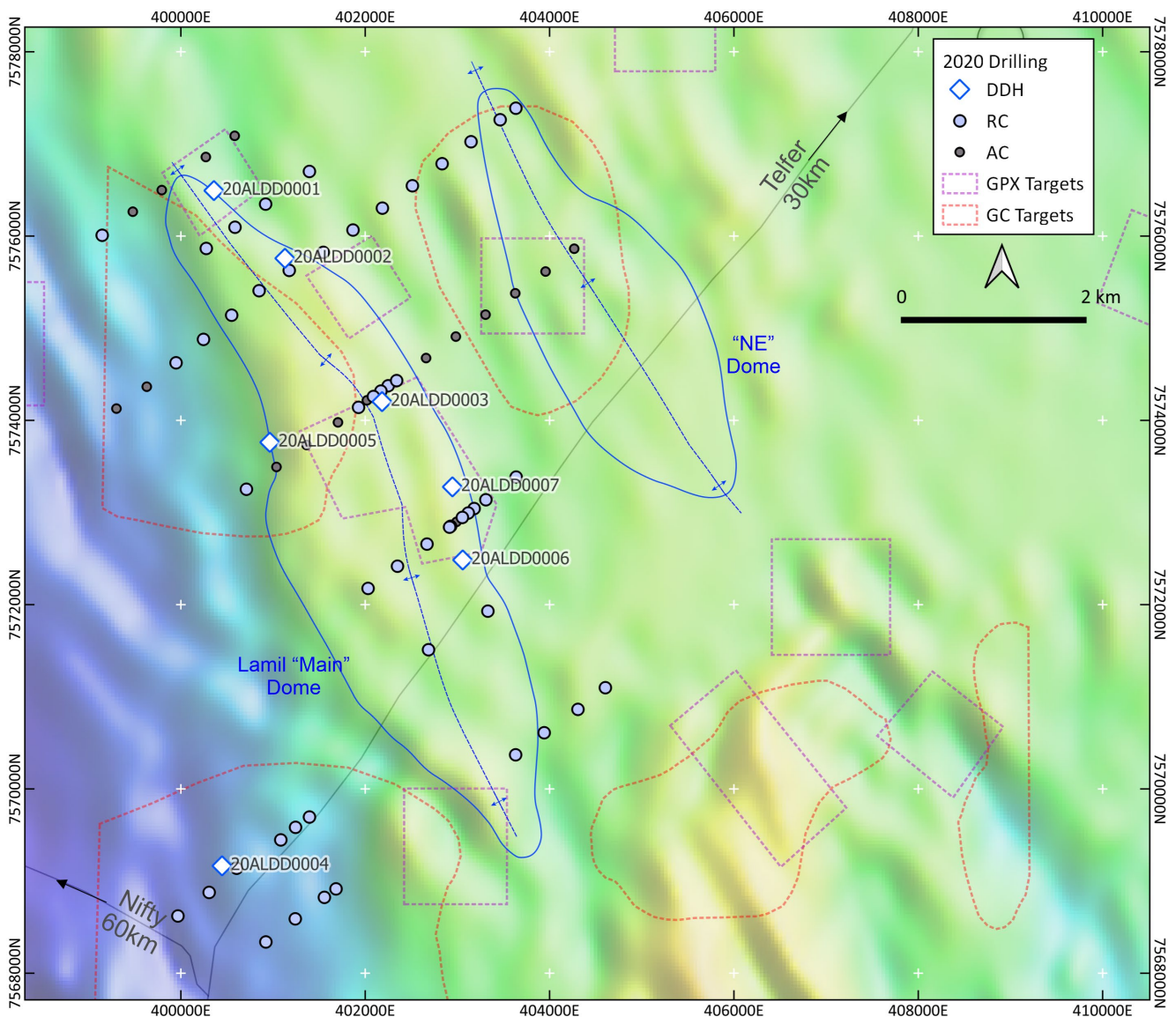


**Figure 2. Regional Review of Geophysical Data – Gravity Derived Edges and Key Target Areas**

### Drilling

The maiden drilling program consisted of 68 wide-spaced aircore/reverse circulation (AC/RC) drillholes and 7 diamond drillholes for a total combined metrage of 11,431m (8,591m AC/RC and 2,840m diamond coring) was completed in the December 2020 Quarter. Assay results for the final two diamond holes and three RC holes were received during the March 2021 Quarter:

- Diamond drill holes 20ALDD0006 and 20ALDD0007
- Reverse circulation drillholes 20ALRC0048, 20ALRC0049 and 20ALRC0050



**Figure 3. Location of Interpreted Lamil Main Dome and NE Dome with Maiden Drilling Program**  
Background is 25m RTP aeromagnetic data and outlines of previously released geochemical ("GC") and geophysical ("GPX") targets.

Diamond drill holes 20ALDD0006 and 20ALDD0007 were collared approximately 800m apart to test a prominent, strike extensive, magnetic/gravity high in an area of structural complexity along the outer central eastern flank of the Lamil Main Dome (see Figure 3). Significant intersections include the following:

**Hole 20ALDD0006:**

- 1.41m @ 0.05% Cu from 98.66m including:
  - 0.34m @ 0.19% Cu from 98.66m
- 2.21m @ 0.04% Cu from 219.75m including:
  - 0.98m @ 0.08% Cu from 219.75m

**Hole 20ALDD0007:**

- 4.92m @ 0.11% Cu from 163.08m, including:
  - 0.86m @ 0.45% Cu and 31ppb Au from 163.08m
- 0.40m @ 0.18% Cu from 232.37m
- 1.59m @ 0.12% Cu from 237.10m, including:
  - 0.28m @ 0.44% Cu from 237.10m

*Note: All intercepts represent down hole lengths. True widths are not currently known due to the early stage and wide spacing of the drilling.*

Assays have now confirmed the presence of multiple (albeit narrow) intervals of primary copper sulphides (chalcopyrite) which were reported in both holes during detailed geological logging of the drill core. Importantly, copper mineralisation is hosted within both the metasedimentary sequence and several thick differentiated mafic (doleritic) intrusives. Copper mineralisation (chalcopyrite) occurs as fine disseminations, coarser blebs, fine-thin veinlets within both stratiform and discordant quartz-carbonate veins and within thin massive sulphide (pyrrhotite) veins. Timing of emplacement of the mafic intrusives is currently unknown however they appear to represent a syn-tectonic intrusive event and confirm the presence of major deep penetrating faults – a critical requirement for the circulation of mineralising fluids and the development of large intrusive related gold-copper deposits.

Reverse circulation drillholes 20ALRC0048, 20ALRC0049 and 20ALRC0050 were drilled 100m north of diamond drillhole 20ALDD0003 to test for a northern extension of the zone of intense brecciation encountered in that hole. Each of the holes reported broad intervals of quartz carbonate veining and associated silicification and bleaching. A zone of copper anomalism was intersected in hole 20ALRC0048 as follows:

**Hole 20ALRC0048:**

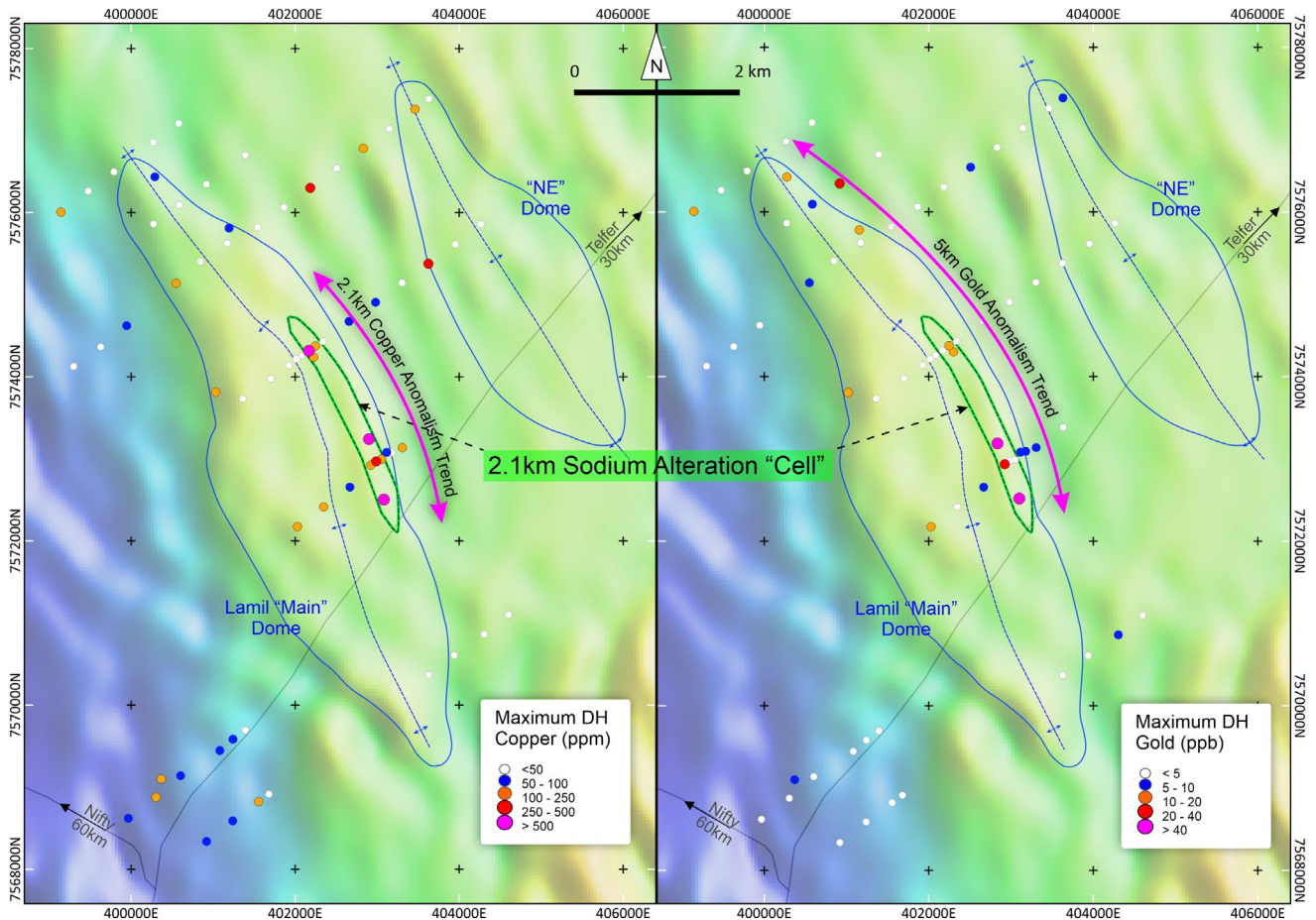
- 2.0m @ 0.01% Cu from 62m
- 4.0m @ 0.02% Cu from 80m including:
  - 2.0m @ 0.05% Cu from 80m

