QUARTERLY REPORT

26 April 2022

AIC Mines Limited

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 Mines owns the Eloise Copper Mine, a high-grade operating underground mine located SE of Cloncurry in North Queensland.

AIC Mines also has significant gold, copper and nickel exploration projects in Western Australia and New South Wales.

CAPITAL STRUCTURE

Shares on Issue: 308,765,018

CORPORATE DIRECTORY

Josef El-Raghy
Non-Executive Chairman

Aaron Colleran
Managing Director & CEO

Brett Montgomery
Non-Executive Director

Tony Wolfe
Non-Executive Director

Jon Young
Non-Executive Director

Linda Hale
Company Secretary

CORPORATE DETAILS

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Computershare Investor Services

Quarterly Activities Report for the Period Ending 31 March 2022

HIGHLIGHTS

Eloise Copper Mine

- **On-target production** – 10,493dmt of concentrate produced containing 2,825t of copper at an AISC of A$4.42/lb and AIC of A$4.62/lb.
- **Ongoing strong cashflow** – sales of 3,068t Cu, 1,615oz Au and 33,113oz Ag generated net revenue of $44.8 million, operating cashflow of $24.4 million and net mine cashflow of $14.0 million.
- Resource definition drilling in the Deeps confirmed the down plunge continuity of the higher grade mineralisation 50m below the base of the Indicated Resource.

Marymia Project

- Drilling at Copper Hills returned encouraging results:
  - 16m grading 0.12% Cu from 64m in Hole 21ACHC0004
  - 4m grading 0.12% Cu from 160m also in Hole 21ACHC0004
  - 4m grading 0.22% Cu from 172m in Hole 21ACHC0005
- Drilling at Middle Island intersected prospective lithology and grades:
  - 4m grading 0.93 g/t Au from 24m in Hole 21AMIC0012
  - 4m grading 0.24g/t Au from 44m also in Hole 21AMIC0012
  - 8m grading 0.32 g/t Au from 40m in Hole 21AMIC0005
- 7,200m of RC drilling and 750m of diamond drilling planned.

Lamil Project

- High-grade copper was intersected in a drillhole testing the continuation of a mafic intrusion occupying the eastern flank of the Lamil Dome Prospect:
  - 1m grading 2.26% Cu and 51ppb Au from 90m in Hole 21ALRC0054
- Copper mineralisation on the eastern flank of the Lamil Dome Prospect has been defined over a strike length of approximately three kilometres but only tested by very wide-spaced drilling. Follow-up drilling is due to commence in June 2022.
- 7,300m of RC drilling and 2,800m of diamond drilling planned.

Corporate

- At 31 March 2021, AIC held $33.9 million in cash plus $6.8 million on account for the Eloise performance bond and $0.7 million in listed investments.

** All $ amounts in this report refer to A$ unless otherwise stated.*

PRODUCTION

Eloise Copper Mine

AIC Mines Limited ("AIC Mines" or "the Company") took ownership of Eloise on 1 November 2021. Current operations consist of an underground mine accessed via decline. The upper levels of the mine (above 1,190m below surface) are extracted by longhole open stoping and the lower levels are extracted by sublevel caving, together producing up to 700,000tpa ore. Eloise is an owner-miner operation with a mining contractor used for underground development.

Processing is via conventional crushing, grinding and sulphide flotation with capacity to treat 750,000tpa. Metallurgically the ore is very consistent as the ore mineralogy at Eloise is almost exclusively chalcopyrite. Processing achieves high copper recoveries and produces a clean concentrate. The concentrate has significant by-product credits from gold and silver.

Safety and Environment

The Total Recordable Injury Frequency Rate (12 month moving average) as at 31 March 2022 was 6.0 per one million hours worked. There was one recordable injury during the Quarter; an operator was struck on the tricep by a fitting when it dislodged during filling of an emulsion pod. The safety focus during the Quarter was on rollout of the Safe Behaviour Principles, the foundation of our safety culture at Eloise.

COVID-19 did not materially impact operations during the Quarter. AIC Mines has implemented preventative measures at Eloise to reduce the risk of employee exposure to COVID-19 and to limit its spread.

There were no environmental incidents during the Quarter.

A new battery electric all-terrain vehicle was purchased during the Quarter. It will be used primarily by the site environmental team in its water sampling activities across the mining lease. It will also be trialled for surface transport on the mine lease and if successful it could lead to the replacement of some ICE vehicles with lower cost electric vehicles.

Production and Costs

Production in the March 2022 Quarter was in line with expectations – producing 10,493dmt of concentrate containing 2,825t of copper at an AISC of A$4.42/lb of copper sold after by-product credits.

The mine continued to generate significant free cashflow (see additional commentary on page 15 – Financial Performance):

- Operating cashflow of $24.4 million; and
- Net mine cash flow of $14.0 million

Since AIC Mines took ownership on 1 November 2021 the mine has produced 5,217t Cu in concentrate at a C1 operating cost of A$2.56/lb. It is pleasing that after only 5 months of ownership the mine is achieving AIC Mines' targeted annual production rate of approximately 12,500t Cu and 6,500oz Au in concentrate at a C1 operating cost of approximately A$3.30/lb.

Ore processed during the Quarter was drawn predominantly from the Upper Levels in the Chloe and Levuka orebodies and stockpiled Macy material. Development ore was mined from the Deeps in preparation for the recommencement of sublevel cave production. The high grade z305 Level of the sublevel cave commenced production at the end of the Quarter.

The average mined grade of 2.04% Cu was below the average reserve grade of 2.1% Cu as ore was sourced predominantly from the Upper Levels. Mined grade will improve in the June 2022 Quarter with production from the Deeps z305 Level.

Blasting issues with slot firings hampered progress in the Levuka 200 block and restarting the Deeps sublevel cave, restricting ore supply. A subsequent change to the long-hole slot pattern appears to have rectified the issue with the Chloe 620 L2 slot fired successfully at the beginning of April 2022.

Unit costs were negatively impacted by lower throughput and higher diesel costs during the Quarter. Reduced concentrate transport costs, negotiated during the Quarter, are expected to offset the higher diesel costs in coming quarters.

March 2022 Quarter	Units	Eloise
Underground development - capital	m	315
Underground development - operating	m	530
Total development	m	844
Ore Mined	kt	114.1
Copper grade mined	%	2.04%
Tonnes processed	kt	155.6
Copper grade processed	%	1.93%
Copper Recovery	%	93.8%
Concentrate produced	dmt	10,493
Copper in concentrate	t	2,825
Payable copper produced	**t**	**2,720**
Gold produced	oz	1,478
Silver produced	oz	28,561
Copper sold	**t**	**3,068**
Achieved copper price	**A$/t**	**14,071**
Achieved copper price	A$/lb	6.38
Gold sold	oz	1,615
Achieved gold price	A$/oz	2,598
Silver sold	oz	33,113
Achieved silver price	A$/oz	33
Cost Summary		
Mining	A$/lb prod	1.42
Processing	A$/lb prod	1.16
Site Admin and transport	A$/lb prod	0.54
TC/RC and shipping	A$/lb prod	0.62
Ore stockpile adjustments	A$/lb prod	0.23
By-product credits	A$/lb prod	(0.88)
C1 Cash Cost	**A$/lb prod**	3.09
C1 Cash Cost	A$/lb sold	2.74
Royalties	A$/lb sold	0.24
Metal in Circuit and finished goods	A$/lb sold	(0.10)
All-in Sustaining Capital [1]	A$/lb sold	1.34
All-in Sustaining Cost	**A$/lb sold**	**4.42**
All-in Capital [2]	A$/lb sold	0.20
All-in Cost	**A$/lb sold**	**4.62**

1. All-in Sustaining Capital includes PPE, Resource Definition and 80% of underground mine development capital
2. All-in Capital includes major project capital and 20% of underground mine development capital

Exploration and Resource Drilling

A resource definition drilling program in the Deeps continued through the Quarter. The aim of the program is to increase the resource confidence of the Deeps mineralisation from inferred to indicated category, up to 100 vertical metres below the lower most mining level at the -305mRL.

Assay results confirmed the down plunge continuity of the higher grade mineralisation up to 50m below the base of the Indicated Resource (see Figures 1 and 2 below). Significant intercepts released during the Quarter include:

- Hole ED200 - 14.90m (14.5m ETW) grading 3.50% Cu and 0.9 g/t Au
- Hole ED200 - 14.33m (13.9m ETW) grading 2.50% Cu and 0.4 g/t Au
- Hole ED201 – 21.60m (19.7m ETW) grading 2.16% Cu and 0.5 g/t Au
- Hole ED201 - 21.40m (18.6m ETW) grading 3.24% Cu and 0.7 g/t Au
- Hole ED201 - 6.08m (5.3m ETW) grading 4.23% Cu and 2.5 g/t Au
- Hole ED202 - 10.51m (8.7m ETW) grading 2.16% Cu and 0.5 g/t Au
- Hole ED202 - 14.00m (11.9m ETW) grading 2.19% Cu and 0.4 g/t Au
- Hole ED202 - 2.65m (2.1m ETW) grading 4.68% Cu and 1.1 g/t Au
- Hole ED204 - 12.15m (11.4m ETW) grading 2.12% Cu and 0.6 g/t Au
- Hole ED205 - 10.25m (9.6m ETW) grading 5.73% Cu and 1.1 g/t Au

For further details see AIC Mines ASX announcement “Drilling Results from Eloise Deeps” dated 24 March 2022.

