

ABOUT AIC MINES

AIC Mines is a growth focused Australian resources company. Its strategy is to build a portfolio of copper and gold 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 is also advancing a portfolio of exploration projects that are prospective for copper and gold.

CORPORATE DIRECTORY

Josef El-Raghy

Non-Executive Chairman

Aaron Colleran

Managing Director & CEO

Linda Hale

Non-Executive Director

Brett Montgomery

Non-Executive Director

Jon Young

Non-Executive Director

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Company Secretary

CORPORATE DETAILS

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Eloise Remnant Mining Strategy More Excellent Drilling Results

AIC Mines Limited (ASX: A1M) ("AIC Mines" or the "Company") is pleased to provide an update on the remnant mining strategy at its Eloise Copper Mine in North Queensland.

Overview

- Review work conducted in early 2023 confirmed that modern ground support practices would allow historic remnant areas at Eloise to be mined. Exploration drilling to test these areas has been underway since.
- Recent exploration drilling targeted remnant mineralisation to the south and top of the previously mined areas at Eloise. Drilling from the 1070 Level (approximately 115m below surface) has returned excellent results:
 - EN353 – 18.5m (15.7m ETW) grading 3.2% Cu and 0.7g/t Au
 - EN349 – 4.2m (3.7m ETW) grading 4.2% Cu and 0.7g/t Au
 - EN349 – 3.1m (2.7m ETW) grading 2.7% Cu and 0.7g/t Au
 - EN350 – 2.0m (1.8m ETW) grading 1.6% Cu and 0.3g/t Au
- This near-surface remnant mineralisation is expected to provide an important supplement to primary ore production over the next 6 to 18 months.

Commenting on the drilling results, AIC Mines Managing Director Aaron Colleran said:

"Even relatively modest tonnages of high-grade, near-surface mineralisation can dramatically improve cashflow at Eloise. Importantly, mineralisation that is located close to development adds optionality to the mining schedule and thereby helps to improve operational reliability. Ongoing exploration drilling around historical mining areas is expected to identify further remnant mining opportunities."

Remnant Mining Strategy

During the original due diligence for the acquisition of the Eloise Copper Mine completed by AIC Mines it became evident that there was a significant remnant mining opportunity at Eloise. The main upside at Eloise was clearly the depth and strike extensions of the known orebodies however it was evident that remnant mineralisation could supplement primary ore production with high-grade and near-surface ore.

The remnant mining strategy is supported by the fact that mining in the Upper Levels of the Elrose-Levuka deposits, conducted from 1996 to about 2005, used a 2.0% Cu cut-off. This compares to the 1.4% Cu cut-off currently used for Ore Reserves in the Upper Levels.

Modern ground support practices potentially allow historic remnant areas to be mined. A geological and preliminary geotechnical review was conducted on the remnant areas in the Upper Levels and no significant impediments to access or mining were evident.

1070L Drilling Program

Drilling into remnant areas in the Upper Levels continues to intersect significant mineralisation in the Elrose-Levuka North area (see Figures 1 and 2).

An exploration drill program of 12 holes for 1,577.1m on the 1070 Level (approximately 115m below surface) was recently completed. This drilling has returned better than expected results and is expected to extend the Mineral Resource to the south, between the 1055 Level and 1105 Level. Significant results include:

- EN353 – 18.5m (15.7m ETW) grading 3.2% Cu and 0.7g/t Au
- EN349 – 4.2m (3.7m ETW) grading 4.2% Cu and 0.7g/t Au
- EN349 – 3.1m (2.7m ETW) grading 2.7% Cu and 0.7g/t Au
- EN350 – 2.0m (1.8m ETW) grading 1.6% Cu and 0.3g/t Au
- EN355 – 1.8m (1.5m ETW) grading 3.7% Cu (awaiting gold results)
- EN347 – 4.7m (3.0m ETW) grading 4.2% Cu and 0.5g/t Au (previously reported)
- EN348 – 9.0m (9.0m ETW) grading 2.9% Cu and 0.3g/t Au (previously reported)

A further five holes have been completed and assays are awaited. It is expected that these assays will be reported with the Quarterly Activities Report for the Period Ending 30 June 2024. Note that results from holes EN347 and EN348 were previously report in the Quarterly Activities Report for the Period Ending 31 March 2024.

All of the intersections have confirmed mineralisation occurs as primary massive sulphides, predominantly chalcopyrite (Figures 1 and 2).

