ASX ANNOUNCEMENT

29 September 2021

ABOUT AIC MINES

AIC Mines is a growth focused Australian resources company. Its 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.

AIC has recently entered into an agreement to acquire the Eloise copper mine - a high-grade operating underground mine located SE of Cloncurry in North Queensland. The acquisition remains subject to conditions including shareholder approval, completing a capital raising and receiving approval from ASX for re-admission of AIC's securities to official quotation.

CAPITAL STRUCTURE

Shares on Issue: 68.7m
Cash & Liquids (30/6/21): $6.1m

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
Company Secretary

CORPORATE DETAILS

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MARYMIA PROJECT – EXPLORATION UPDATE

Drilling Commences on Multiple Copper and Gold Targets

AIC Mines Limited (ASX: A1M) ("AIC" or the "Company") is pleased to announce that reverse circulation ("RC") drilling has commenced at its Marymia Project located 160 kilometres south of Newman in the Gascoyne region of Western Australia.

Overview

- The RC drilling will comprise up to 5,000 metres focussed primarily on the Middle Island Prospect for orogenic gold and the Copper Hill Prospect for copper-gold mineralisation.
- The Middle Island prospect lies within the Plutonic-Marymia Greenstone Belt, 10 kilometres SW of the historic Marymia mining area and captures a 6.6km^2 portion of the same mineralised trend that hosts Vango Mining's recently drilled Skyhawk open-pit target.
- At Copper Hill, wide-spaced drilling will explore for depth extensions to the approximately 7-kilometre surficial copper oxide mineralisation trend located within the larger Copper Hills Belt. This has been interpreted as a preserved portion of Paleoproterozoic basin rocks, equivalent to the Bryah or Padbury basins and thus having the potential to host volcanogenic massive sulphide (VMS) mineralisation such as the nearby DeGrussa and Horseshoe Lights copper-gold deposits.
- In addition, a small RC drilling program will be completed at the DeGrussa North Prospect, located within the Curara Well Joint Venture, which is defined by a surficial gold anomaly associated with a regionally extensive NE trending interpreted thrust fault.
- Final assay results from a 786 metre RC drilling program completed on the Curara Well Joint Venture in the June 2021 Quarter have now been received. No elevated copper, gold or pathfinder elements were returned.

Overview

AIC Mines holds a large area of tenements 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)

The Marymia Project captures over 3,600 km^2 of strike extensions and segments of the highly endowed Plutonic-Marymia Greenstone belt, which has produced in excess of 6 million ounces of gold along with preserved segments of Paleoproterozoic basin rocks that are prospective for VMS-style base metal deposits (Figure 1). The project is strategically located within trucking distance of the Plutonic Gold Mine and the DeGrussa Copper Mine.