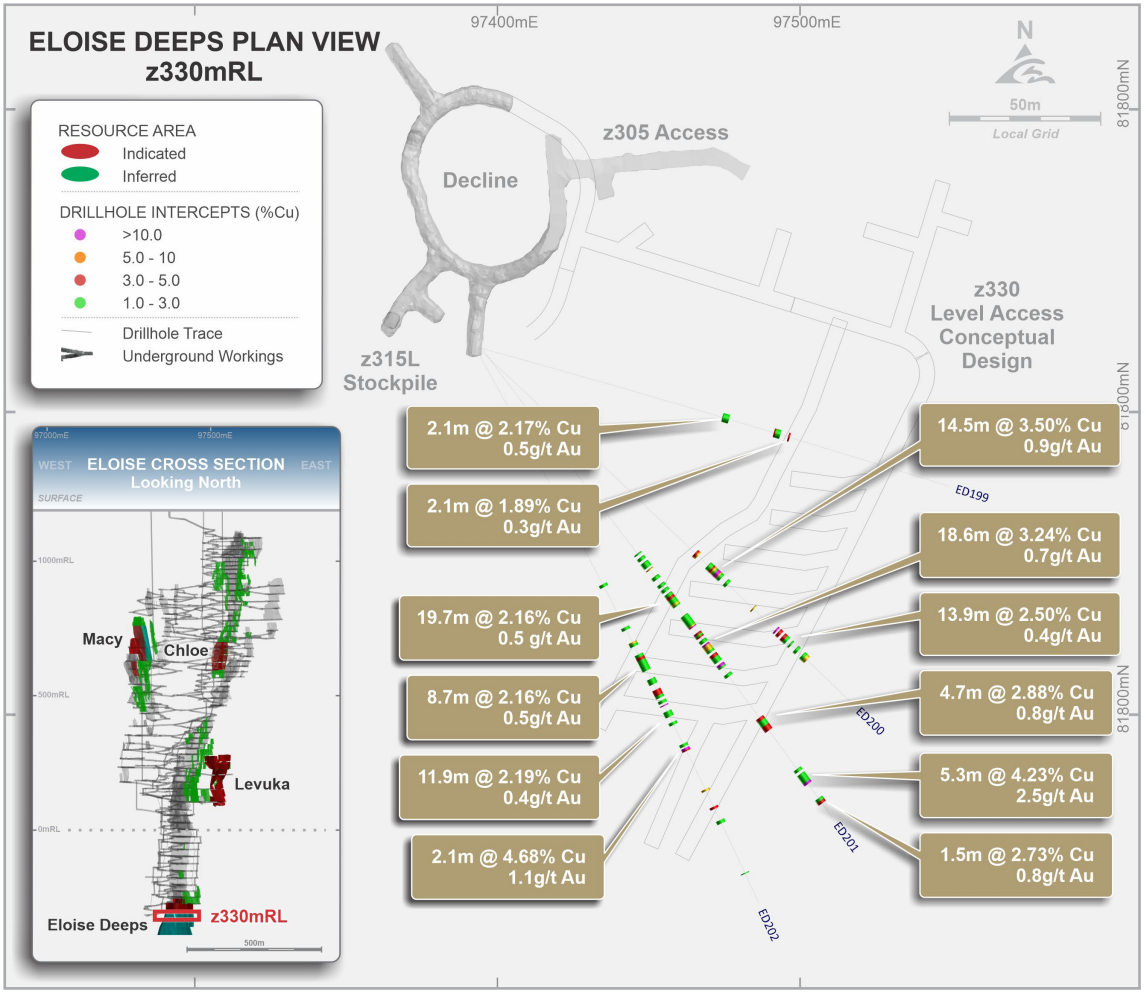

Figure 1. Plan view of Deeps drilling, sliced at -z330m Level (±15m). All widths are reported as estimated true widths.

More recently, further significant intercepts have been received:

- Hole ED206 - 35.25m (31.73 ETW) grading 3.19 % Cu and 0.9 g/t Au
- Hole ED206 - 8.03m (7.23 ETW) grading 3.39 % Cu and 0.6 g/t Au
- Hole ED207 - 3.00m (2.70 ETW) grading 2.20 % Cu
- Hole ED207 - 6.00m (5.40 ETW) grading 2.86 % Cu
- Hole ED207 - 3.00m (2.70 ETW) grading 1.92 % Cu
- Hole ED208 - 3.00m (2.70 ETW) grading 2.21 % Cu

For further details see Appendix 1 (Table 3) and AIC Mines ASX announcement "Drilling Results from Eloise Deeps" dated 24 March 2022.

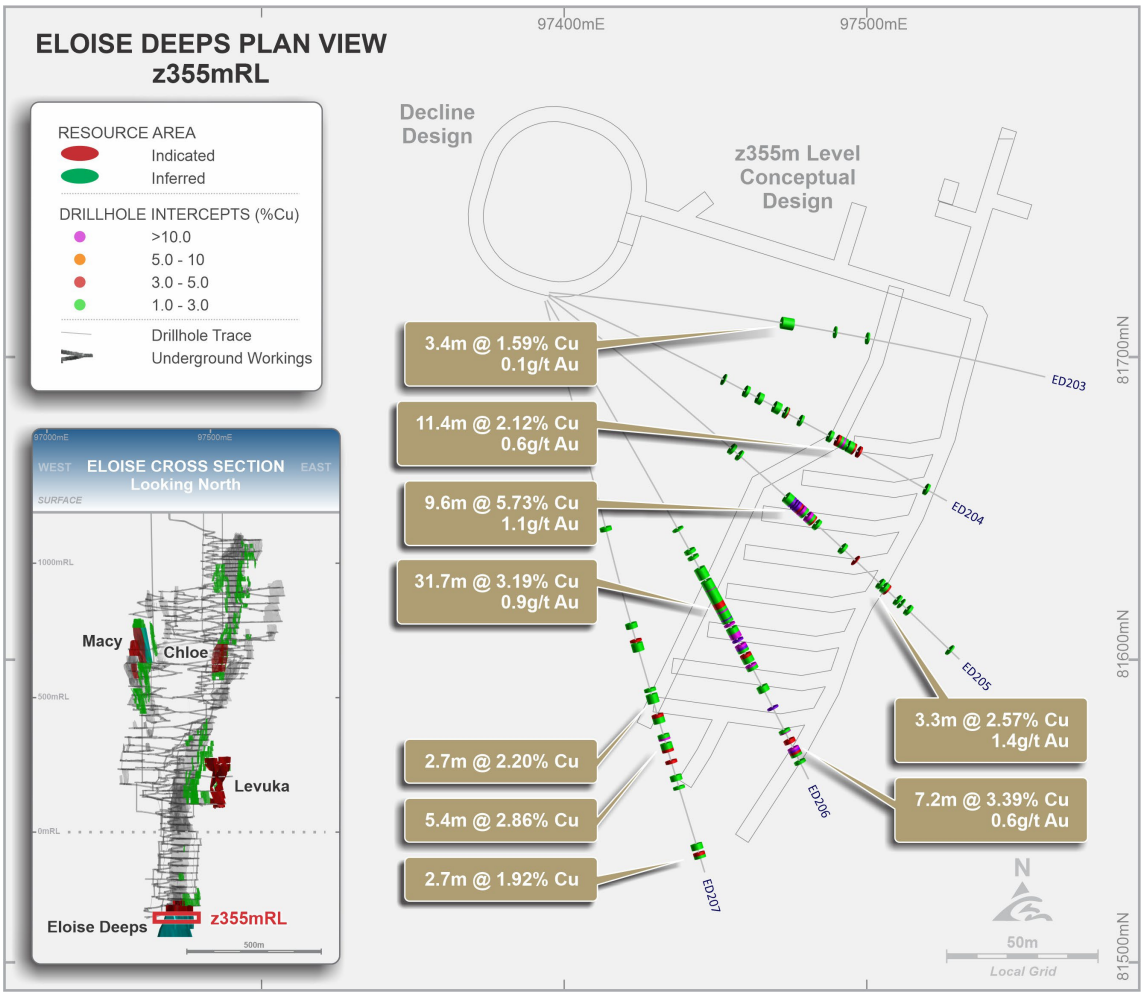

Figure 2. Plan view of Deeps drilling sliced at -z355m Level (±15m). All widths are reported as estimated true widths.