AIC Mines intends to systematically drill test other remnant areas in the Upper Levels, with the intent of mining and processing during FY25 or growing the Upper Zone Ore Reserves.

For further details of the Elrose-Levuka North drilling see Appendix 1 (Table 1) and AIC Mines ASX announcement “Eloise Remnant Mining Strategy – Drilling Results” dated 18 July 2023.

Authorisation

This announcement has been approved for issue by, and enquiries regarding this announcement may be directed to Aaron Colleran, Managing Director, via info@aicmines.com.au

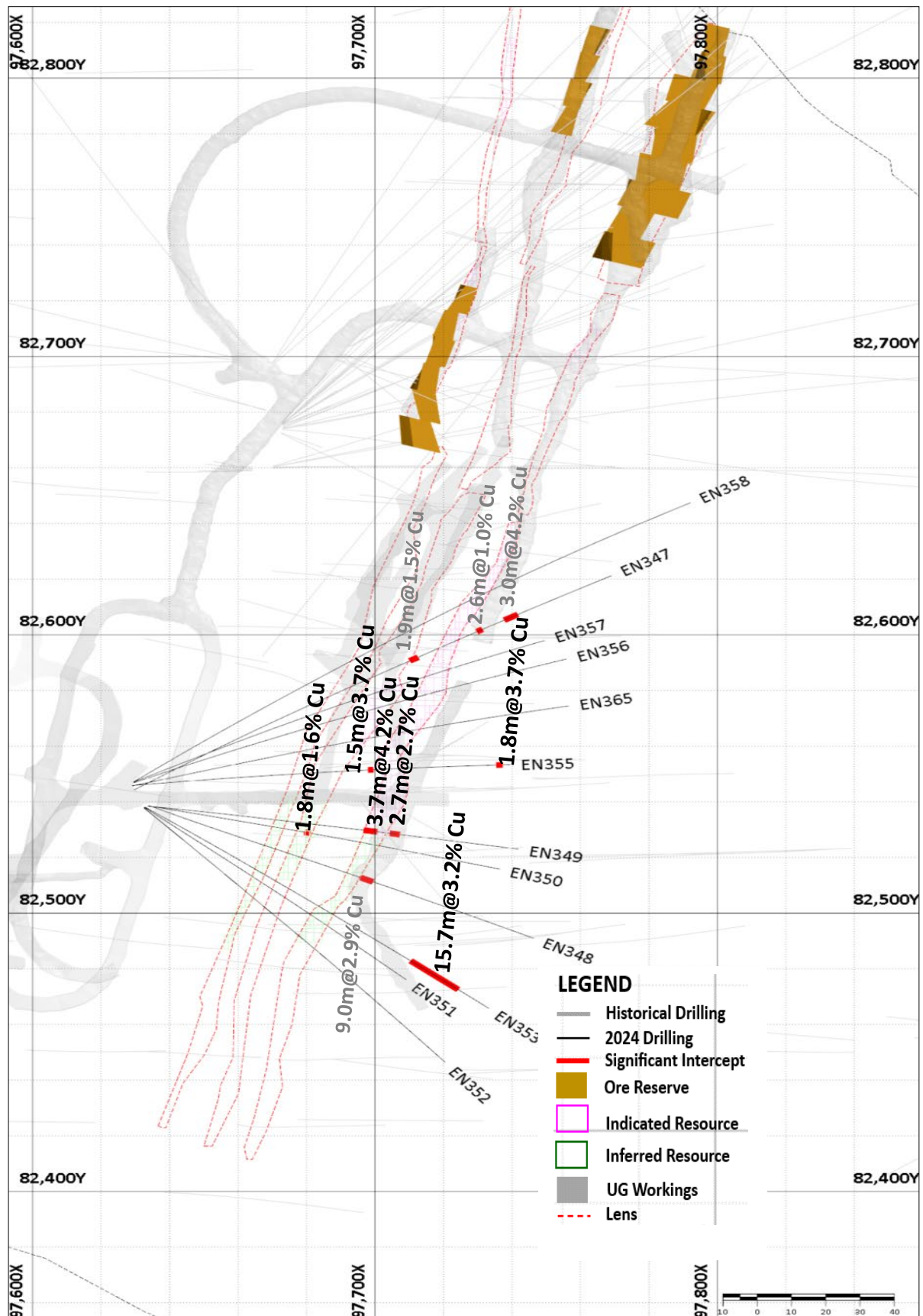


Figure 1. Plan of the 1070 Level drilling and significant intercepts (ETW @ Cu grade).