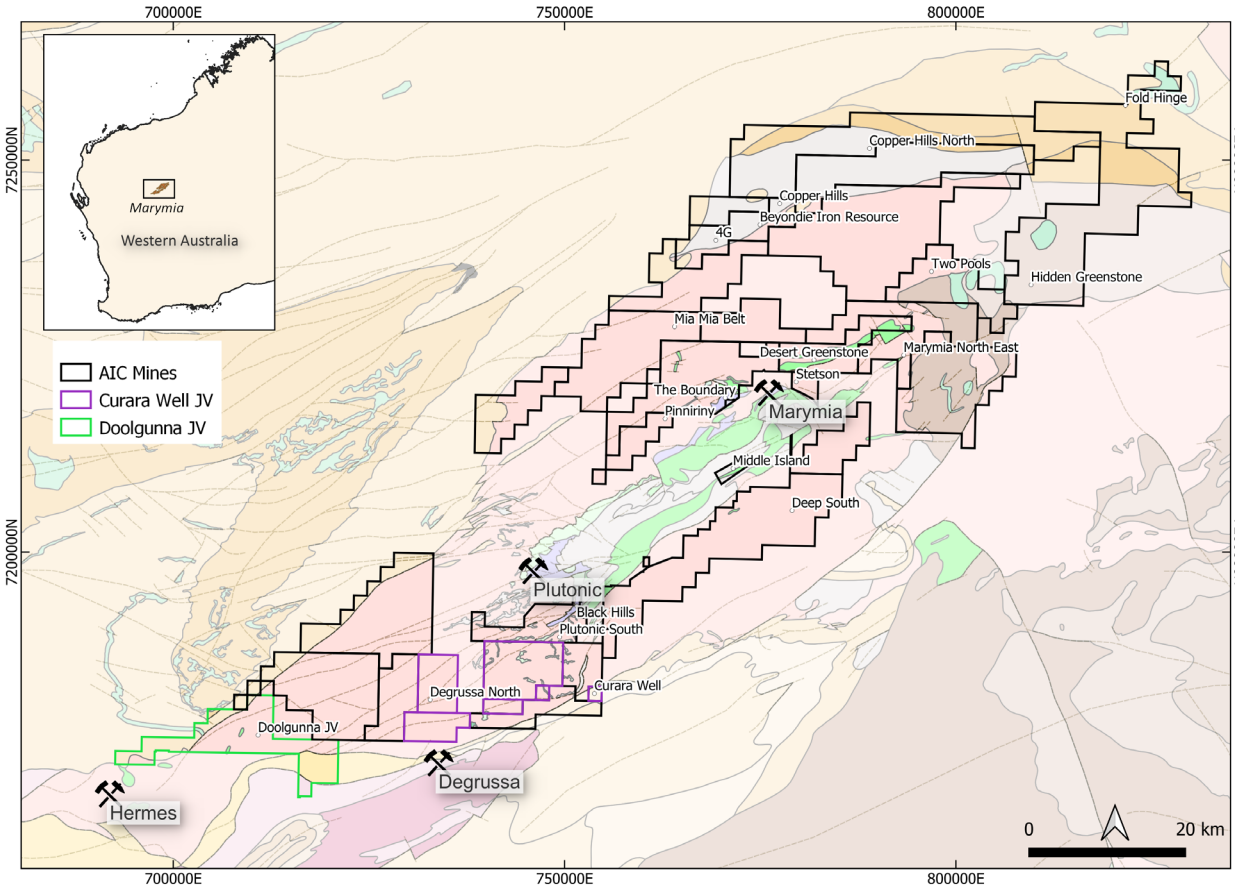

Figure 1. Marymia Project Location and Geology

Drilling

Middle Island Prospect

The Middle Island target consists of a single tenement (E52/3319) located in the prospective south-eastern half of the Archean Plutonic-Marymia Greenstone Belt.

The tenement covers a NE-SW trending package of dominantly sedimentary rocks intercalated with mafic and ultramafic units. The prospectivity of the belt is underlain by the presence of several open pit resources within the package, including Vango Mining's recently drilled Skyhawk Prospect and the Pigeon and Speckled open pit targets (Figure 2).

A program of up to 15 holes for approximately 2,000m is planned to be drilled on roughly 500m spaced lines. Drilling will focus on three target areas (Figure 2):

- Target 1 – a historical chargeability anomaly detected from an IP survey located at the terminus of a mafic body.
- Target 2 – a mafic-sedimentary faulted contact trending immediately west of Sandfire Resources' Far North Prospect, where shallow oxide gold intercepts have been intersected up to the tenement boundary.
- Target 3 – an untested mafic-sedimentary contact associated with a fault jog in the NE corner of the tenement imaged in both magnetics and ground gravity, the latter determined from the ground gravity survey completed by AIC in the June Quarter 2021 (f*or further details see AIC's ASX announcement "Quarterly Activities Report for the Period Ending 30 June 2021" dated 16 July 2021)*.