Full details of the drilling program are available in AIC's ASX announcement:

- Initial Results from Maiden Drilling Program at Lamil Project dated 28 January 2021.
- Final Results from Maiden Drilling Program at Lamil Project dated 26 February 2021.

Results indicate coincident low level multi-element pathfinder geochemical anomalism, including gold and copper, extends along the central-eastern flank of the Lamil Main Dome for at least 2 strike kilometres (and possibly up to 6 kilometres) in association with a coherent zone of hydrothermal alteration defined by elevated sodium. The "alteration cell" has been confirmed by petrographic analysis to represent albite

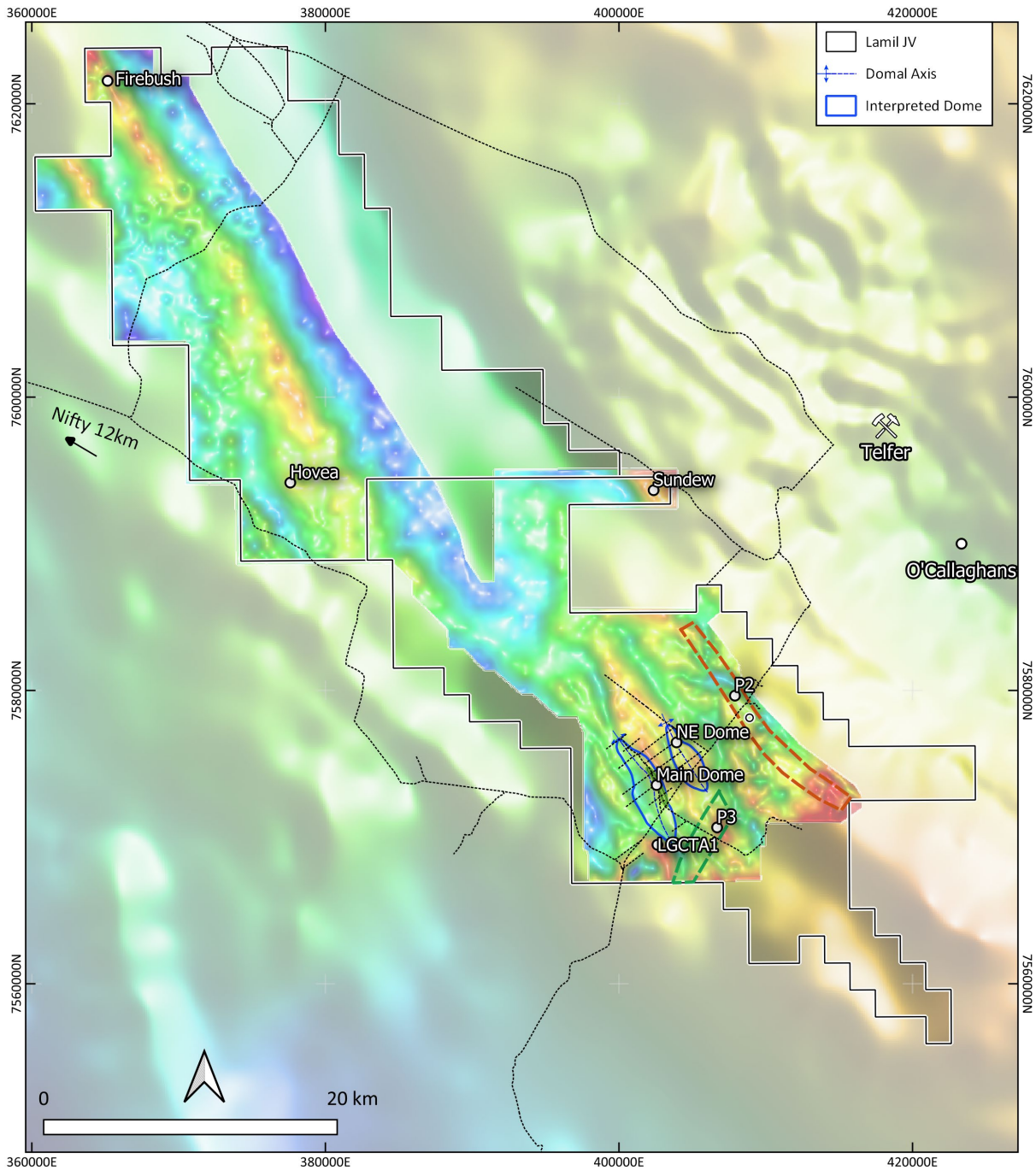
alteration, a key feature of many of the known mineral systems of the Paterson Province including the world-class Telfer Gold-Copper Deposit, located just 30 kilometres to the east of Lamil.



**Figure 4. Drill Hole Locations showing Sodium Alteration Cell with Associated Gold and Copper Anomalism Along Central-Eastern Flank of the Lamil Main Dome.**

### Geophysics

Detailed ground gravity surveys along the “Western Corridor” within both E52/5270 and E52/5271 were completed during the March 2021 Quarter. The survey has highlighted several high priority targets based on coincident gravity and magnetic features combined with areas of previously identified structural complexity (see Figure 5).



**Figure 5. Lamil Project – Ground Gravity collected by AIC over Regional Gravity**

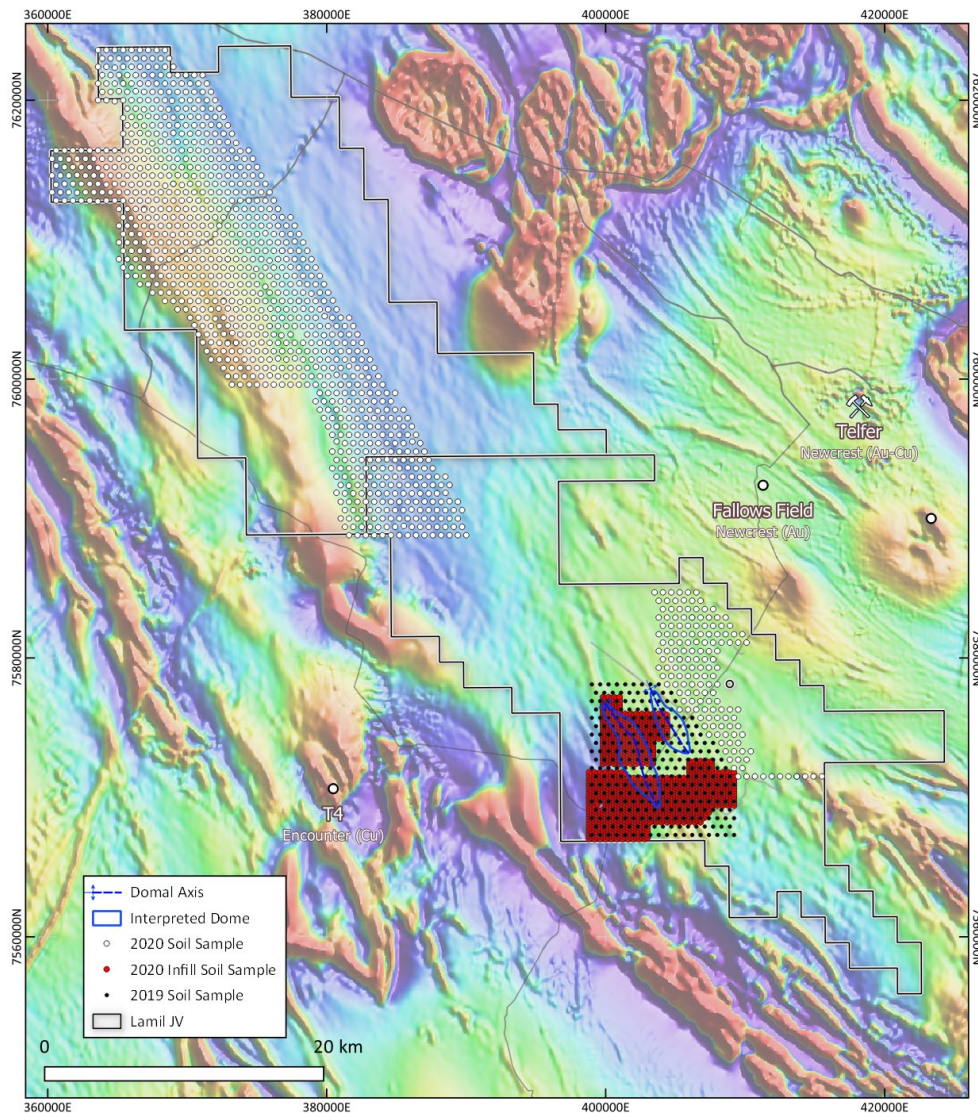
- Firebush Target** – a discrete, offset magnetic and gravity anomaly located on a north-south trending second order splay off the western side of the West Waukarlycarly Fault; in a zone of local and regional structural complexity. The West Waukarlycarly Fault is a regionally prominent, basin margin structure which defines the western edge of the Waukarlycarly Embayment within the broader Yeneena Basin. The target is analogous to Winu which occurs in a similar tectono-stratigraphic position on the opposite (eastern) margin of the Waukarlycarly Embayment.