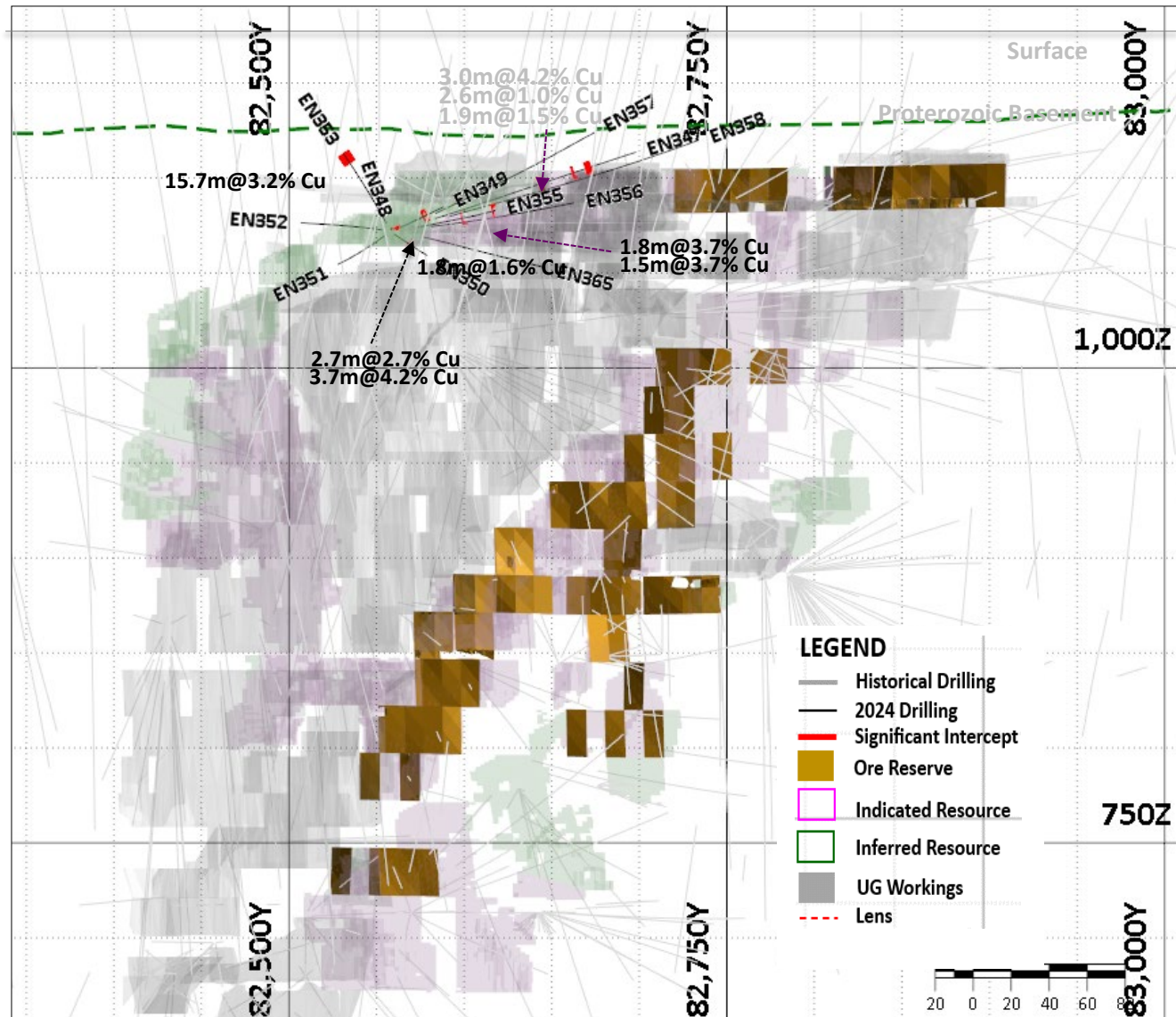


Figure 2. Long Section (looking east) of the 1070 Level drilling and significant intercepts (ETW @ Cu grade).

About the Eloise Copper Mine

Eloise is a high-grade operating underground mine located 60 kilometres southeast of Cloncurry in North Queensland. It commenced production in 1996 and has since produced approximately 350,000t of copper and 175,000oz of gold. AIC Mines is targeting annual production of approximately 12,500t of copper and 6,500oz of gold in concentrate.