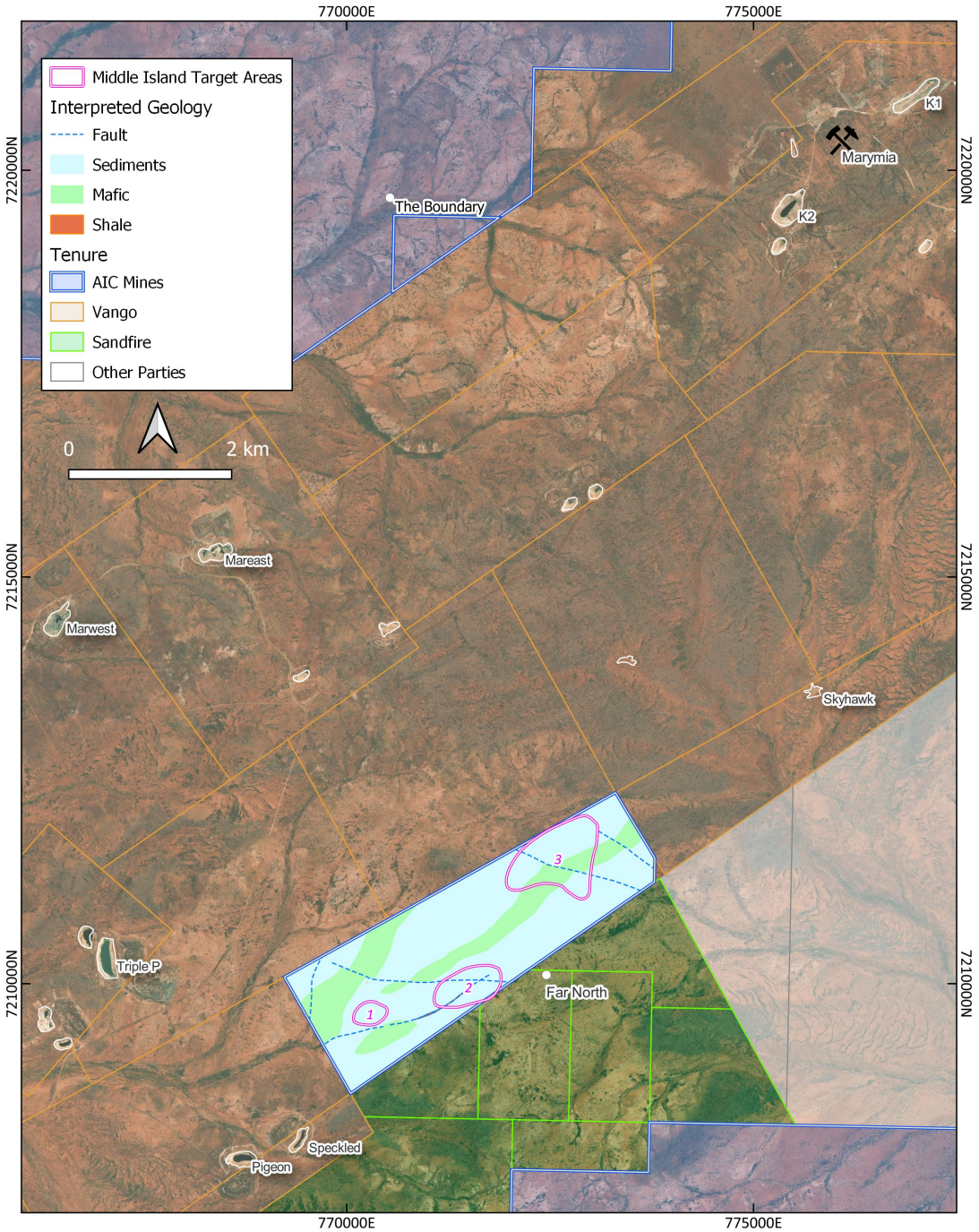

Figure 2. Middle Island location with geology and drilling target areas

Copper Hills Belt

The Copper Hills Belt is interpreted as a preserved portion of Paleoproterozoic basin rocks, equivalent to the Bryah, Yerrida or Padbury basins, accreted to the northern margin of the Archean Marymia Inlier. It hosts the Copper Hills Prospect where oxide copper mineralisation associated with discontinuous stringers of malachite and azurite was discovered in the 1970's (*for further details see AIC's ASX announcement "Marymia Project Exploration Update" dated 24 June 2020*) (Figure 3).