Firebush was defined on its irregular magnetic response and structural setting. The gravity response is large (800m long axis) and hence the possibility of a large and dense body at depth is a reasonable assertion. The target is located within the interpreted highly prospective Malu or Broadhurst Formations of the Yeneena Supergroup, host to the Telfer, Winu, Havieron and Nifty deposits respectively.

- Hovea Target** – represents an area of structural complexity again proximal to the West Waukarlycarly Fault, marked by a prominent flexure in the regional sequence and the convergence of several belt parallel and cross-cutting faults. It is located south of Firebush within the possible southern continuation of the Malu or Broadhurst Formations.

### Geochemistry

Interpretation of regional, extensional and infill soil geochemical surveys were completed during the March 2021 Quarter (refer Figure 6).



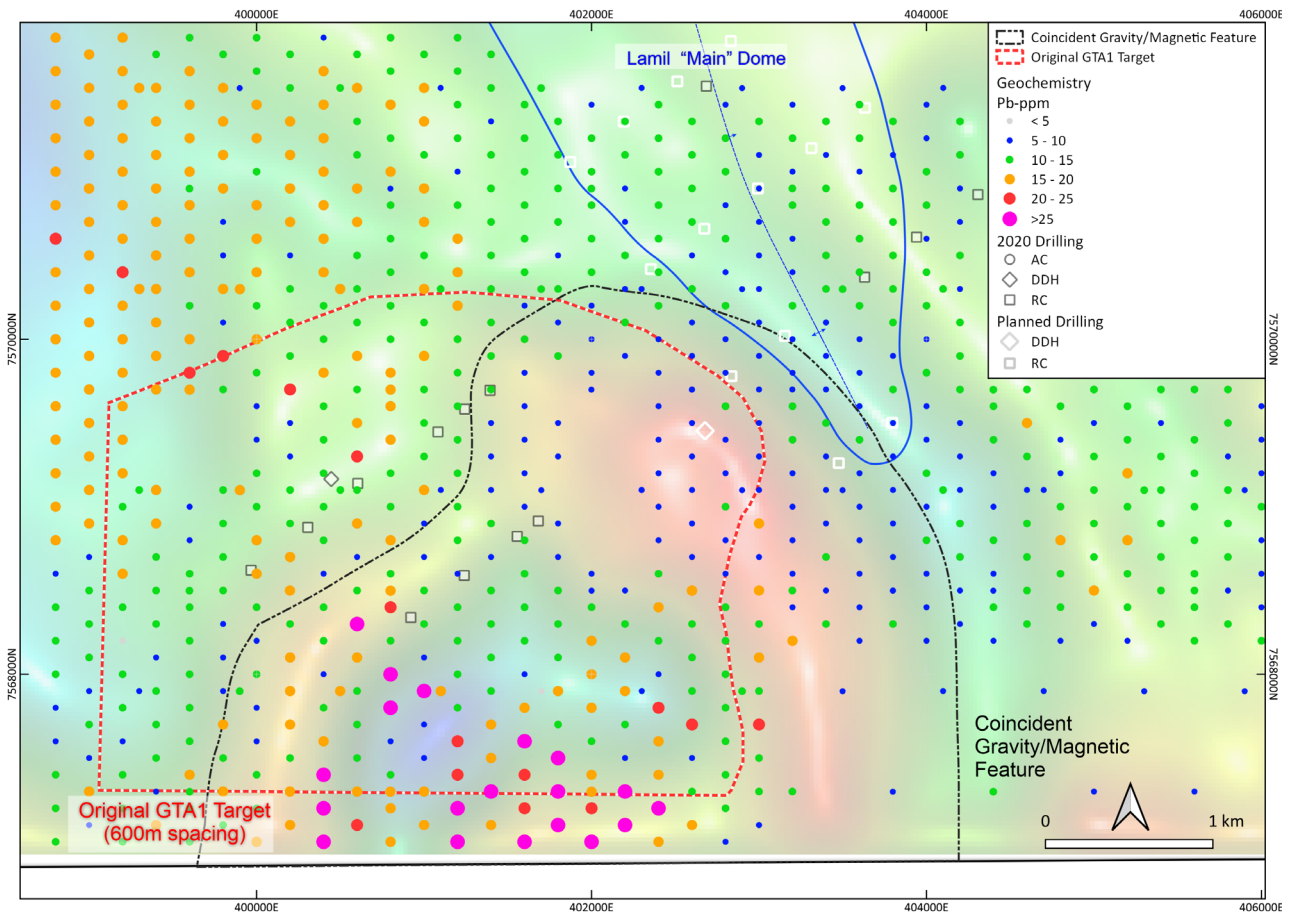
**Figure 6. Lamil Soil Geochemical Surveys**



**Lamil South (Tenement E45/5271)**

**GTA1**

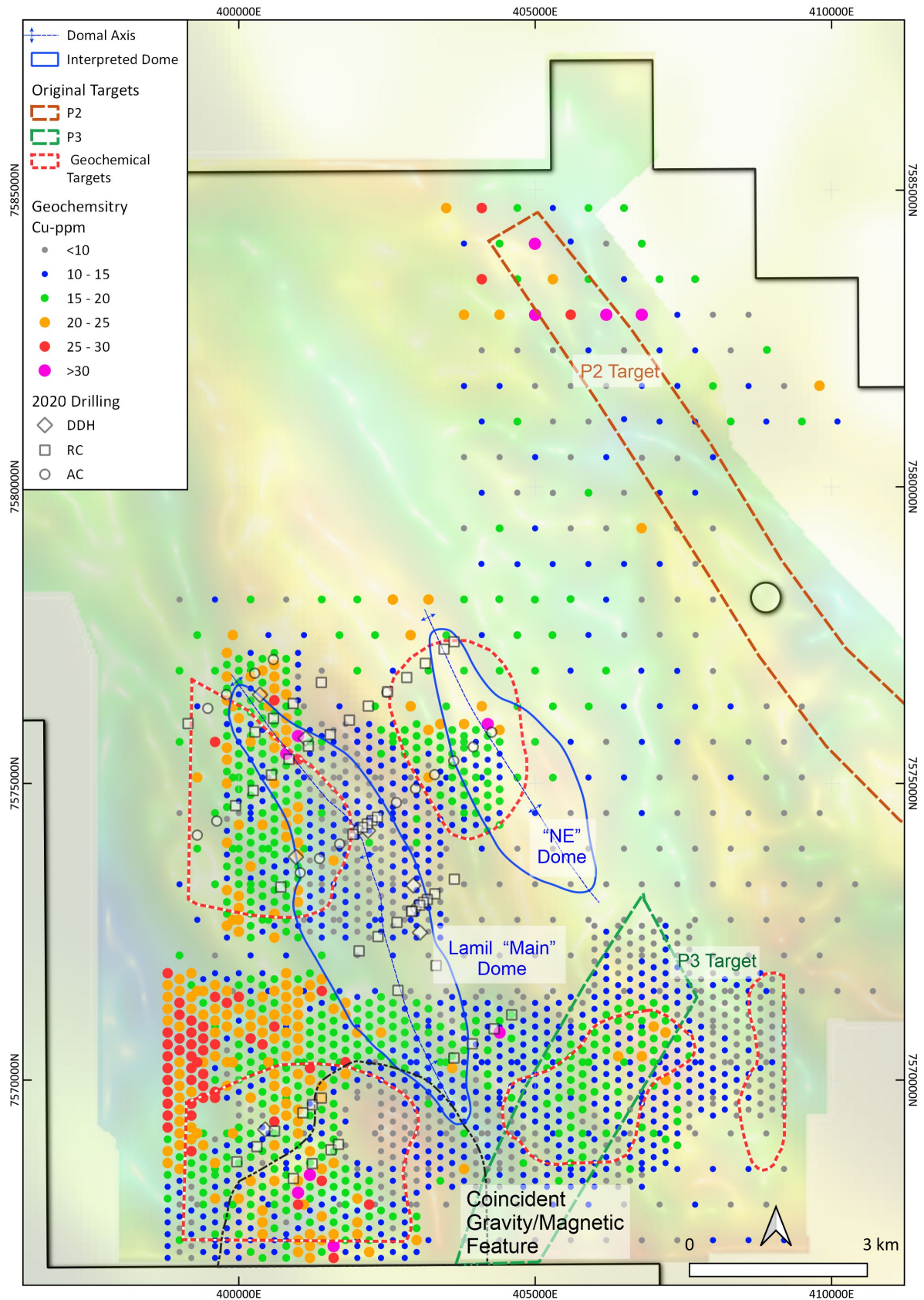
Infill soil sampling over the GTA1 target area south of the Lamil Main Dome has refined the original anomalies (see Figure 7). Results from the soil survey support the initial indications that the area represents base metal sulphide mineralisation distal to an associated Intrusive Related Copper-Gold Mineral System.