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 and longhole open stoping. Eloise is an owner-miner operation with a mining contractor used for underground development and production drilling.

Eloise ore is processed through a conventional processing circuit consisting of three stage crushing, grinding, sulphide flotation and concentrate filtration. Metallurgically the ore is very consistent as the ore mineralogy at Eloise is almost exclusively chalcopyrite. Processing achieves high copper recoveries (generally 94% - 95%) and produces a clean concentrate.

Exploration Information Extracted from ASX Announcements

This 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 announcement lodged on the ASX by AIC Mines:

- | | |
|---|---------------|
| • Eloise Remnant Mining Strategy – Drilling Results | 18 July 2023 |
| • Increased Resources and Reserves at Eloise | 18 April 2024 |
| • Quarterly Activities Report for the Period Ending 31 March 2024 | 18 April 2024 |

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 Geoscientists 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.

Forward-Looking Statements

This Announcement includes "forward-looking statements" as that term within the meaning of securities laws of applicable jurisdictions. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond AIC Mines' control. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this announcement, including, without limitation, those regarding AIC Mines' future expectations. Readers can identify forward-looking statements by terminology such as "aim," "anticipate," "assume," "believe," "continue," "could," "estimate," "expect," "forecast," "intend," "may," "plan," "potential," "predict," "project," "risk," "should," "will" or "would" and other similar expressions. Risks, uncertainties and other factors may cause AIC Mines' actual results, performance, or achievements to differ materially from those expressed or implied by the forward-looking statements (and from past results, performance or achievements). These factors include, but are not limited to, the failure to complete the project in the time frame and within estimated costs currently planned; the failure of AIC Mines' suppliers, service providers and partners to fulfil their obligations under supply and other agreements; unforeseen geological, physical or meteorological conditions, natural disasters or cyclones; changes in the regulatory environment, industrial disputes, labour shortages, political and other factors; the inability to obtain additional financing, if required, on commercially suitable terms; and global and regional economic conditions. Readers are cautioned not to place undue reliance on forward-looking statements. Although AIC Mines believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Appendix 1.

Table 1. Eloise Underground Exploration Drilling Results with Drill Hole Locations and Anomalous Intercepts

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
EN347	DD EXP	82544.221	97629.571	1072.58	164.6	13.9	58.3	96.0	99.0	3.0	1.9	1.5	0.6	2
EN347								117.0	121.0	4.0	2.6	1.0	0.8	3
EN347								128.3	133.0	4.7	3.0	4.2	0.5	3
EN348	DD EXP	82538.662	97633.989	1072.179	122.2	1.0	114.4	65.0	74.0	9.0	9.0	2.9	0.3	3
EN349	DD EXP	82538.44	97633.64	1071.95	110.1	6.4	97.4	64.0	68.2	4.2	3.7	4.2	0.7	3
								71.8	74.9	3.1	2.7	2.7	0.7	3
EN350	DD EXP	82538.54	97633.62	1071.55	106.2	-7.8	101.1	53.0	55.0	2.0	1.8	1.6	0.3	2
EN351	DD EXP	82538.01	97632.61	1071.52	100	-10.9	128.0	NSA						
EN352	DD EXP	82537.85	97632.5	1072.14	127	3.1	134.9	AR						
EN353	DD EXP	82538.18	97632.69	1072.64	131.8	20.5	124.5	101.5	120.0	18.5	15.7	3.2	0.7	3
EN355	DD EXP	82545.87	97629.11	1072.27	111.15	5.3	84.4	69.3	71.0	1.7	1.5	3.7	AR	2
								107.0	109.0	2.0	1.8	3.7	AR	4
EN356	DD EXP	82546.83	97629.52	1072.31	134.9	5.8	67.4	AR						
EN357	DD EXP	82547.04	97629.44	1073.24	149.8	19.6	64.2	AR						
EN358	DD EXP	82547.15	97629.55	1072.89	197	13.9	54.2	AR						
EN365	DD EXP	82545.67	97629.07	1071.61	132.1	-7.8	75.3	AR						

Data aggregation method uses length weighted averaging technique with:

- minimum grade truncation comprises of copper assays greater than 1.0% Cu, although some intercepts below 1% Cu have been included to represent mineable widths
- no upper assay cuts have been applied to copper or gold grades
- minimum width of 0.40 metres downhole
- maximum internal dilution of maximum of 3 metres downhole containing assays below 1.1% Cu

Downhole intervals are rounded to one decimal place

NSA – No Significant Assays

AR – Awaiting Results