Mapping by AIC of the exposed north-eastern portion of the prospect indicated the presence of strongly altered bimodal volcanosedimentary rocks and a silica-hematite (chert) horizon. Both of these features are common to volcanogenic massive sulphide (VMS) deposits hosted within the Bryah (host to the DeGrussa copper mine) and Padbury (host to the Horseshoe Lights copper deposit) basins.

A program of 10 holes for up to 2,000m is planned to test the Copper Hills Prospect on 1km spaced lines along the approximately 7km trend of surficial copper oxide mineralisation defined by both soil geochemistry and sporadic shallow drilling (Figure 3). Angled drilling will not only test the better position of the soil anomaly along the trend for the first time but will also provide insight into the nature of the copper mineralisation in terms of style, extent and tenor at depth.

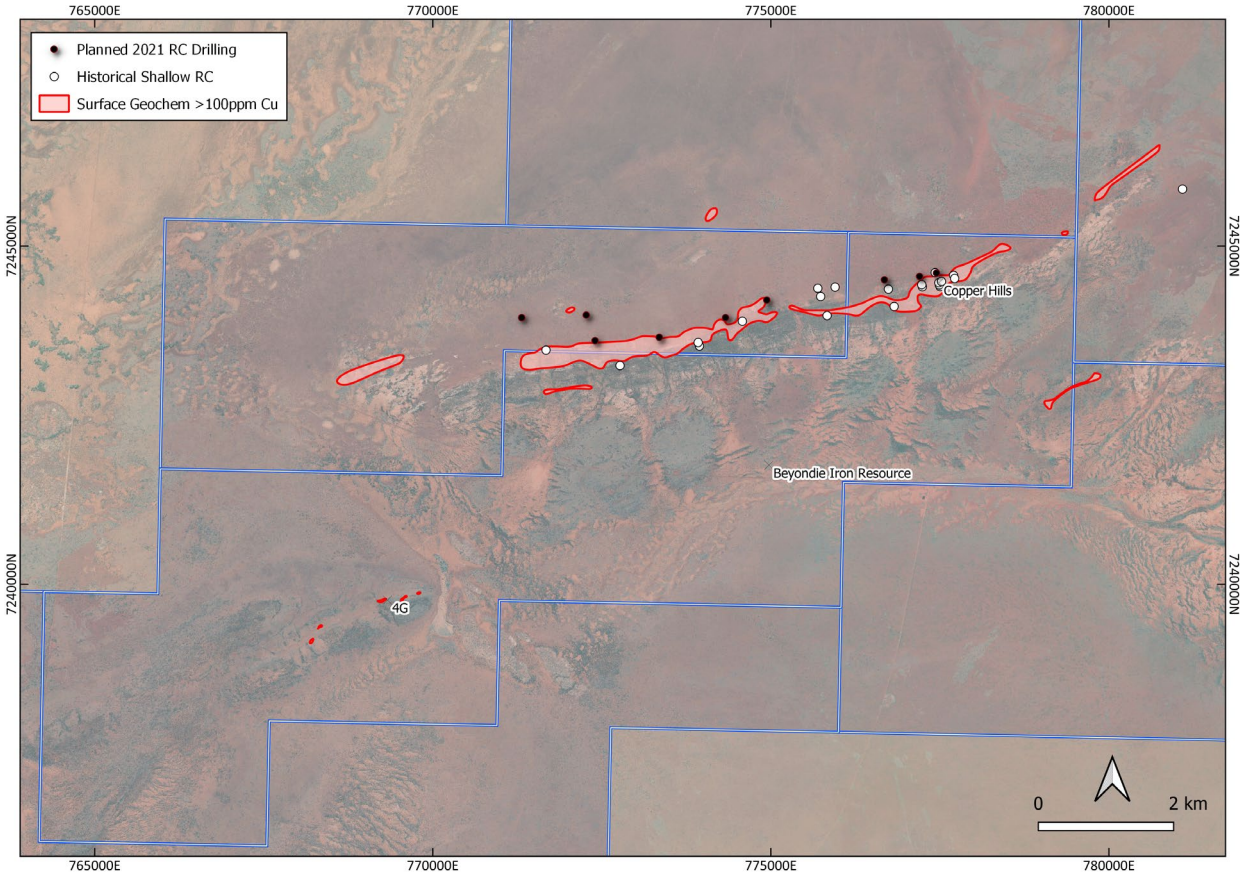

Figure 3. Copper Hills Propsect showing geochemisty and planned drill locations

DeGrussa North *(80% AIC with Venus Metals free-carried to decision to mine)*

The DeGrussa North Prospect is located within the Curara Well Joint Venture between AIC's wholly owned subsidiary AIC Resources Limited and Venus Metals Corporation (ASX: VMC) ("Venus") (Figure 4). AIC secured an 80% interest in the project in August 2020 in accordance with an earn-in agreement. Venus holds a 20% interest and is free-carried to a decision to mine.

While the initial focus of exploration for the Curara Well Project was testing the eastern margin of the highly prospective Doolgunna VMS belt of the Bryah Basin at the Curara Well Prospect (Figure 4) (see below for results), the DeGrussa North target is interpreted to lie within the southern extension of the Plutonic-Marymia granite greenstone belt. A soil geochemistry survey completed by Venus in 2017 returned an arcuate 1km by 800m gold anomaly (+15ppb Au) coincident with the intersection of a regionally significant magnetic lineament interpreted to represent major thrust faults. A 5 hole for 1,000m program centred on the soil anomaly straddling the interpreted thrust will test this discrete target.