**Figure 7. GTA1 Infill Soil Geochemistry Showing Lead-in-Soil Anomalism and Drillhole Collars over Gravity Data.**

**P2 Target Corridor**

Regional soil surveys over the P2 Target Corridor located 5 kilometres NNE of the Lamil Dome have outlined a large area of multi-element pathfinder geochemical anomalism defined primarily by copper (see Figure 8). The area of anomalism is close to the base of the Paterson Formation proximal to where sub-cropping Lamil Group rocks (host to Telfer) have been previously identified.

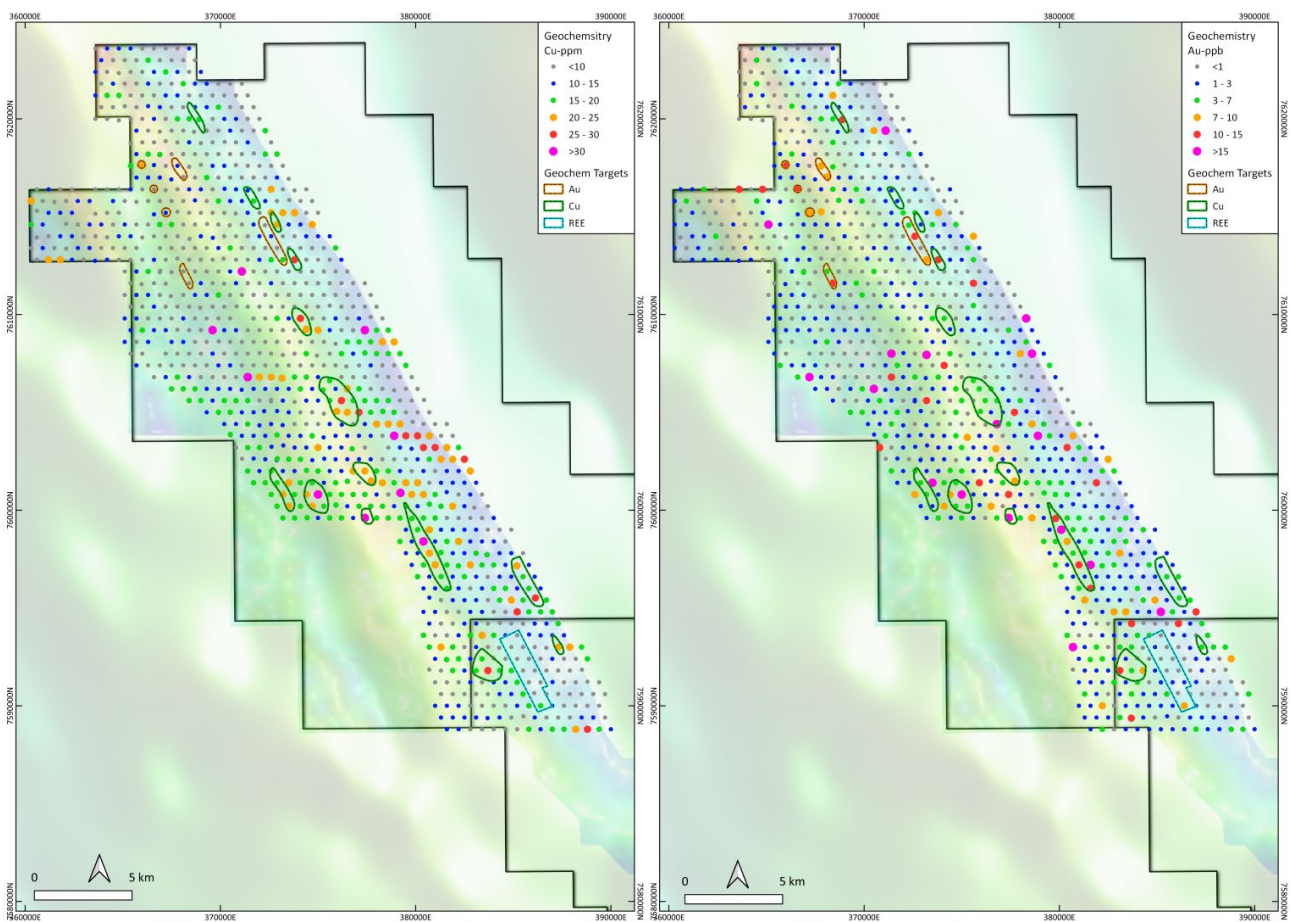


**Figure 8. Lamil South Showing Copper-in-Soil Anomalism and Drillhole Collars over Gravity Data.**

### Lamil North E45/5270

Lamil North is an area dominated by sandplains, sand dunes and calcrete and as a consequence represents an extremely challenging environment for surface geochemistry (see Figure 9).

Whilst it is evident that sand dunes are confining element dispersion along a dominantly WNW-ESE trend (sampling was restricted to inter-dune swales) a total of 21 target areas have been identified which are oriented in a NNW-SSE trend and are interpreted as being controlled by the underlying regional structure (see Figure 9). Fourteen of the target areas are associated with copper and gold; six are related to gold only and one is associated with rare-earth elements. These will be integrated with our geophysical targets and prioritised for further evaluation.



**Figure 9. Lamil North Showing Key Target Areas Over Copper (LHS) and Gold (RHS) Soil Anomalism over Gravity Data.**

### Next Steps – Lamil Project

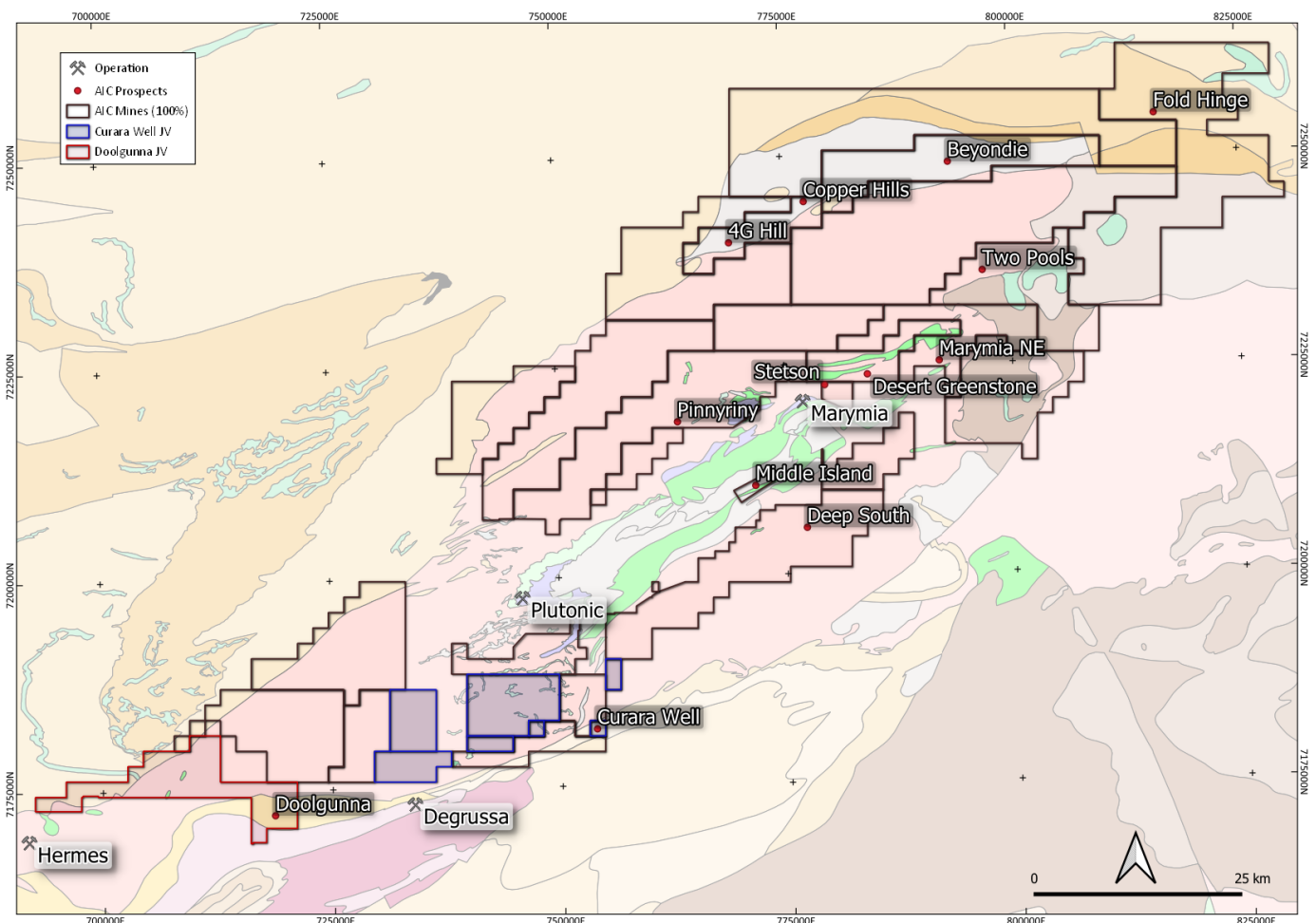
Drilling is planned to both extend and infill the 2020 drilling campaign and to also test new targets. Heritage Surveys are currently underway and drilling will commence once final approvals are received and a drill rig can be secured. Unusually high levels of exploration activity in Western Australia means that drill rigs are currently very difficult to source.