A surface drill rig commenced drilling in late March. It will focus on:

- Infill resource definition drilling of the Macy Upper mineralisation, 250m below the surface
- Exploration drilling testing the northern continuation of the Macy North and Elrose-Levuka mineralisation.

The surface rig complements the two underground rigs currently drilling resource definition programs.

EXPLORATION

AIC Mines has three exploration projects:

- **Marymia Project** in which it holds a 100% interest in the majority of the tenements, located in Western Australia and is prospective for gold and copper
- **Lamil Joint Venture** in which it is earning an initial 50% interest, located in Western Australia and is prospective for gold and copper.
- **Delamerian Project** in which it holds a 100% interest in tenement applications, located in western New South Wales and is prospective for gold, copper and nickel. Progression of the applications to granting is expected in the June 2022 Quarter.

Marymia Project (predominantly 100% owned tenements)

AIC Mines holds a very 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) (Figure 3).

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.

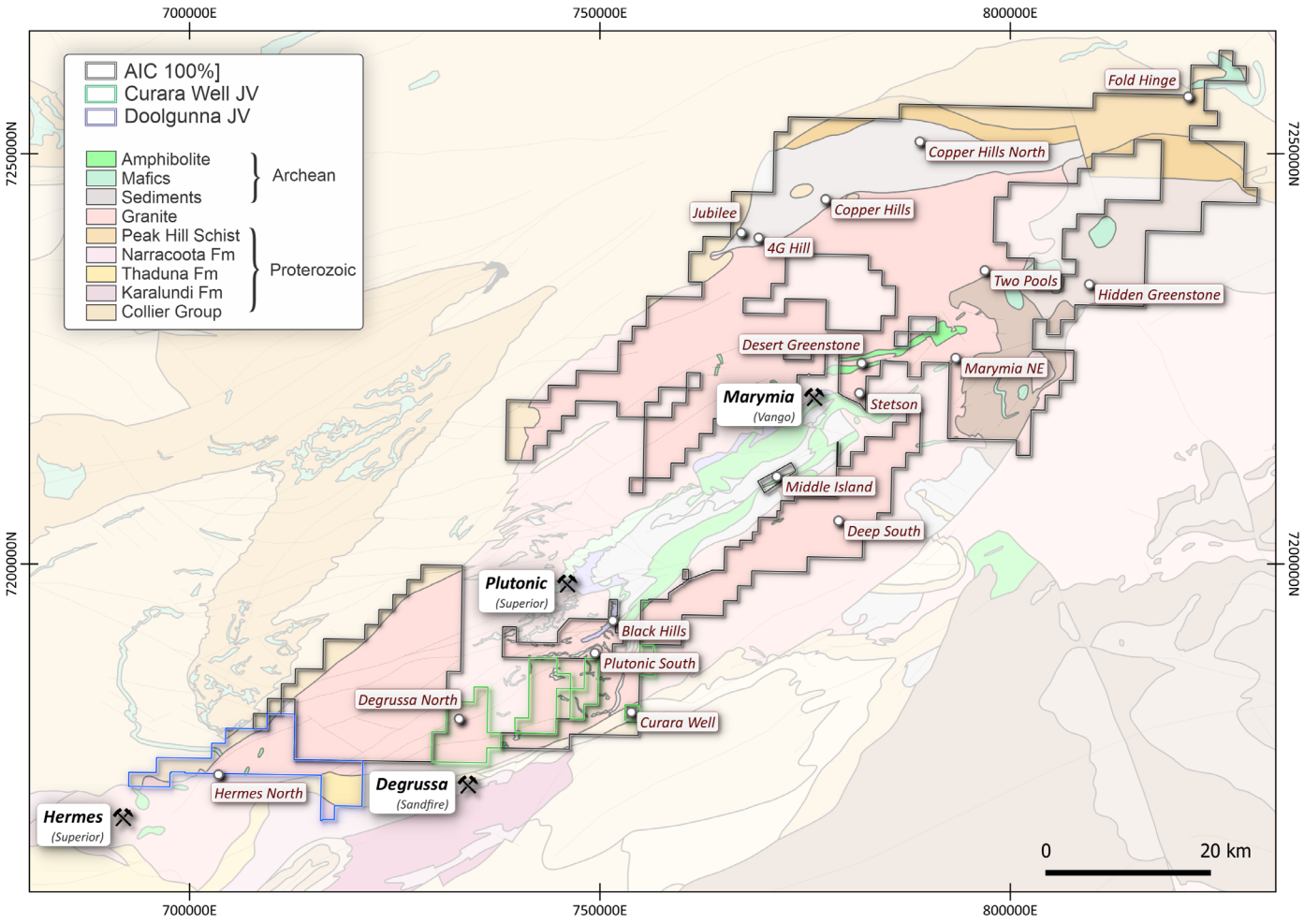

Figure 3. Marymia Project Location

Drilling Results

Assay results from 5 holes of a 9 hole RC drilling program completed at the **Copper Hills Prospect** late in 2021 were received during the Quarter. Results confirm the continuation of copper mineralisation in fresh rock below surficial copper oxide mineralisation. Significant intervals include:

- Hole 21ACHC0002 – 4m grading 0.08% Cu from 188m
- Hole 21ACHC0004 – 16m grading 0.12% Cu from 64m Including 4m grading 0.25% Cu from 76m and 4m grading 0.12% Cu from 160m
- Hole 21ACHC0005 – 4m grading 0.22% Cu from 172m

The drilling was testing for primary copper sulphide mineralisation below a historical 7 kilometre trend of surficial copper oxide mineralisation defined by both soil geochemistry and sporadic historic shallow drilling (Figure 4). For further details see AIC Mines ASX announcement "Drilling Results from Marymia Project" released on 28 March 2022.

Disseminated sulphides to quartz-sulphide stockwork veins (dominantly chalcopyrite and pyrrhotite) are hosted in steep north dipping mafic to felsic schists, associated with a narrow interval of hematite-silica (jaspilite) and chlorite-sericite alteration. These characteristics are considered analogous to other volcanic hosted massive sulphide settings in Paleoproterozoic basins, such as the nearby DeGrussa copper deposit.

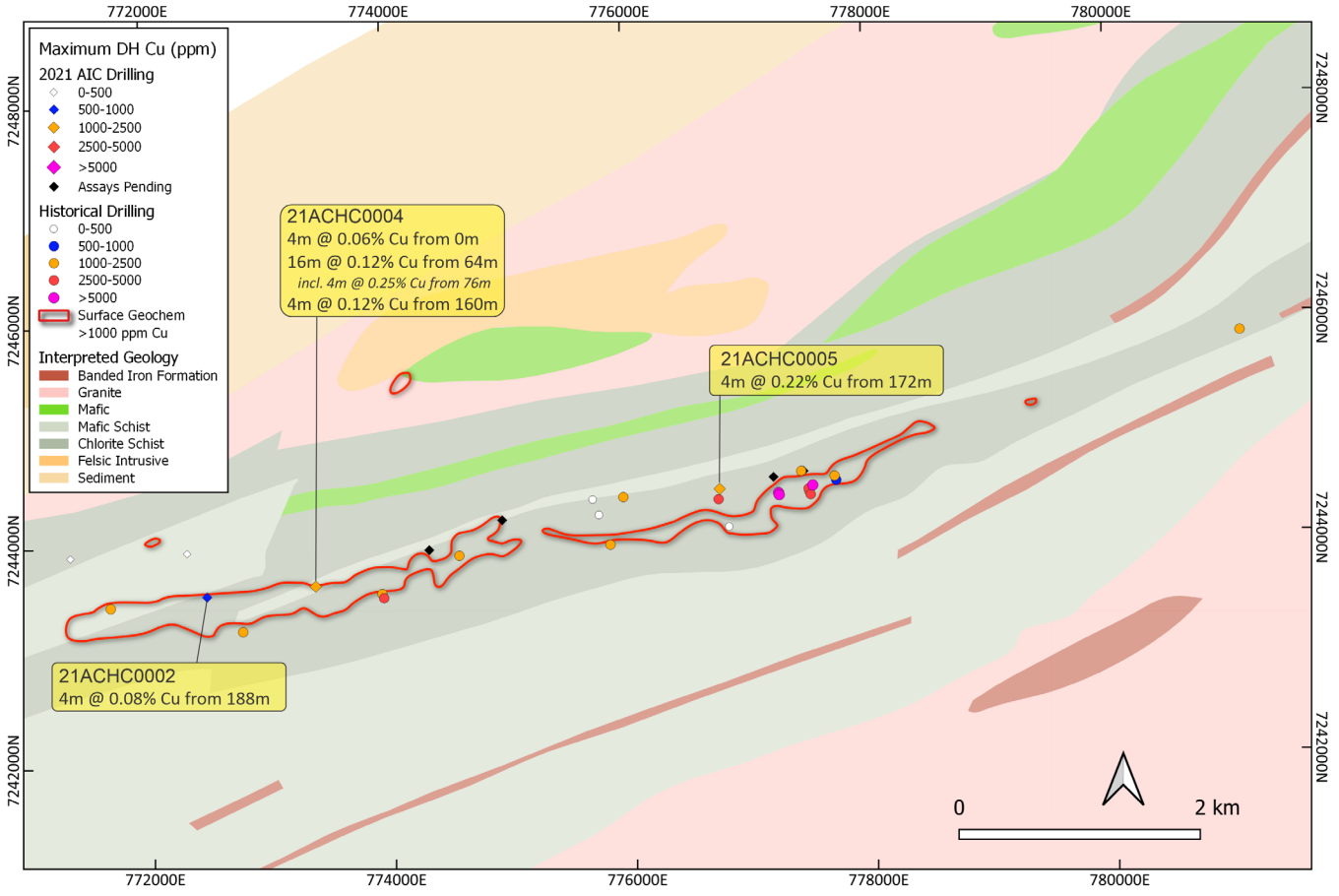

Figure 4. Copper Hills Prospect showing copper oxide trend defined by soil geochemistry and shallow drilling on interpreted geology.