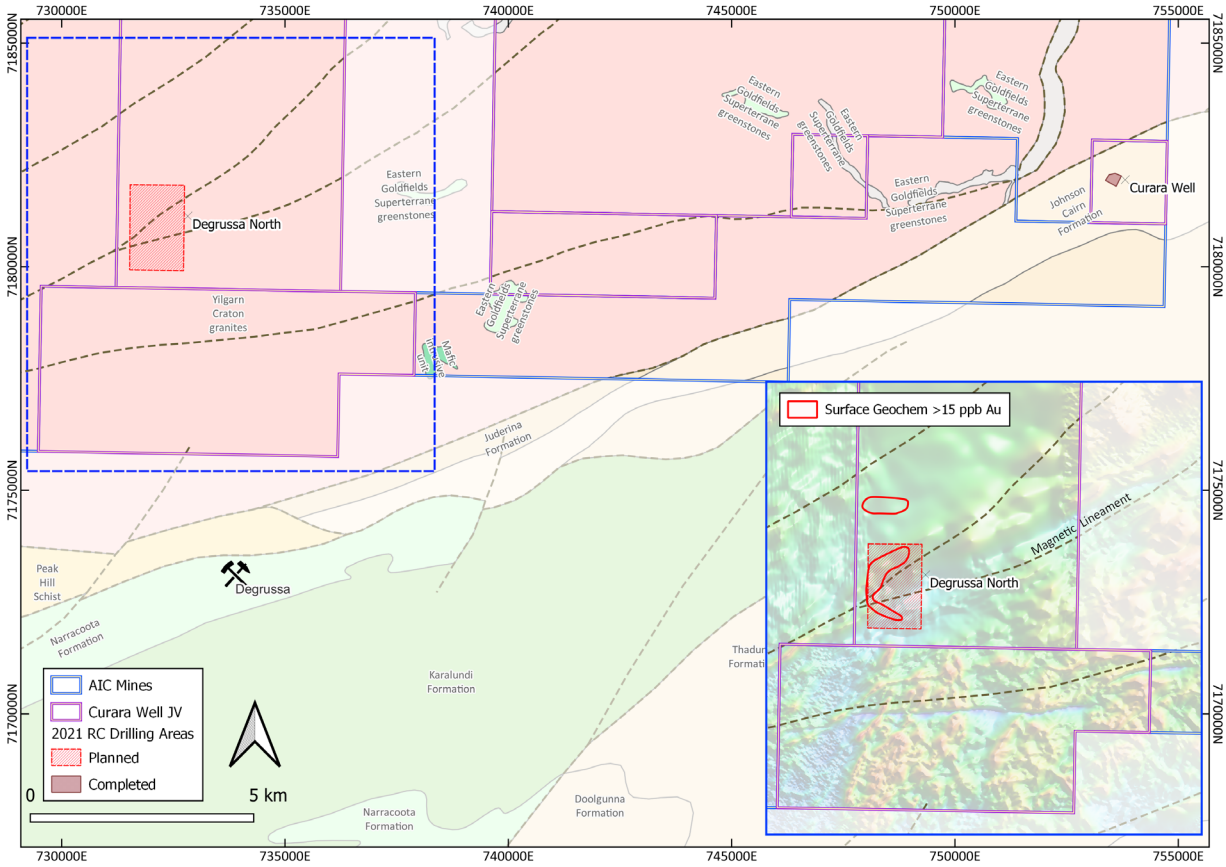

Figure 4. Curara Well JV area showing geology and RTP magnetic insert

Results

Curara Well Prospect

The Curara Well Prospect is located within the eastern margin of the highly prospective Doolgunna VMS domain within the Bryah Basin (Figure 4). Exploration by the joint venture partners has identified a Cu-Mo-Au-Pb surface geochemical anomaly trending NW and extending over 400m in strike (Figure 5). The anomaly was interpreted to correspond with the contact between the Johnston Cairn Formation, a metasedimentary sequence, and the stratigraphically overlying Naracoota Formation, a dominantly mafic volcanic package, close to the regionally important Jenkins Fault; a geological setting analogous to Sandfires' DeGrussa copper-gold mine.

An eight hole program drilled on a 100m by 100m spacing over the multielement anomaly was completed in two campaigns (March 2021 and June 2021), with holes averaging 98m depth (Table 1). The geology intersected consisted of quartz arenite and feldspathic sandstone beds assigned to the Johnson Cairn Formation.

Drill samples returned only background levels of key elements. No further work is currently planned.