A detailed airborne electromagnetic survey is also planned over the Lamil Dome area and along the western margin of the northern tenement area to test for significant bedrock hosted conductors (e.g. copper sulphide mineralisation) beneath cover.

### Marymia Project (predominantly 100% owned tenements)

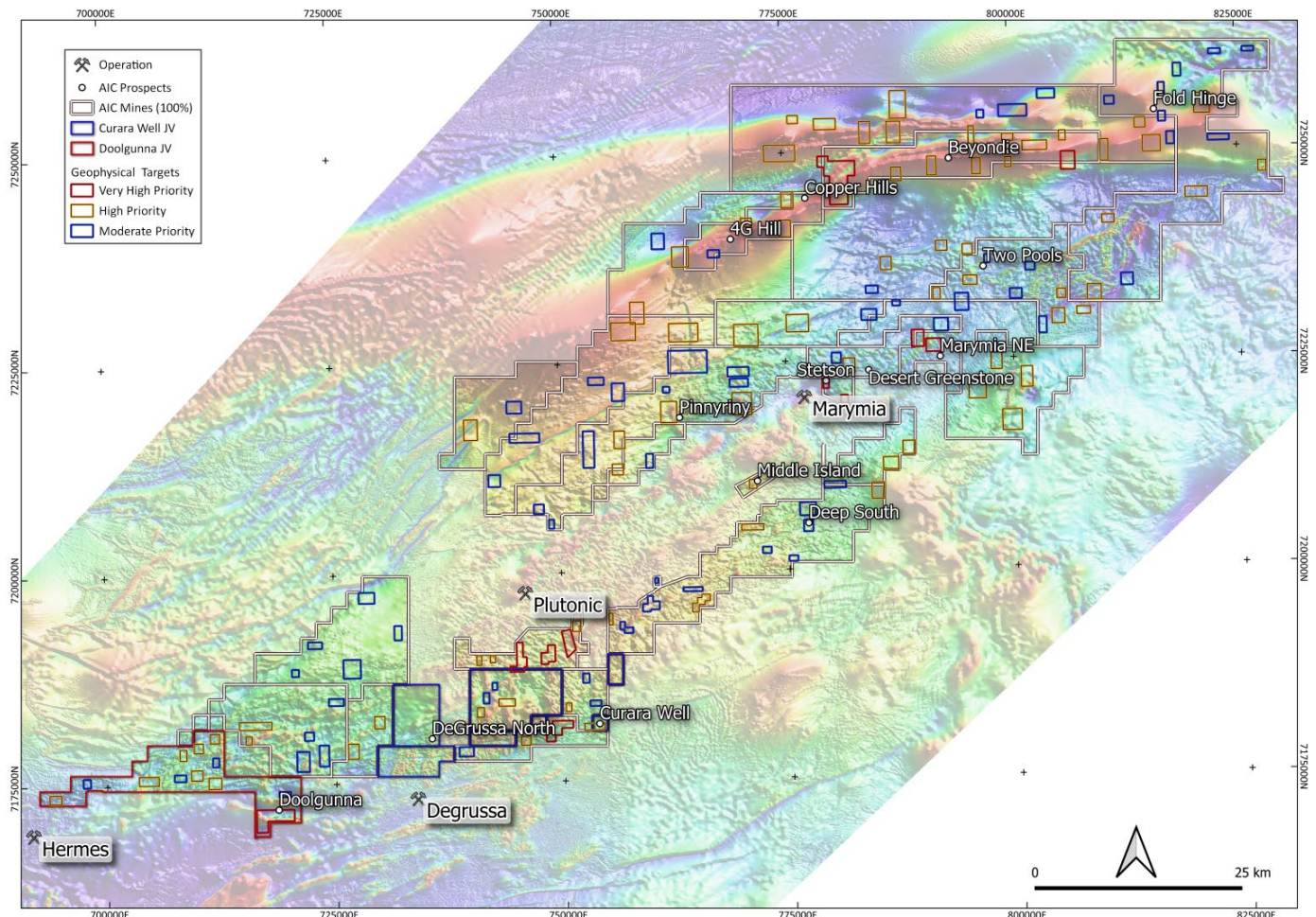
AIC Mines also holds a large area of tenements (approximately 3,600km<sup>2</sup>) located about 790km northeast of Perth on the northern margin of the Yilgarn Craton. The project includes joint ventures with Ausgold Limited (ASX: AUC) and Venus Metals Corporation Limited (ASX: VMC) (see Figure 10).

The Marymia Project is prospective for both gold and copper deposits. It is strategically located within trucking distance of the Plutonic Gold Mine and the DeGrussa Copper Mine.



**Figure 10. Marymia Project Location**

A synthesis of multiple geophysical datasets over the entire Marymia Project area has identified targets with elements consistent with the known major deposits in the region (see Figure 11). Over 150 gold and copper targets have been identified. AIC geologists are now working through these targets to advance them towards drill testing.



**Figure 11. Targets Areas Identified from Multiple Geophysical Datasets**

During the March 2021 Quarter work was completed on the following targets and planning is now underway for drilling programs at each of these targets:

**Gold Targets:**

- Middle Island
- DeGrussa North
- Doolgunna-Hermes

**Copper Targets:**

- Copper Hills
- Curara Well (commenced)

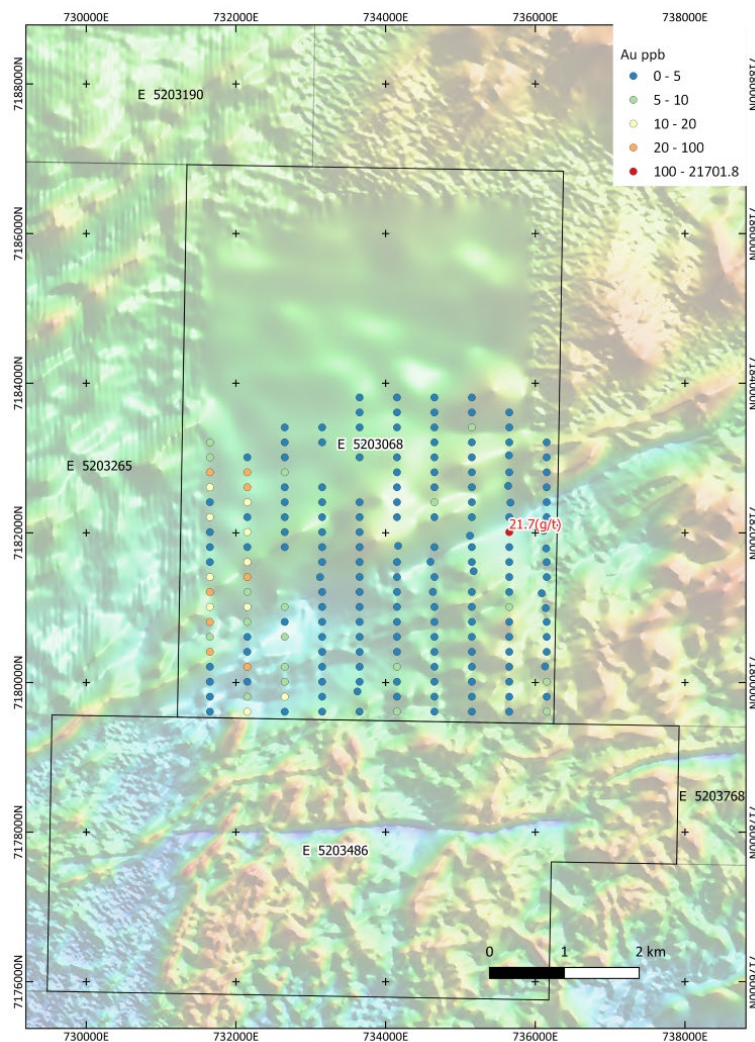
## Marymia Gold Targets

### Middle Island – Gold Prospect (100% AIC)

The Middle Island Prospect is located central to the southern belt of the Plutonic-Marymia inlier and is flanked by several historical gold mines including Skyhawk, Speckled, Pigeon, Parrot and Rosella (not within AIC tenements). The Middle Island tenement secures approximately 5km of strike of under-explored highly prospective stratigraphy with a proven endowment. An initial campaign of 1,600m of reverse circulation drilling is proposed to test strike extensions to the Skyhawk, Pigeon and Parrot deposits. Planning for a drilling campaign later in the year is underway.

### DeGrussa North – Gold Prospect (AIC 80% with Venus Metals free-carried to decision to mine)

The DeGrussa North Prospect area is defined by a strong gravity feature interpreted to represent extensive shallow greenstone beneath granite and the under-explored southwestern extension of the Plutonic-Marymia Greenstone Belt. A soil survey was completed during the March 2021 Quarter over the northern part of the prospect area. It identified moderate gold anomalism along the western margin and a single isolated sample which reported 21 g/t Au associated with a major northeast trending regional structure towards the eastern margin (see Figure 12).