Assay results from 16 RC holes drilled at the **Middle Island Prospect** late in 2021 were received during the Quarter. Significant intervals are as follows:

- Hole 21AMIC 005 – 8m grading 0.32g.t Au from 40m
- Hole 21AMIC0012 – 4m grading 0.93 g/t Au from 24m, and 4m grading 0.24g/t Au from 44m.
- Hole 21AMIC0014 – 4m grading 0.17g/t Au from 104m.

The drilling tested a series of discrete targets within a mineralised NE-SW trending package of sediments and intercalated mafic bodies that define the southern margin of the Plutonic-Marymia greenstone belt (Figure 5). The results extend the footprint of the Far North Prospect a further 500m onto AIC Mines' tenure and indicate a new zone of mineralisation in the northeast. For further details see AIC Mines ASX announcement "Drilling Results from Marymia Project" released on 28 March 2022.

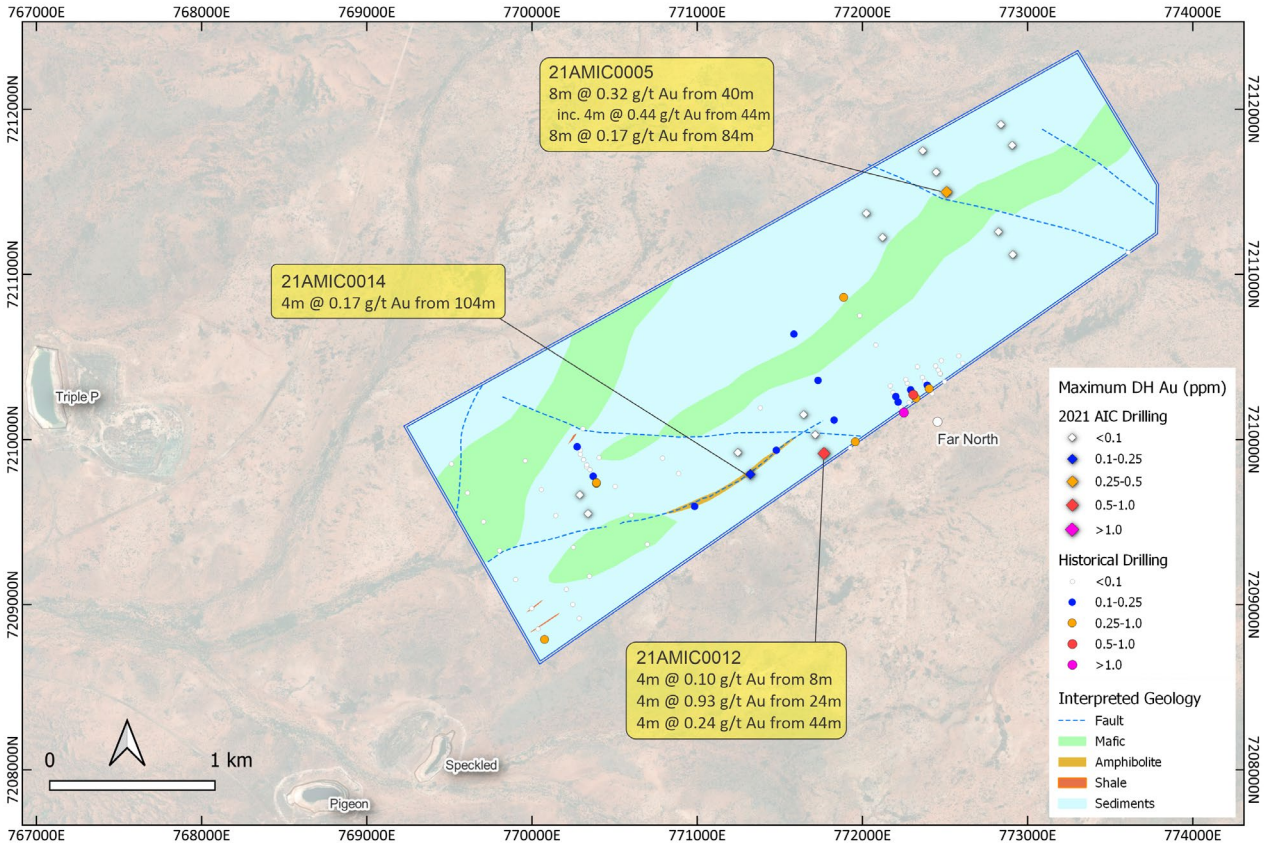

Figure 5. Middle Island Target showing historical and AIC drilling on geology with the location of nearby third party open pits

Assay results from 5 RC holes (see Appendix 1 – Table 1) drilled at the **DeGrussa North Prospect** (80% AIC Mines) late in 2021 were received during the Quarter. No elevated gold results were returned. The drilling tested a 1km by 800m gold-in-soil anomaly (+15ppb Au) that is coincident with the intersection of a regionally significant magnetic lineament.

Assay results from the deep diamond hole (684.4m – see Appendix 1 – Table 1) drilled at the **Stetson Prospect** (100% AIC Mines) late in 2021 were received during the Quarter. The drilling was co-funded by a $150,000 drilling grant from the Western Australian Government Exploration Incentive Scheme. The hole was testing for greenstone beneath granite cover. It intersected increasing volumes of mafic/ultramafic 'rafts' intercalated within granite however no elevated gold results were returned.

Assay results from drilling at the Hermes North Prospect (AIC Mines earning up to 80% from Ausgold Limited) and the Copper Hills Prospect completed in late 2021 remain outstanding.

Next Steps – Marymia Project

The exploration drilling program planned for the current field season will focus on two areas – the Copper Hills Belt (Copper Hills and Jubilee Prospects) and the Southern Greenstone Belt Extension (Black Hills and Middle Island Prospects). The program currently consists of 750m of diamond drilling and 7,200m of RC drilling. Regulatory and cultural approvals required to complete the exploration program are expected to be progressed during the June 2022 Quarter.

Lamil Joint Venture (AIC Mines earning up to 65%)

The Lamil Gold-Copper Project is located in the Paterson Province in the northwest of Western Australia, 500km east of Port Hedland. Under the terms of the earn-in and exploration joint venture agreement with Rumble Resources (ASX: RTR) ("Rumble"), AIC Mines can earn a 50% interest by spending $6 million over four years. Thereafter AIC Mines can earn a further 15% by spending $4 million over one 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. AIC Mines has spent approximately $5.2 million at the Lamil Project to 31 March 2022.

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 1,280km², is situated midway between these two mines. Discoveries by Rio Tinto at Winu and by the Newcrest-Greatland Gold JV at Havieron have confirmed the prospectivity of the region.