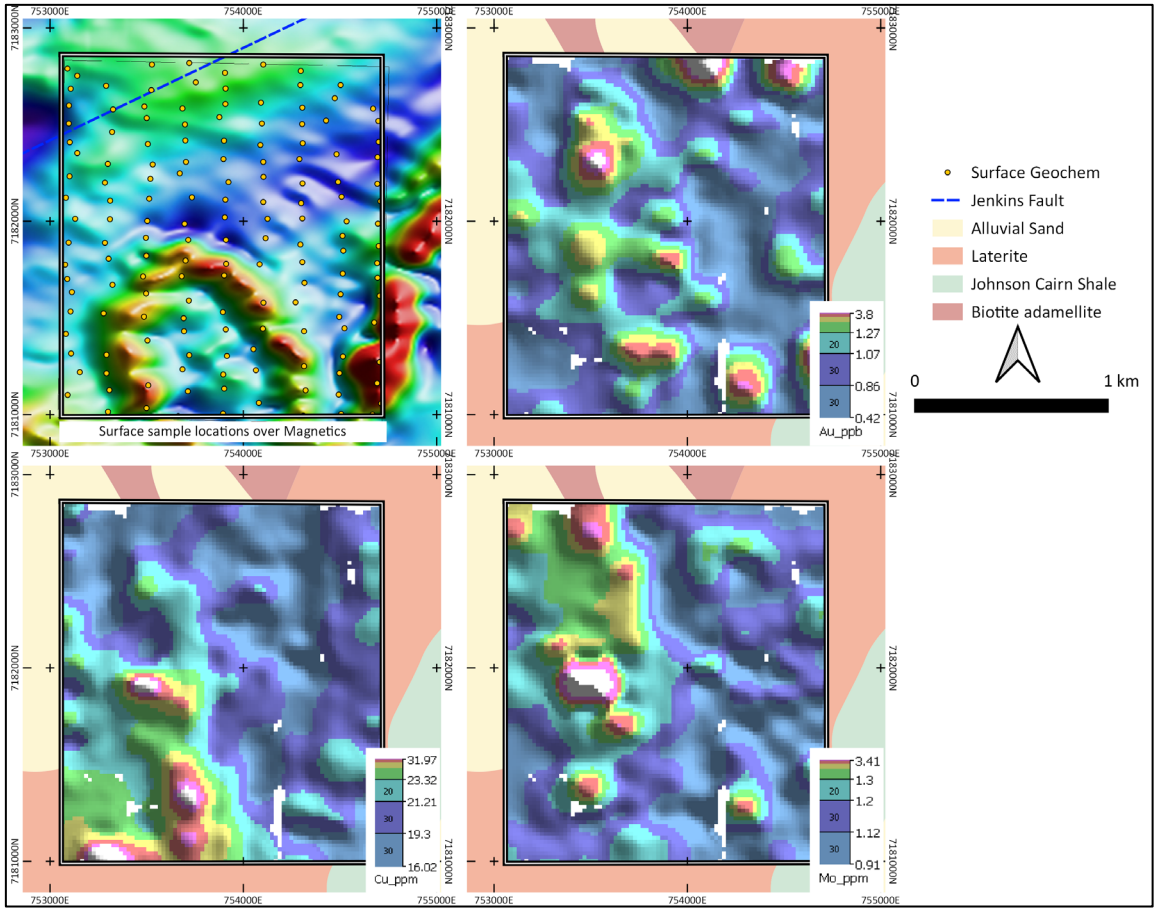

Figure 5. Curara Well Surface Geochemical Anomaly

Table 1: Curara Well Project – Reconnaissance Drill Hole Locations (All Holes)

Hole ID	Method	Max Depth (m)	North	East	Dip	Azimuth
21ACWC0001	RC	90	753414	7181933	-60	200
21ACWC0002	RC	96	753463	7182015	-60	200
21ACWC0003	RC	96	753508	7181886	-60	200
21ACWC0004	RC	120	753549	7181961	-60	200
21ACWC0005	RC	102	753591	7182071	-60	200
21ACWC0006	RC	96	753598	7181845	-60	200
21ACWC0007	RC	96	753638	7181936	-60	200
21ACWC0008	RC	90	753683	7182025	-60	200

All coordinates reported in GDA 94 MGA Zone 50

Authorisation

This announcement has been approved for issue by, and enquiries regarding this announcement may be directed to:

Aaron Colleran
Managing Director
Email: info@aicmines.com.au

Exploration Information Extracted from ASX Announcements

This announcement contains information extracted from previous AIC Mines 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 announcement lodged on the ASX:

- Quarterly Activities Report for the Period Ending 30 June 2021 — 16 July 2021
- Drilling Commences at Curara Well Copper-Gold Project — 26 March 2021
- Marymia Project Exploration Update — 20 August 2020
- Marymia Project Exploration Update — 24 June 2020

These announcements are available for viewing on the Company's website 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.

Competent Persons Statement

The information in this announcement that relates to all Geological Data and Exploration Results is based on, and fairly represents information compiled by Michael Taylor 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". Michael is a full-time employee of AIC Mines Limited. Michael consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