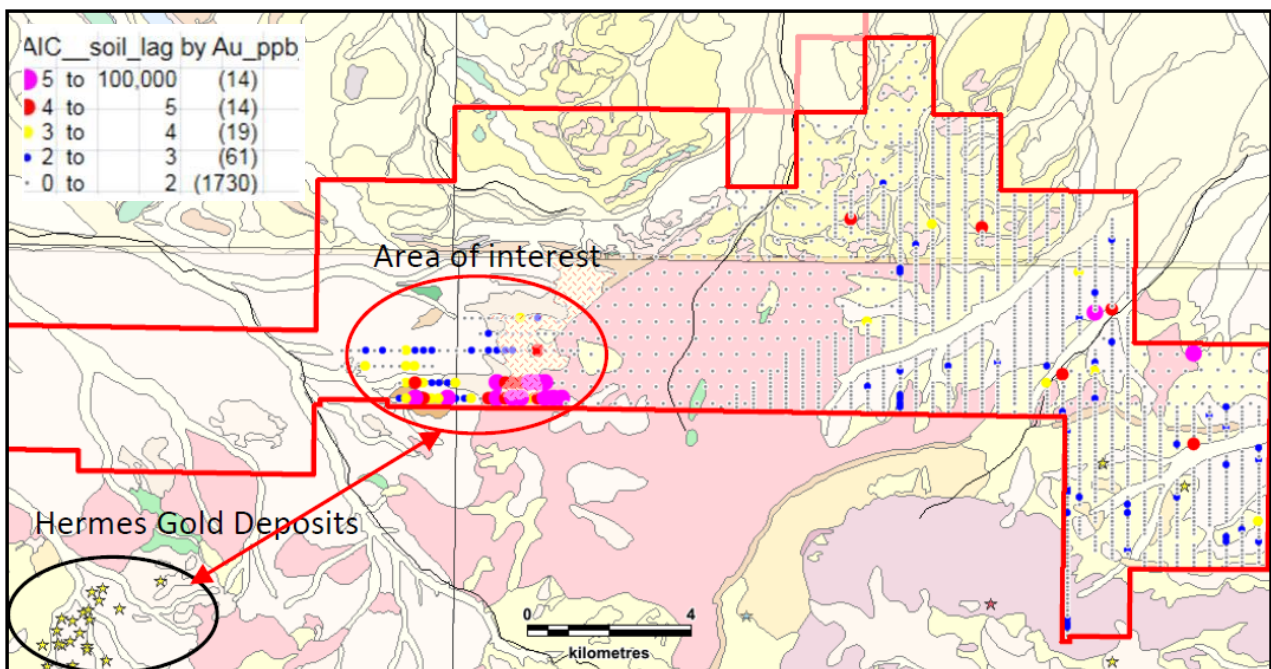


**Figure 12. DeGrussa North Tenement Area – Soil Survey Results over Aeromagnetics.**

Four reverse circulation drill holes are planned to test zones of structural complexity associated with a prominent gravity feature in the south of the DeGrussa North prospect area. Heritage clearances have been received for the drilling.

**Doolgunna-Hermes – Gold Prospect (AIC earning up to 80% from Ausgold Limited)**

Historical surface lag sampling within the western side of the Doolgunna joint venture tenement has highlighted potential for Hermes-style gold mineralisation along a prominent granite-greenstone structural contact. The area represents a similar tectono-stratigraphic setting to the Hermes gold deposits which also occupies a structurally complex, sheared, granite-greenstone contact position. There are two coherent historical gold-in-lag/soil anomalies that have not been previously drill tested (see Figure 13). AIC plans to initially test the anomalies with wide-spaced reverse circulation drilling.



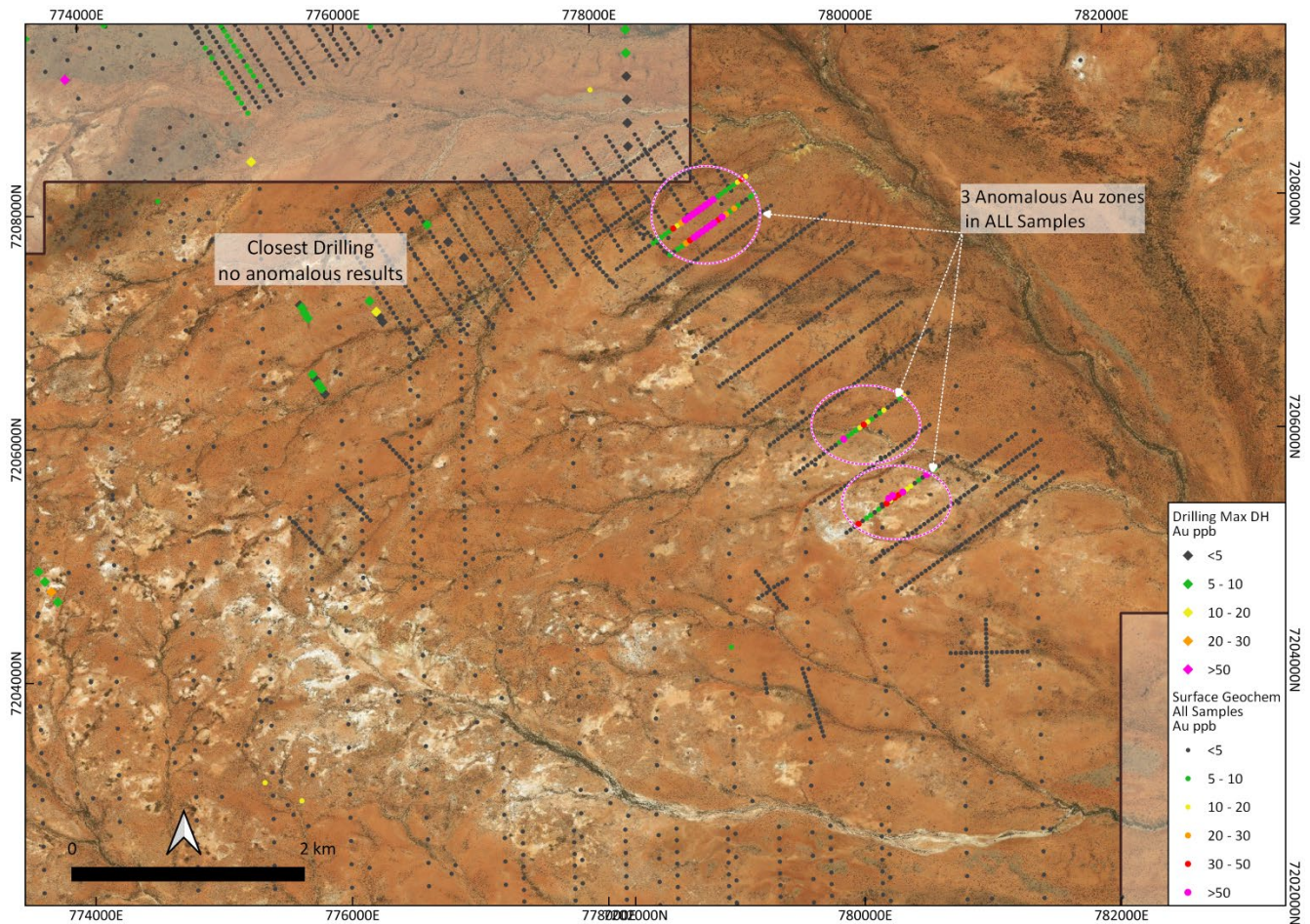
**Figure 13. Doolgunna JV Tenement showing location of Hermes gold deposits and anomalous geochemical target area of interest.**

**Deep South – Gold Prospect (100% AIC)**

An area of strong gold-in-soil anomalism, with a peak value of 265ppb gold, supported by surface lag sampling has been identified at the Deep South Prospect during recent compilation of historical data. Three discrete zones of strongly anomalous gold-in-soil/gold-in-lag samples have been identified extending from approximately 500m wide in the northern area to approximately 300m wide in the south eastern area (see Figure 14). The anomalism is coincident with a northwest trending zone of complex magnetics and gravity.

Although regional scale GSWA mapping shows the area as all granite, more detailed mapping by AIC has confirmed the presence of multiple enclaves of mafic dominated sequences.

AIC is planning to extend and infill the soil sampling in the June 2021 Quarter to validate and refine the previous work.