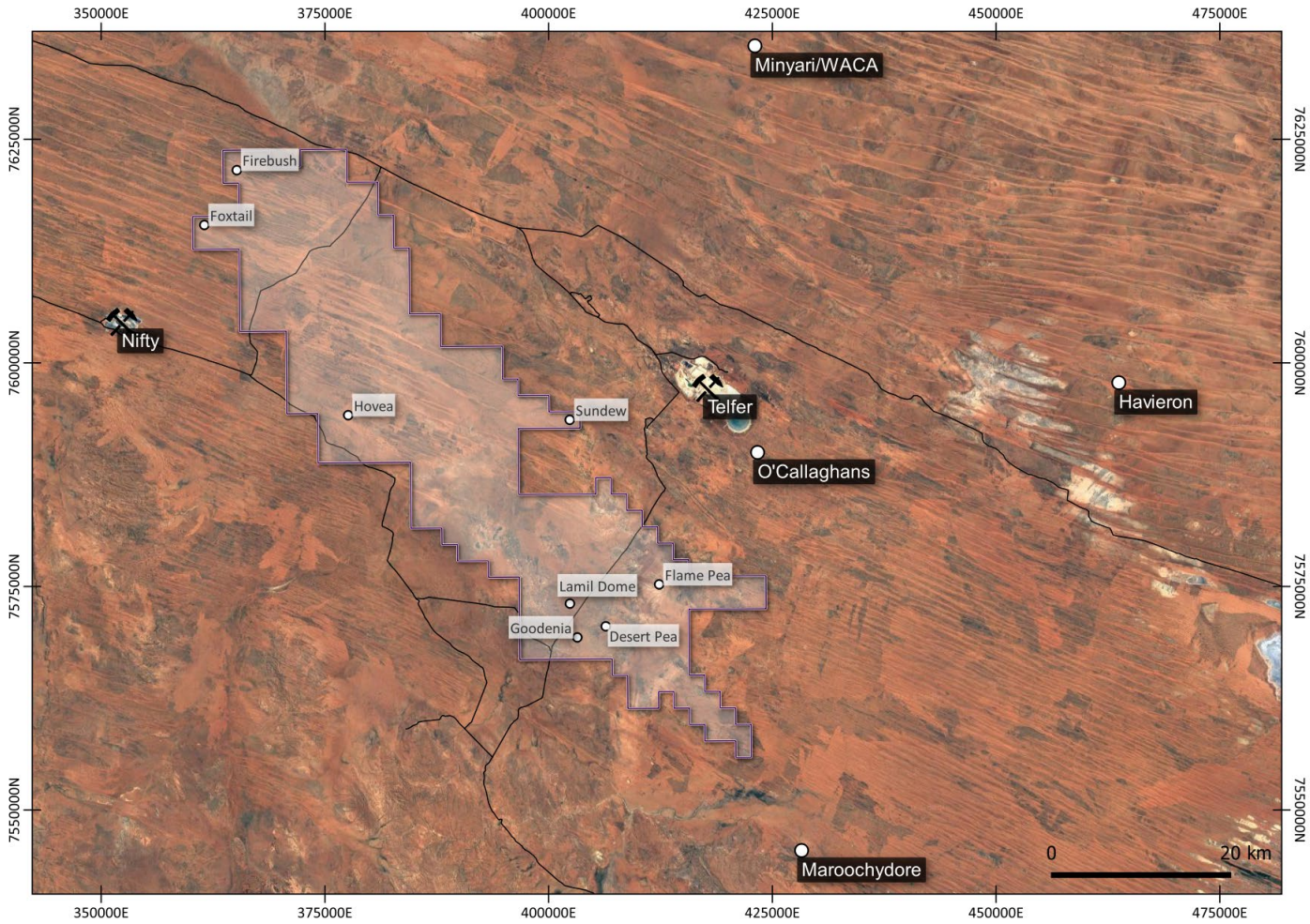

Figure 6. Lamil Project Tenements E45/5270 and E45/5271 with Key Target Areas

The Lamil Project captures a covered belt of Yeneena Supergroup rocks (which host mineralisation at both the Telfer and Nifty mines) bound by two deep penetrating, belt parallel NNW trending structures. In the southern tenement (E45/5271) the project is also influenced by regionally important NW orientated faults, and a series of major NE trending cross faults that are mappable across the entire belt. All these structural features are considered important in the development of major mineral deposits in the Paterson Province as they represent critical vertically accretive plumbing systems for circulating and trapping mineralising fluids. A schematic cross section through the project illustrating geological architecture and Key Target Area locations is shown below in Figure 7.

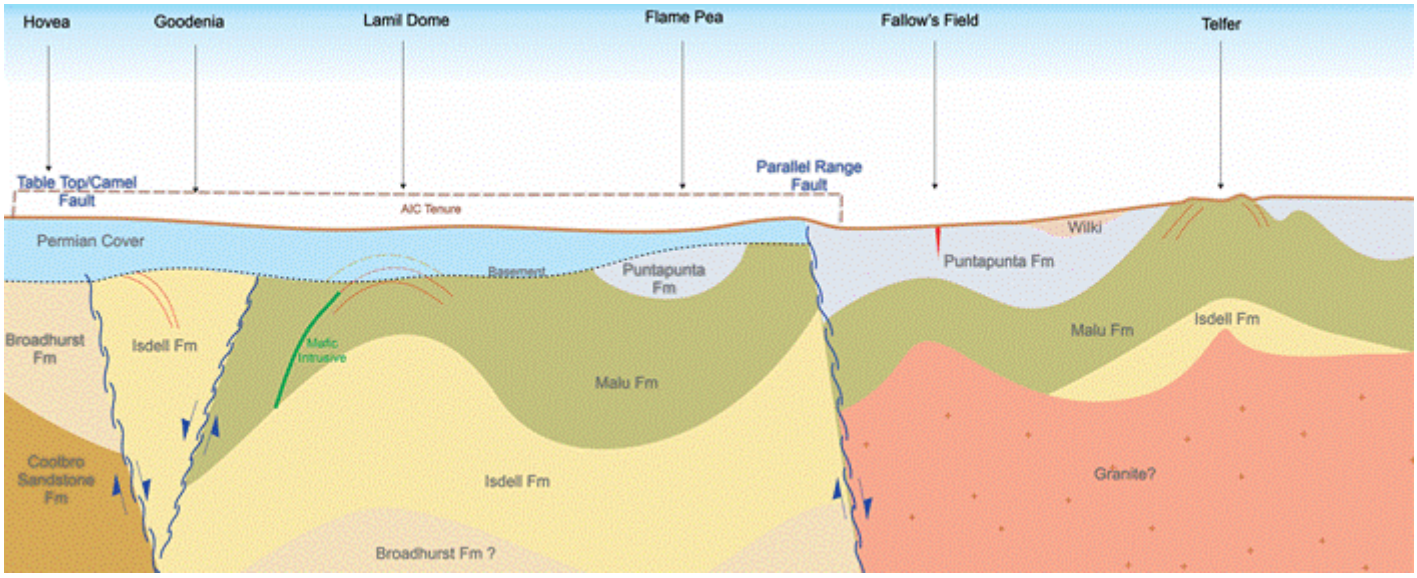

Figure 7. Schematic cross section showing relative positions of Key Target Areas and interpreted geology

Drilling Results

Assay results from 7 RC holes drilled on the eastern margin of the **Lamil Dome** (see Figure 8), late in 2021, were received during the Quarter. Hole 21ALRC0054 tested the 1.2 kilometre space between anomalous holes drilled in 2020 and returned the following anomalous intervals:

- 1m grading 2.26% Cu and 54ppb Au from 90m;
- 2m grading 0.04% Cu from 109m; and
- 2m grading 0.05% Cu from 119m.

This represents the highest copper grade returned at the project to-date and confirms the potential of the system to yield economic copper grades.

Copper mineralisation is typically in the form of chalcopyrite associated with discordant quartz-carbonate-pyrrhotite-pyrite veins located within 150m of the contact zone of the dolerite intrusive with the host metasedimentary rocks. A coherent zone, over approximately 4 kilometres, of albite alteration is associated with the zone of sulphides within both metasedimentary and mafic intrusive rocks (see Figure 9). This albite alteration is a key feature of many of the major mineral systems in the Paterson Province.

Drilling along this alteration zone remains very widely spaced. Follow-up drilling is planned for the current field season.

Assay results from 13 RC holes drilled at the **Lamil NE** target (see Figure 8), late in 2021, were received during the Quarter. An isolated hole (21ALRC076) returned anomalous zinc and lead results:

Hole 21ALRC0076:

- 16m @ 0.6% Zn+Pb from 213m, including
  - 4m @ 0.95% Zn from 221m, and
- 16m @ 0.62% Zn+Pb from 235m, including
  - 4m @ 1% Zn+Pb from 241m

The mineralisation represents a zone of sulphides within unaltered carbonaceous siltstones and likely represents a fault zone with sulphide infill as zinc and lead values are not elevated in surrounding holes.