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.*	• The Curara Project was sampled using reverse circulation (RC) drilling techniques. • Drilling consisted of 8 holes targeting a multielement geochemical anomaly. • Drill hole collar locations were recorded using a handheld GPS which has an estimated accuracy of +/- 5m. • 2m composite samples were taken via spear sampling from metre samples collected from the RC rig. Samples were selectively assayed based of logged geology and elevated pXRF results. • All 2m composites were analysed using a Niton handheld portable XRF • Samples were submitted to Intertek Laboratories, Maddington for multi-element and Au analysis using a acid digest method.
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).*	• RC holes were drilled using a Schramm 685 track mounted rig.
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.*	• Drilling generally provided excellent sample recovery. No measures were taken to increase sample recovery due to the good recoveries. No relationship is seen to exist between sample recovery and grade. There is insufficient data to ascertain if there is a sample bias due to preferential loss/gain of fine/coarse material.
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.*	• Geological logging was completed on all drill holes by AIC geologists and loaded into an SQL database. • Geological logging is qualitative in nature and records interpreted lithology, alteration, mineralisation, structure, veining and other features of the samples. • Due to the early-stage of this drilling program, data was not expected to be used for resource estimation mining studies or metallurgical studies.
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.*	• 1-meter samples were collected and stored in green bags. 2-meter composites were created using a sampling spear and put into pre-numbered calico bags. Samples were dry • Standards and blanks were completed prior pXRF analyses being completed. • No duplicates were inserted into the lab assays due to the small number of assays analysed • Sample sizes are considered appropriate for the material being sampled.