**Figure 14. Deep South Prospect – Anomalous Gold Results in Soil and Lag Sampling**

## Marymia Copper Targets

### Copper Hills Belt (AIC 100%)

The Copper Hills Belt makes up the northern third of the Marymia Project area. It hosts the Copper Hills Prospect where oxide copper mineralisation was discovered in the 1970's. Mineralisation outcrops over a mapped strike length of 350m and occurs as discontinuous stringers of malachite and azurite in chlorite-sericite-quartz schist. An additional zone of surficial copper oxide mineralisation occurs some 3.7kms along strike to the west of the main prospect area. Significant historical trench sampling results include:

- Trench MPA: 15m @ 3.75% Cu including 1.5m @ 3.75% Cu
- Trench MPB: 4.6m @ 4.8% Cu including 1.5m @ 12% Cu
- Trench CW7: 15.2m @ 0.7% Cu including 1.5m @ 2.4% Cu

*For details see AIC's ASX announcement "Marymia Project Exploration Update" dated 24 June 2020.*

Historical drilling was limited to testing for a near surface oxide deposit. Much of the historic drilling was not assayed for gold. Significant historical drill intercepts include:

- PW506: 4.6m @ 2.2% Cu from 7.6m
- PW7: 6m @ 1.01% Cu from 16m
- PW8: 10m @ 0.3% Cu from 30m

*For details see AIC's ASX announcement "Marymia Project Exploration Update" dated 24 June 2020.*



Mapping and rock chip sampling along the Copper Hills Belt completed during the March 2021 Quarter indicates that the area is a previously unrecognised volcanogenic massive sulphide (VMS) occurrence. The host rock sequence is strongly foliated (hindering previous interpretations), but has preserved textural features suggestive of a volcanic origin (e.g. amygdales). Geochemistry indicates the host sequence is a bimodal mixture of mafic (basalt) and felsic (rhyolite) volcanic rocks, with the latter prevalent at the top of the sequence. The rhyolite is strongly sericite-altered in the footwall of the known surface copper occurrence, and contains copper-bearing “stringer” veins, at high-angle to stratigraphy. The highest copper grades are associated with a thin (<20 cm) but extensive silica-hematite exhalite (chert) band, immediately overlying the rhyolite. This exhalite horizon is considered prospective for massive sulphide lenses.

The features of Copper Hills are consistent with models for bimodal mafic/bimodal felsic-type VMS deposits. They are also similar to the Horseshoe Lights VMS Cu-Au-Ag deposit located 120 kilometres to the west, in the Proterozoic Bryah Basin. The age of the Copper Hills stratigraphy is not known.

| Feature  | Horseshoe Lights  | Copper Hills |
|--|---|--------------|
| Northern margin of the Archean Marymia Inlier                          | ✓   | ✓            |
| Fractionated volcanic sequence (mafic upward to felsic)                | ✓   | ✓            |
| Cu-bearing chert above felsic volcanic (ore horizon)                   | ✓   | ✓            |
| Strong sericite-chlorite-pyrite footwall alteration                    | ✓   | ✓            |
| Cu-bearing footwall stringer veins                                     | ✓   | ✓            |
| VMS multi-element signature:<br>Cu, Pb, Zn, Au, Ag, Mo, Bi, Te, Cd, Se | ✓   | ✓            |
| Cu-Au massive sulphide body  | Produced more than<br>300,000oz of Au and<br>54,000t of Cu <sup>1</sup> | -            |

The recognition of Copper Hills as a VMS system is a significant breakthrough for AIC. Beyond the immediate area of the Copper Hills copper-oxide occurrence the belt remains essentially unexplored and presents a rare VMS opportunity of considerable extent. The Copper Hills sequence extends for at least 30km’s along strike and potentially presents some 60km’s of prospective stratigraphy via fold and fault repetition.

**Curara Well – Copper Prospect** (AIC 80% with Venus Metals free-carried to decision to mine)

The Curara Well Project is located within the eastern margin of the highly prospective Doolgunna Volcanogenic Massive Sulphide (VMS) Province in the Bryah Basin region of northern Western Australia (see Figure 6).

Drilling commenced at the Curara Well Project during the March Quarter 2021 however only 4 holes were completed before persistent mechanical issues with the drilling rig meant that the program needed to be suspended. The Company is currently trying to source an alternate rig to complete the program.

The drilling is designed to test a surface geochemical anomaly which displays similarities to the DeGrussa and Monty copper-gold VMS deposits located just 20 kilometres to the west of the project area. The anomaly extends over a strike length of 400m and a width of 200m and is located at the base of the

<sup>1</sup> From ASX announcement released by Horseshoe Metals Limited “Strategic Review of Horseshoe Lights Copper-Gold Project” 6 March 2019.

Naracoota Volcanics close to the regionally important Jenkins Fault; a similar geological setting to the DeGrussa and Monty deposits. The anomaly has not been drill tested previously.

The drilling program will comprise up to 1,000m of reverse circulation (RC) drilling. Four holes have been completed for a total drill advance of 402m (21ACWC0001-4). Samples from these holes have been submitted for assaying. Assays are yet to be received.

### **Next Steps – Marymia Project**

As soon as a drill rig can be secured, the Curara Well drilling will be completed. The rig will then potentially move on to the DeGrussa North Prospect.

Planning is underway to allow drilling to commence at 8 key targets along the Copper Hills Belt. There has been minimal drilling completed in the past and none of the drilling has extended beyond about 50m vertical depth.

Planning is also underway for an airborne electromagnetic survey over an 8 kilometre strike length of the Copper Hills Belt centred on the Copper Hills copper-oxide occurrence and covering the northern dip extensions where the prospective sequence is obscured beneath sand cover.

Soil sampling over the eastern strike extension of the Copper Hills Belt is scheduled to commence during the June 2021 Quarter.

Additional soil sampling to extend and infill the previous surveys is to be completed at the Deep South Gold Prospect to refine target areas for drilling. This sampling is scheduled to commence during the June 2021 Quarter.

## **CORPORATE**

### **Cash Position**

At 31 March 2021, AIC held \$4.0 million in cash (31 December 2020: \$5.1 million) and a further \$2.1 million in listed investments (31 December 2020: \$2.3 million).

Cash outflows in relation to operating activities for the March 2021 Quarter totalled \$1.5 million across exploration activity (67%), exploration salaries (14%), corporate salaries (12%) and corporate administration (7%). Payments to related parties and their associates totalled \$115,000 consisting of Directors fees and Managing Director salary and superannuation payments.

Cash inflows for the March 2021 Quarter totalled \$438,000 consisting of sale of listed investments, bank interest and Exploration Incentive Scheme funding.

### **Impacts of Coronavirus on Exploration Activities**

Restrictions implemented by the Western Australian Government in response to the COVID-19 outbreak have been progressively removed from April 2020 and consequently there were no material impacts on the Company's exploration activities as a result of COVID-19 related restrictions in the March 2021 Quarter.

**Authorisation**

This Quarterly Activities Report has been approved for issue by, and enquiries regarding this report may be directed to:

**Aaron Colleran**  
Managing Director  
Email: [info@aicmines.com.au](mailto:info@aicmines.com.au)

**Competent Persons Statement**

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 Steve Vallance who is a Member of The Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Steve is Senior Exploration Geologist and full-time employee of AIC Mines Limited. Steve consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

**Exploration Information Extracted from ASX Announcements**

This Quarterly Activities Report contains information extracted from ASX market announcements reported in accordance with the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (“2012 JORC Code”). Further details, including 2012 JORC Code reporting tables where applicable, can be found in the following announcements lodged on the ASX:

- |   |                  |
|---|------------------|
| • Marymia Project Exploration Update                            | 24 June 2020     |
| • Phase 1 Drilling Completed at Lamil Project                   | 18 December 2020 |
| • Initial Results from Maiden Drilling Program at Lamil Project | 28 January 2021  |
| • Final Results from Maiden Drilling Program at Lamil Project   | 26 February 2021 |
| • Drilling Commences at Curara Well Copper-Gold Project         | 26 March 2021    |

These announcements are available for viewing on the Company’s website [www.aicmines.com.au](http://www.aicmines.com.au) under the Investors tab.

AIC Mines confirms that it is not aware of any new information or data that materially affects the information included in any original ASX announcement.

## APPENDIX 1 – TENEMENT HOLDINGS AT 31 MARCH 2021

| Mining Act Tenure |         |                | AIC Ownership Interest |
|-------------------|---------|----------------|------------------------|
| Tenement          | Status  | Project        |                        |
| E 52/2943         | Live    | Marymia        | 100%                   |
| E 52/2944         | Live    | Marymia        | 100%                   |
| E 52/2945         | Live    | Marymia        | 100%                   |
| E 52/2973         | Live    | Marymia        | 100%                   |
| E 52/3027         | Live    | Marymia        | 100%                   |
| E 52/3028         | Live    | Marymia        | 100%                   |
| E 52/3029         | Live    | Marymia        | 100%                   |
| E 52/3044         | Live    | Marymia        | 100%                   |
| E 52/3154         | Live    | Marymia        | 100%                   |
| E 52/3171         | Live    | Marymia        | 100%                   |
| E 52/3190         | Live    | Marymia        | 100%                   |
| E 52/3265         | Live    | Marymia        | 100%                   |
| E 52/3317         | Live    | Marymia        | 100%                   |
| E 52/3318         | Live    | Marymia        | 100%                   |
| E 52/3319         | Live    | Marymia        | 100%                   |
| E 52/3346         | Live    | Marymia        | 100%                   |
| E 52/3368         | Live    | Marymia        | 100%                   |
| E 52/3397         | Live    | Marymia        | 100%                   |
| E 52/3455         | Live    | Marymia        | 100%                   |
| E 52/3622         | Live    | Marymia        | 100%                   |
| E 52/3623         | Live    | Marymia        | 100%                   |
| E 52/3624         | Live    | Marymia        | 100%                   |
| E 52/3648         | Live    | Marymia        | 100%                   |
| E 52/3721         | Live    | Marymia        | 100%                   |
| E 52/3743         | Live    | Marymia        | 100%                   |
| E 52/3768         | Pending | Marymia        | 100%                   |
| E 69/3247         | Live    | Marymia        | 100%                   |
| P 52/1585         | Live    | Marymia        | 100%                   |
| E 45/5270         | Live    | Lamil JV       | Earning up to 65%      |
| E 45/5271         | Live    | Lamil JV       | Earning up to 65%      |
| E 52/3068         | Live    | Curara Well JV | 80%                    |
| E 52/3069         | Live    | Curara Well JV | 80%                    |
| E 52/3320         | Live    | Curara Well JV | 80%                    |
| E 52/3486         | Live    | Curara Well JV | 80%                    |
| E 52/3487         | Live    | Curara Well JV | 80%                    |
| E 52/3488         | Live    | Curara Well JV | 80%                    |
| E 52/3489         | Live    | Curara Well JV | 80%                    |
| E 52/3031         | Live    | Doolgunna JV   | Earning up to 80%      |

No tenements were disposed of during the Quarter.