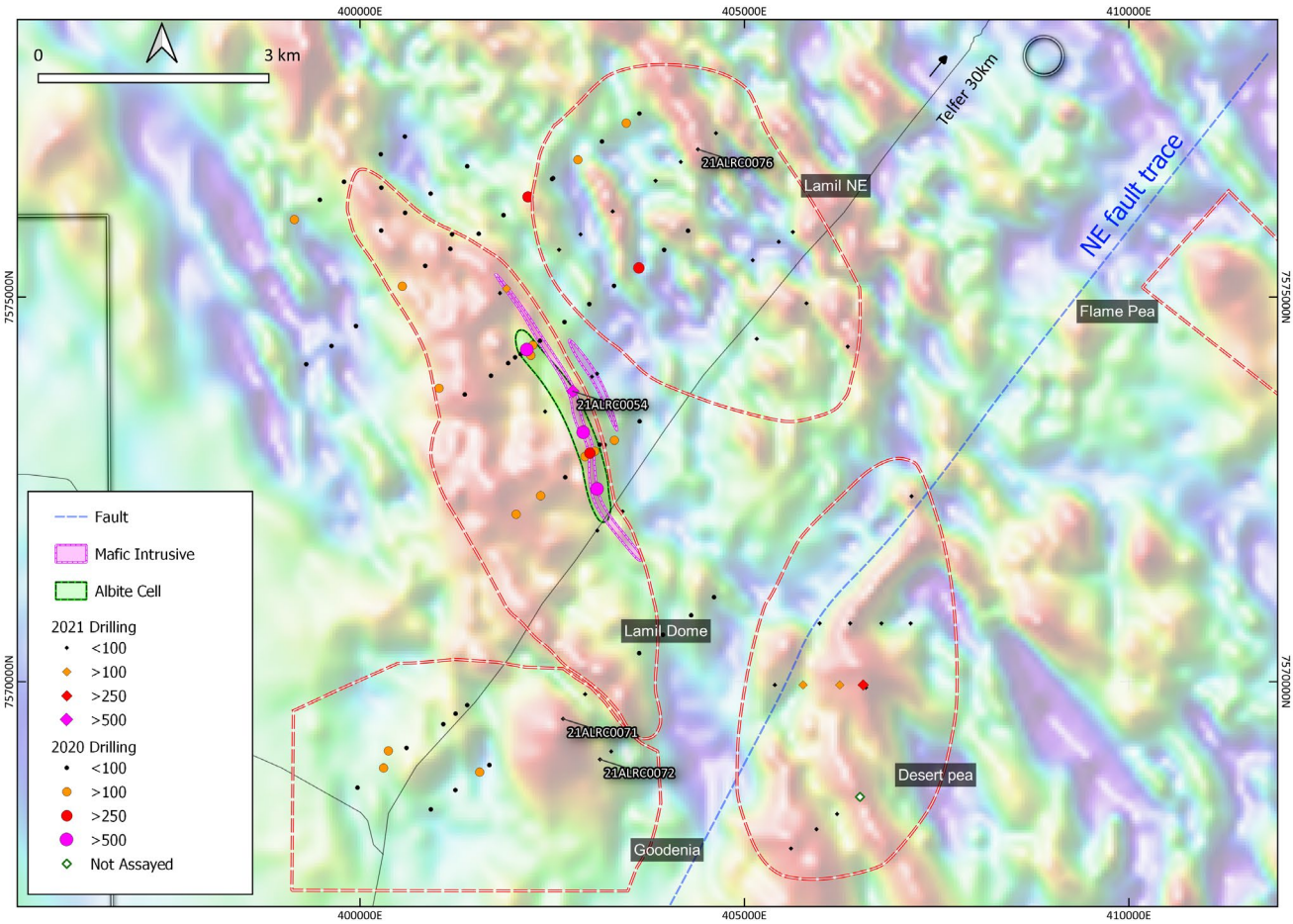

Figure 8. Locations of 2020 and 2021 drilling at the Lamil Dome, Lamil NE, Goodenia and Desert Pea targets showing maximum copper downhole on RTP magnetics.

Assay results from 4 RC holes drilled at the **Goodenia** target (see Figure 8), late in 2021, were received during the Quarter. The holes tested a conceptual base metal (Zn-Pb) target defined by co-incident magnetic and gravity anomalies located on the eastern margin of a Pb-Zn soil anomaly. Intervals of elevated zinc and lead where intersected in two holes proximal to the modelled gravity and magnetic anomaly centres (Figure 10), with the best results shown below.

Hole 21ALRC0071:

- 32m grading 0.2% Zn+Pb from 74m, including
  - 1m grading 0.28% Zn+Pb from 95m
- 8m grading 0.18% Zn+Pb from 118m, including
  - 2m grading 0.36% Zn+Pb from 119m
- 4m grading 0.16% Zn+Pb from 198

Hole 21ALRC0072:

- 16m grading 0.12% Zn+Pb from 62m, including
  - 2m grading 0.39% Zn+Pb from 63m
- 8m grading 0.15% Zn+Pb from 86m

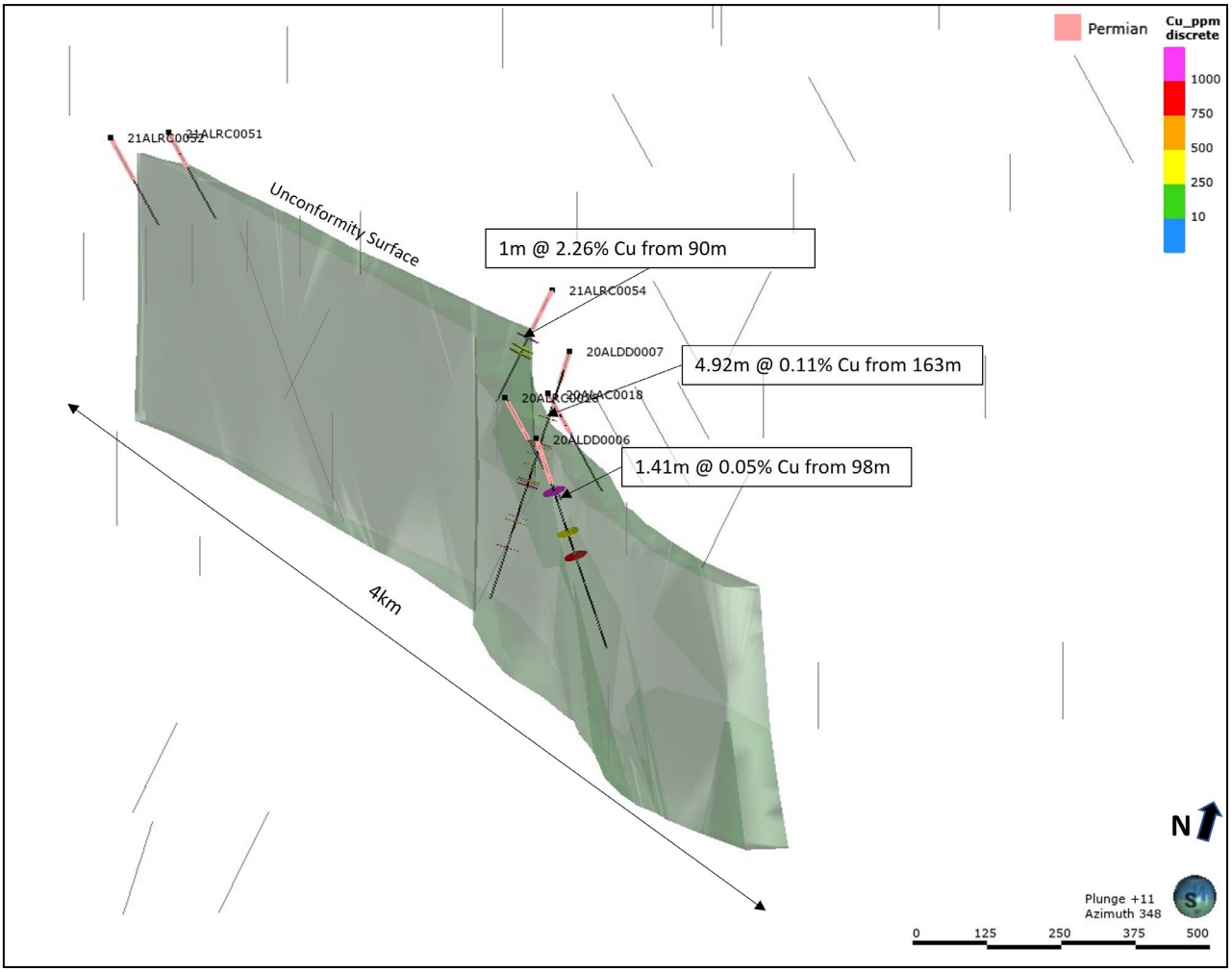

Figure 9. 3D image of modelled dolerite intrusive (green) in the Lamil Dome Eastern Flank showing maximum copper intercepts.

Wide spaced RC drilling has now defined base metal anomalism over a 4km^2 halo centred on the deeper gravity-magnetic response which is yet to be intersected by drilling (Figure 10). Encouraged by these results, deep diamond drilling is planned for the current field season.