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.*	• Samples were delivered to Intertek Laboratories, Maddington for analysis. All samples are weighed, placed into trays sequentially then dried to 105°C, samples are sorted and any discrepancies with submission logs noted. • RC samples are split to <3kg using a riffle splitter. Samples are pulverized for 5 minutes using LM5 mill to 85% passing 75µm. Checked using wet sieve test. • The analytical stage for all samples is completed sequentially using barcode labelled pulp packets. Each sample is scanned before being weighed. • For every 60 samples 2x control blanks, 2x pulp duplicates (assays from same pulp packet) and two standards are inserted. Certified Reference Materials ("CRM") are used. • Instrument analysis involves calibration before each run using calibration standards made from traceable single element solutions. • Results are reviewed through the LIMS system. CRM's have nominal values and control limits set from certificate values. Control charts of the CRM's are used during QAQC. • The laboratory has ISO 17025:2107 certification and participates in proficiency testing. • Analytical methods at the lab were a 4-acid digest with a OE finish (4A/OE) which is considered a 'near total' digest. • 2 duplicate and 2 standard (CRM) samples are inserted into each sample string. This level of QAQC is deemed adequate for this stage of exploration. A QAQC report has not been completed.
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.*	• No significant intersection reported • No twinned holes have been drilled. • No adjustments have been made to the 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.*	• Drill hole collar locations are determined using a handheld GPS which has an estimated accuracy of +/- 5m. • No downhole surveys were completed on RC holes • The grid system used is MGA_GDA20, zone 51 • RL's from handheld GPS were deemed unreliable and were adjusted using Shuttle Radar Topography Mission (SRTM) – acquired from USGS data.
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.*	• RC holes were drilled on 100m spacing along 3 100m spaced lines. • RC drill samples from this program were composited into 2m samples.
Orientation of data in relation to	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	• Not applicable – at this early stage of exploration the orientation of mineralisation is not known.

Criteria	JORC Code explanation	Commentary
geological structure	• *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.*	
Sample security	• *The measures taken to ensure sample security.*	• Sample security is managed by AIC. Samples are ziptied in polyweave bags and placed in bulka bags, samples are delivered to Intertek, Maddington by AIC staff
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No external audits or reviews have been completed at this stage.

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.*	• The project comprises granted exploration license EL52/3489 • The licence is 80% owned by AIC Resources and 20% Venus Metals • AIC has entered into a Joint Venture Agreement with Venus Metals over E52/3069, E52/3320, E52/3487, E52/3488, E52/3489, E52/3068 and E52/3486.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Venus metals completed surface geochemistry
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Volcanic Hosted Massive Sulphide style hosted in the Bryah Basin similar to Degrussa and Monty mines also in the Bryah basin

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.*
		• Refer to tabulations in the body of this announcement.

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.*	• Grades of Cu do not exceed (50ppm) Cu or 2ppb Au cut-off and thus not reported. • No high cuts have been applied. • Metal equivalents have not been applied.

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *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').*	• No mineralisation reported
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.*	• All relevant figures are included in the body of this announcement.
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.*	• No mineralisation reported
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.*	• All meaningful and material information has been included in the body of this announcement. • No metallurgical or mineralogical assessments have been completed.
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 currently assessing the outcomes of the recent drilling,