**Lamil JV:** AIC Mines has entered into an earn-in and joint venture agreement with Rumble Resources Limited (ASX: RTR) under which, subject to the satisfaction of regulatory consents, it may earn up to a 65% interest in tenements ELA45/5270 and EL45/5271. Details of the agreement were released to the ASX on 22 July 2019.

**Curara Well JV:** AIC Resources Limited, a wholly owned subsidiary of AIC Mines, has entered into a Joint Venture Agreement with Venus Metals Corporation (ASX: VMC) providing AIC with an 80% interest in tenements E52/3069, E52/3320, E52/3487, E52/3488, E52/3489, E52/3068 and E52/3486. Details of the agreement were released to the ASX on 20 August 2020.

**Doolgunna JV:** AIC Mines has entered into an Exploration Farm-in and Joint Venture Agreement with Ausgold Limited (ASX: AUC) under which, subject to the satisfaction of regulatory consents, it may earn up to an 80% interest in tenement E52/3031. Details of the agreement were released to the ASX on 4 June 2018. On 30 July 2019, the parties agreed to extend the Earning Period from two years, to four years, by way of a side letter.

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

AIC Mines Limited

ABN

11 060 156 452

Quarter ended ("current quarter")

31 March 2021

| Consolidated statement of cash flows                      | Current quarter<br>\$A'000 | Year to date<br>(3 months)<br>\$A'000 |
|---|----------------------------|---------------------------------------|
| <b>1. Cash flows from operating activities</b>            |                            |                                       |
| 1.1 Receipts from customers                               | -                          | -                                     |
| 1.2 Payments for  |                            |                                       |
| (a) exploration & evaluation                              | (1,244)                    | (1,244)                               |
| (b) development   | -                          | -                                     |
| (c) production  | -                          | -                                     |
| (d) staff costs   | (188)                      | (188)                                 |
| (e) administration and corporate costs                    | (111)                      | (111)                                 |
| 1.3 Dividends received                                    | -                          | -                                     |
| 1.4 Interest received                                     | 4                          | 4                                     |
| 1.5 Interest and other costs of finance paid              | -                          | -                                     |
| 1.6 Income taxes paid                                     | -                          | -                                     |
| 1.7 Government grants and tax incentives                  | 138                        | 138                                   |
| 1.8 Other (provide details if material)                   | -                          | -                                     |
| <b>1.9 Net cash from / (used in) operating activities</b> | <b>(1,401)</b>             | <b>(1,401)</b>                        |

|  |   |   |
|--|---|---|
| <b>2. Cash flows from investing activities</b> |   |   |
| 2.1 Payments to acquire or for:                |   |   |
| (a) entities                                   | - | - |
| (b) tenements                                  | - | - |
| (c) property, plant and equipment              | - | - |
| (d) exploration & evaluation                   | - | - |
| (e) investments                                | - | - |
| (f) other non-current assets                   | - | - |

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows |   | Current quarter<br>\$A'000 | Year to date<br>(3 months)<br>\$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 2.2                                  | Proceeds from the disposal of:                        |                            |                                       |
|                                      | (a) entities  | -                          | -                                     |
|                                      | (b) tenements   | -                          | -                                     |
|                                      | (c) property, plant and equipment                     | -                          | -                                     |
|                                      | (d) investments                                       | 296                        | 296                                   |
|                                      | (e) other non-current assets                          | -                          | -                                     |
| 2.3                                  | Cash flows from loans to other entities               | -                          | -                                     |
| 2.4                                  | Dividends received                                    | -                          | -                                     |
| 2.5                                  | Other (provide details if material)                   | -                          | -                                     |
| <b>2.6</b>                           | <b>Net cash from / (used in) investing activities</b> | <b>296</b>                 | <b>296</b>                            |

|             |   |          |          |
|-------------|---|----------|----------|
| <b>3.</b>   | <b>Cash flows from financing activities</b>   |          |          |
| 3.1         | Proceeds from issues of equity securities (excluding convertible debt securities)       | -        | -        |
| 3.2         | Proceeds from issue of convertible debt securities                                      | -        | -        |
| 3.3         | Proceeds from exercise of options   | -        | -        |
| 3.4         | Transaction costs related to issues of equity securities or convertible debt securities | -        | -        |
| 3.5         | Proceeds from borrowings  | -        | -        |
| 3.6         | Repayment of borrowings   | -        | -        |
| 3.7         | Transaction costs related to loans and borrowings                                       | -        | -        |
| 3.8         | Dividends paid  | -        | -        |
| 3.9         | Other (provide details if material)   | -        | -        |
| <b>3.10</b> | <b>Net cash from / (used in) financing activities</b>                                   | <b>-</b> | <b>-</b> |

|           |  |         |         |
|-----------|--|---------|---------|
| <b>4.</b> | <b>Net increase / (decrease) in cash and cash equivalents for the period</b> |         |         |
| 4.1       | Cash and cash equivalents at beginning of period                             | 5,066   | 5,066   |
| 4.2       | Net cash from / (used in) operating activities (item 1.9 above)              | (1,401) | (1,401) |
| 4.3       | Net cash from / (used in) investing activities (item 2.6 above)              | 296     | 296     |
| 4.4       | Net cash from / (used in) financing activities (item 3.10 above)             | -       | -       |

Appendix 5B

**Mining exploration entity or oil and gas exploration entity quarterly cash flow report**

| <b>Consolidated statement of cash flows</b> |   | <b>Current quarter<br/>\$A'000</b> | <b>Year to date<br/>(3 months)<br/>\$A'000</b> |
|---|---|------------------------------------|--|
| 4.5   | Effect of movement in exchange rates on cash held | -                                  | -  |
| <b>4.6</b>                                  | <b>Cash and cash equivalents at end of period</b> | <b>3,961</b>                       | <b>3,961</b>                                   |

| <b>5.</b>  | <b>Reconciliation of cash and cash equivalents</b><br>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | <b>Current quarter<br/>\$A'000</b> | <b>Previous quarter<br/>\$A'000</b> |
|------------|---|------------------------------------|-------------------------------------|
| 5.1        | Bank balances   | 3,881                              | 2,986                               |
| 5.2        | Call deposits   | -                                  | -                                   |
| 5.3        | Bank overdrafts   | -                                  | -                                   |
| 5.4        | Other (Term Deposits)   | 80                                 | 2,080                               |
| <b>5.5</b> | <b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>  | <b>3,961</b>                       | <b>5,066</b>                        |

| <b>6.</b> | <b>Payments to related parties of the entity and their associates</b>                   | <b>Current quarter<br/>\$A'000</b> |
|-----------|---|------------------------------------|
| 6.1       | Aggregate amount of payments to related parties and their associates included in item 1 | 115                                |
| 6.2       | Aggregate amount of payments to related parties and their associates included in item 2 | -                                  |

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| <b>7. Financing facilities</b>  | <b>Total facility<br/>amount at quarter<br/>end<br/>\$A'000</b> | <b>Amount drawn at<br/>quarter end<br/>\$A'000</b> |
|---|---|--|
| <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.<br/>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>   |   |  |
| 7.1 Loan facilities   | -   | -  |
| 7.2 Credit standby arrangements   | -   | -  |
| 7.3 Other (please specify)  | -   | -  |
| <b>7.4 Total financing facilities</b>   | -   | -  |
| <b>7.5 Unused financing facilities available at quarter end</b>   |   | -  |
| 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. |   |  |
| N/A   |   |  |

| <b>8. Estimated cash available for future operating activities</b>  | <b>\$A'000</b> |
|---|----------------|
| 8.1 Net cash from / (used in) operating activities (item 1.9)   | (1,401)        |
| 8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))  | -              |
| 8.3 Total relevant outgoings (item 8.1 + item 8.2)  | (1,401)        |
| 8.4 Cash and cash equivalents at quarter end (item 4.6)   | 3,961          |
| 8.5 Unused finance facilities available at quarter end (item 7.5)   | -              |
| 8.6 Total available funding (item 8.4 + item 8.5)   | 3,961          |
| <b>8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>   | 2.83           |
| <i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i> |                |
| 8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:   |                |
| 8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?   |                |
| Answer: N/A   |                |
| 8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?              |                |
| Answer: N/A   |                |



**Mining exploration entity or oil and gas exploration entity quarterly cash flow report**

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.
- 3 The Company's Board of Directors have received a declaration from its CEO and Group Financial Controller that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion had been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Authorised by the Company's Board of Directors

Date: 22 April 2021

**Notes**

1. This quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report.
2. This quarterly report has not been audited or reviewed by the Company's auditor.