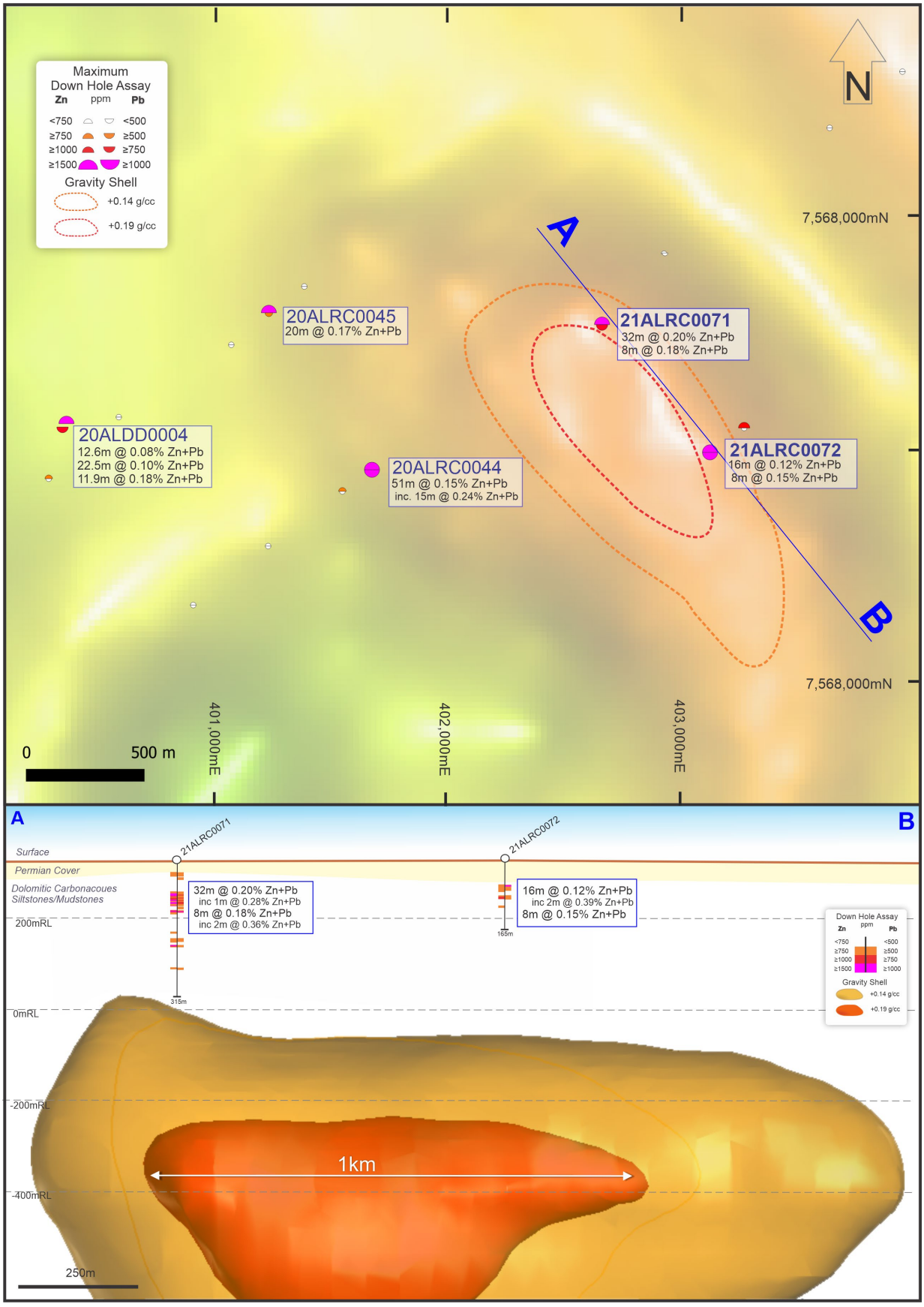

Figure 10. Goodenia target showing 2020 and 2021 collars denoted by maximum Zn and Pb downhole on Bouguer gravity image (top image) and oblique section showing Zn and Pb on hole traces with 'gravity shells' defining density anomalism (bottom image)

Assay results from 14 RC holes drilled at the **Desert Pea** target (see Figure 8), drilled late in 2021, were received during the Quarter. The holes were drilled with the aim of determining the nature of a series of magnetic anomalies proximal to an interpreted northeast trending fault. The program was successful in confirming the presence of a northeast trending fault that has displaced metasedimentary units, however, magnetite gravels in the cover contribute to the magnetic response. Weakly elevated copper was intersected in one line of drilling.

For further details regarding the Lamil drilling results see AIC Mines ASX announcement "Drilling Results from Lamil Project" released on 9 February 2022 and Appendix 1 (Table 2).

Geochemistry

At the **Sundew** target, located on the eastern margin of the project (see Figure 6), soil geochemistry returned elevated Bi, Mo, Sb, Cu, Ag and Au results in two coherent trends associated with the prospective Parallel Fault zone. The results are encouraging given the shallow nature of the cover in this area. Follow-up RC drilling is planned for the current field season.

Next Steps – Lamil Project

The exploration program planned for the current field season will see eight targets drill tested at Lamil, ranging from early stage to follow-up drilling, utilising a combination of RC and diamond drilling. The program currently consists of 2,800m of diamond drilling and 7,300m of RC drilling. Regulatory and cultural approvals required to complete the exploration program are underway. A diamond drill rig is expected to commence drilling at Lamil in June 2022 and an RC rig is expected to commence in late July. Once the drilling has been completed at Lamil the rigs will move to the Marymia Project.

CORPORATE

Financial Performance

Cashflow

Eloise produced 2,720t of payable copper and sold 3,068t of copper during the Quarter at an average price of A$14,071/t generating $44.8 million in revenue post revenue deductions and including gold and silver by-product credits. Operating and net mine cash flow for the Quarter was strong at $24.4 million and $14.0 million respectively.

Cash received during the Quarter related to the provisionally priced concentrate shipments in January and February 2022 of which we received 90% of the shipment values with the remaining amounts subject to finalisation of the quotational period and shipment assays. The November 2021 shipment was finalised during the Quarter resulting in the remaining 10% of the shipment value being received. The December 2021, January and February 2022 shipments will be finalised during the June Quarter.

An AISC of A$4.42/lb Cu was in line with expectations and represents a robust operating margin based on the realised copper price of A$6.38/lb for the Quarter. The AISC calculation includes treatment and refining charges (smelter costs) and freight equalisation costs. These costs were not previously included in the AISC calculation in the December 2021 Quarterly Report. Including these costs increases the December 2021 Quarter AISC to A$3.61/lb and brings the YTD AISC to A$4.12/lb.

Capital investment at Eloise in the Quarter of $10.4 million. Significant items included:

- $5.3 million in underground mine development in the Macy and Chloe orebodies
- $1.3 million in sustaining capital focused on closing out the tails dam lift for TD2, capping of TD4 and preparation works for TD5 construction.
- $1.3 million related to equipment purchases and rebuilds; and
- $2.0 million in project capital – predominantly underground development in the Eloise Deeps.

Exploration expenditure at the Marymia and Lamil projects during the Quarter totalled $2.0 million.

The table below summarises cash movements during the Quarter.

Cashflow (A$ Millions)	December 2021 Quarter	March 2022 Quarter
Operating mine cashflow	11.4	24.4
Total capital	(6.7)	(10.4)
Net Mine Cashflow	**4.7**	**14.0**
Corporate and exploration	(2.6)	(3.0)
Net Interest and other income	(0.0)	(0.1)
Working capital movement	3.1	(4.4)
Group Cashflow	**5.2**	**6.5**
Equity raised (net of costs)	37.6	-
Eloise purchase (including adjustments)	(6.5)	-
Rehab bond (cash-backed)	(6.8)	-
Acquisition and integration costs	(0.4)	(1.8)
Mining fleet lease buy-out	(3.0)	-
Net Group Cashflow	**26.2**	**4.7**
Opening Cash Balance 1 October 2021	**3.1**	
Opening Cash Balance 1 Jan 2022		**29.3**
Closing Cash Balance	**29.3**	**33.9**

At 31 March 2022, AIC Mines held $33.9 million in cash at bank (31 December 2021: $29.3 million), $6.8 million in cash on account for the Eloise performance bond and a further $0.7 million in listed investments (predominantly shares in Ausgold Limited) (31 December 2021: $0.84 million).

AIC Mines has a contingent payment of $2 million owing to FMR Investments if 20,000dmt of copper concentrate is produced at the Eloise Mine between 1 November 2021 and 30 April 2022. AIC Mines expects to make the contingent payment during the June 2022 Quarter given that between 1 November 2021 and 31 March 2022 the Eloise Mine has already produced 19,090dmt of copper in concentrate.

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

Competent Person's Statement – Exploration Results

The information in this report that relates to 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 report of the matters based on his information in the form and context in which it appears.

Competent Person's Statement – Eloise Drilling Results

The information in this announcement that relates to Eloise drilling results is based on information, and fairly represents information and supporting documentation compiled by Angas Cunningham who is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they have undertaken to qualify as a Competent Person as defined in the JORC Code. Mr. Cunningham is a full-time employee of AIC Copper Pty Ltd and is based at the Eloise Mine. Mr. Cunningham consents to the inclusion in this announcement 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:

- Drilling Results from Lamil Project — 9 February 2022
- Drilling Results from Eloise Deeps — 24 March 2022
- Drilling Results from Marymia Project — 28 March 2022

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.

Forward Looking Statements

This announcement contains forward looking statements about AIC Mines and Eloise. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", "target" and "guidance", or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates, expected costs or production outputs, the outcome and effects of the proposed Transaction and future operation of AIC Mines. To the extent that these materials contain forward looking information, the forward looking information is subject to a number of risk factors, including those generally associated with the gold industry. Any such forward looking statement also inherently involves known and unknown risks, uncertainties and other factors that may cause actual results, performance and achievements to be materially greater or less than estimated. These factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licenses and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which AIC Mines and Eloise operate or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation. Any such forward looking statements are also based on current assumptions which may ultimately prove to be materially incorrect. Investors should consider the forward looking statements contained in this announcement in light of those disclosures. The forward looking statements are based on information available to AIC Mines as at the date of this announcement. Except as required by law or regulation (including the ASX Listing Rules), AIC Mines undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. Indications of, and guidance on, future earnings or financial position or performance are also forward looking statements.

Appendix 1.

Table 1: Marymia Project – Drill Hole Locations

Hole ID	Method	Depth (m)	Easting	Northing	RL (m)	Dip	Azimuth
DeGrussa North							
21ADNC0001	RC	200	732112	7180274	330	-60	124
21AMIC0002	RC	200	731719	7181004	330	-60	124
21AMIC0003	RC	139	731600	7181215	330	-60	124
21AMIC0004	RC	200	732286	7181181	330	-60	124
21AMIC0005	RC	200	732127	7181451	330	-60	124
Stetson							
21ASTD0001	DD	684.4	781476	7220740	589	-60	218

All coordinates reported in GDA20 MGA Zone 50

Table 2: Lamil Project – Reconnaissance Drilling – Anomalous Intercepts

Drillhole location information and JORC Code 2012 Assessment and Reporting Criteria have previously been reported for these holes. See AIC Mines ASX announcement "Drilling Results from Lamil Project" released on 9 February 2022.

Hole ID	Hole Type	Target	Depth From	Depth To	Interval	Au ppb	Cu ppm	Pb ppm	Zn ppm	Anomalous Element
21ALRC0054	RC	Lamil Dome	90	91	1	51	26662	28.6	115	Au, Cu
			109	111	2	BDL	476.9	17.2	67	Cu
			119	121	2	4	542	7	40	Cu
21ALRC0061	RC	Desert Pea	200	208	8	BDL	33.2	314.9	568	Zn, Pb
21ALRC0062	RC	Desert Pea	163	165	2	2	285.8	94.4	237	Cu
			165	166	1	BDL	112.8	164.5	465	Zn, Pb
			182	183	1	1	35.7	143.5	1033	Zn, Pb
21ALRC0069	RC	Desert Pea	143	147	4	2	20.7	167.1	513	Zn
			159	171	12	1.6	34.7	310.5	563.3	Zn, Pb
		Including	167	171	4	2	41.2	507.9	977	Zn, Pb
			181	185	4	1	30.1	299.4	728	Zn, Pb
			224	225	1	1	25	491.4	1912	Zn, Pb
21ALRC0071	RC	Goodenia	30	38	8	1	21.1	268	757	Zn, Pb
			74	106	32	1	20.2	609.1	1358.3	Zn, Pb
		Including	95	96	1	1	24	848.6	2077	Zn, Pb
			118	126	8	1	16.7	465	1344	Zn, Pb
		Including	119	121	2	2	30.4	998.2	2668	Zn, Pb
			166	170	4	BDL	8.3	166.9	625	Zn, Pb
			182	190	8	BDL	15	381.8	813	Zn, Pb
			198	202	4	BDL	41	379.5	1206.5	Zn, Pb
			250	254	4	BDL	22.7	313.5	651	Zn, Pb
21ALRC0072	RC	Goodenia	62	78	16	BDL	34.8	413.5	867.6	Zn, Pb
		Including	63	65	2	BDL	40	1340	2592.5	Zn, Pb
			86	94	8	BDL	43.4	470.6	1054	Zn, Pb
			110	114	4	BDL	29.5	51.8	554	Zn, Pb
21ALRC0076	RC	Lamil NE	201	209	8	BDL	24	44.5	2949.5	Zn, Pb
			213	229	16	BDL	20	615	5402	Zn, Pb
		Including	221	225	4	BDL	25.6	113.4	9575	Zn, Pb
			235	251	16	BDL	20.5	2199	4022	Zn, Pb
		Including	241	245	4	BDL	20.2	7399	2958	Zn, Pb

Data aggregation method uses length weighted averaging with anomalous values: Cu > 250 ppm and/or Au >10 ppb and/or Pb >250 ppm and/or Zn >500 ppm.

Combination of 1 and 4 metre composite sampling in interval calculations

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

BDL = Below Detection Limit

Table 3: Eloise Mine – Deeps Resource Definition Drilling – Drill Hole Locations and Anomalous Intercepts

JORC Code 2012 Assessment and Reporting Criteria for these holes is included in AIC Mines ASX announcement "Drilling Results from Eloise Deeps" released on 24 March 2022.

Hole ID	Hole Type	Northing Local (m)	Easting Local (m)	Elevation Local (m)	Hole Length (m)	Dip Local	Azi Local	From (m)	To (m)	Downhole Interval (m)	ETW (m)	Copper Grade %	Gold Grade g/t	Lens Number
ED199	DD	81721.05	97394.73	-314.7	161.7	-4.6	105.0	83.15	85.25	2.10	2.1	2.17	0.5	2
								100.95	103.00	2.05	2.1	1.89	0.3	3
ED200	DD	81720.01	97394.79	-314.7	169.5	-2.1	132.9	97.10	112.00	14.90	14.5	3.50	0.9	2 & 3
								133.83	148.16	14.33	13.9	2.50	0.4	4
ED201	DD	81721.2	97394.76	-314.9	193.9	-2.2	143.1	85.40	107.00	21.60	19.7	2.16	0.5	1 & 2
								111.00	132.40	21.40	18.6	3.24	0.7	3
								153.00	158.17	5.17	4.7	2.88	0.8	4
								174.00	180.08	6.08	5.3	4.23	2.5	5
								186.00	188.00	2.00	1.5	2.73	0.8	5 & 6
ED202	DD	81718.87	97394.11	-314.7	203.3	-2.2	151.3	107.49	118.00	10.51	8.7	2.16	0.5	2
								121.00	135.00	14.00	11.9	2.19	0.4	3
								145.00	147.65	2.65	2.1	4.68	1.1	3
ED203	DD	81721.41	97394.83	-315.1	173.6	-16.2	95.5	81.00	85.00	4.00	3.4	1.59	0.1	1
ED204	DD	81720.68	97394.73	-315.1	154.3	-16.6	114.3	108.00	120.15	12.15	11.4	2.12	0.6	3
ED205	DD	81719.93	97394.77	-315.2	188.3	-16.1	128.0	109.05	119.30	10.25	9.6	5.73	1.1	3
								150.50	154.10	3.60	3.3	2.57	1.4	4
ED206	DD	81718.93	97394.16	-315.2	185	-14.0	149.8	108.40	143.65	35.25	31.7	3.19	0.9	
								167.30	175.33	8.03	7.2	3.39	0.6	
ED207	DD	81718.6	97393.45	-315.1	199	-12.0	164.9	138.00	140.00	2.00	1.8	1.85	AP	
								144.00	147.00	3.00	2.7	2.20	AP	
								151.00	157.00	6.00	5.4	2.86	AP	
								190.00	193.00	3.00	2.7	1.92	AP	
								203.42	206.00	2.58	2.3	1.74	AP	
ED208	DD	81721.62	97394.79	-315.3	225	-26.2	89.9	212.00	215.00	3.00	2.7	2.21	AP	
								219.00	221.60	2.60	2.3	2.72	AP	
ED209	DD	81,719.61	97,394.80	-315.8	197.2	-28.3	133.8	Assays Pending						
ED210	DD	81,718.85	97,393.95	-315.6	224.2	-23.3	152.8	Assays Pending						
ED211	DD	81,720.68	97,394.71	-315.8	193.0	-39.6	114.0	Assays Pending						
ED212	DD	81,719.31	97,394.61	-316.2	263.0	-34.8	139.0	Assays Pending						
ED213	DD	81,718.64	97,393.72	-315.2	206.0	-12.5	158.7	Assays Pending						

AP – Gold assays pending

Data aggregation method uses length weighting averaging technique with:

- minimum grade truncation comprises of copper assays greater than 1.5% Cu,
- no upper assay cuts have been applied to copper or gold grades,
- minimum width of 2 metres downhole, and
- maximum internal dilution of maximum of 3 metres downhole containing assays below 1.5% Cu.