# QUARTERLY REPORT

16 July 2024

AIC Mines Limited

## 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.

## CAPITAL STRUCTURE

Shares on Issue: 570,878,324

## BOARD MEMBERS

**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

**Audrey Ferguson**
Company Secretary

## CORPORATE DETAILS

ASX: **A1M**

www.aicmines.com.au

ABN: 11 060 156 452

E: info@aicmines.com.au

A: Suite 3, 130 Hay St, Subiaco, WA, 6008.

Share Register: Computershare Investor Services

# Quarterly Activities Report for the Period Ending 30 June 2024

## HIGHLIGHTS

### Production

- **Strong Production** – Eloise produced 3,185t of copper in concentrate at an AISC of A$5.67/lb Cu sold and an AIC of A$5.96/lb Cu sold.
- **Sensational Cashflow** – sales of 3,317t of copper and by-product gold and silver generated operating cashflow of $23.8 million and **net mine cashflow of $9.5 million after capital**.
- **Full year guidance achieved.**
- **Full year production record** – Eloise produced 13,412t of copper in concentrate at an AISC of A$5.15/lb Cu sold and an AIC of A$5.39/lb Cu sold for FY24. This was a record under AIC Mines ownership and the highest annual production recorded at Eloise since 2017.

### Growth

- The Eloise to Jericho link drive commenced with firing of the first full development cut. The journey to Jericho is underway.
- Exceptional results returned from near-mine exploration drilling at Eloise on the 1070 Level including:
  - EN352 – 18.1m (15.0 m ETW) grading 4.4 % Cu and 1.8g/t Au
  - EN353 – 18.5m (15.7 m ETW) grading 3.2% Cu and 0.7g/t Au
  - EN357 – 8.8m (7.3 m ETW) grading 4.2% Cu and 0.4g/t Au
  - EN365 – 7.2m (5.9 m ETW) grading 4.8% Cu and 0.9g/t Au

### Exploration

- Wide-spaced drilling to delineate the Swagman shoot defined strong copper mineralisation over 800m of strike. The shoot remains open up and down plunge.
- Exploration drilling completed at Eloise Regional Prospects – Sandy Creek and Roberts Creek.

### Corporate

- At 30 June 2024, AIC Mines held $74.3 million in cash at bank (31 March 2024: $25.7 million) and approximately 187t of copper in concentrate, with a notional value of $2.7 million, awaiting shipment.
- Successful institutional placement raising total proceeds of $57.2 million to fund the Jericho link drive (net proceeds of $53.6 million received during the Quarter).

# PRODUCTION

## Eloise Copper Mine

The Eloise Mine is located 60 kilometres southeast of Cloncurry in North Queensland. 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 (SLC) and longhole stoping. Eloise is an owner-miner operation with a contractor used for underground mine development and production drilling.

Processing is via conventional crushing, grinding and sulphide flotation with capacity to treat up to 725,000tpa. Metallurgically, the ore is very consistent as the ore mineralogy 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) decreased during the Quarter and at 30 June 2024 was 3.2 (31 March 2024 – 5.2) per one million hours worked. While this is a good outcome there were three high potential incidents during the Quarter that have warranted a renewed focus on safety culture at Eloise.

- A truck driver was refuelling when the fuel hose failed and released diesel. The diesel ignited when it contacted the truck exhaust, and the truck driver received a minor burn requiring first aid treatment.
- An underground loader fell into a stope void from a tipping point. The operator was rescued from the stope unharmed. The operator was trying to place a fabricated steel stop log near to the stope open edge in preparation for backfilling operations.
- When an underground loader pulled into a fuel bay the operator noticed flames coming from the engine bay. The operator activated fire suppressant and extinguished the flames. The cause of the flames was an engine oil leak.

There were no environmental incidents during the Quarter.

**Sustainability**

Eloise is a well-regarded and active participant in the local community. During the Quarter, the mine hosted a first aid training course for local landholders and sponsored the McKinlay Races. It was with much pride, but no surprise, that Eloise employees took out the Classic, Contemporary and Millenary prizes in Fashions on the Field at the McKinlay Races.

Work commenced on a new mine ventilation cooling system. The new system is significantly more energy efficient than the current system, delivering 50% more cooling power at 0.5MW less electrical power, equating to a significant reduction in diesel usage at Eloise.

**Production and Costs**

Eloise produced 11,689dmt of concentrate containing 3,185t of copper at an AISC of A$5.67/lb Cu sold and an AIC of A$5.96/lb Cu sold for the Quarter. This capped off a record year for Eloise.

FY24 production totalled 13,412t of copper in concentrate at an AISC of A$5.15/lb Cu sold and an AIC of A$5.39/lb Cu sold. It was the best production year under AIC Mines ownership and the highest production recorded at Eloise since 2017.

Eloise successfully achieved its FY24 target of 12,500t of copper in concentrate (7.3% over target) at an AISC of A$5.00/lb Cu sold (within 5% of target) and an AIC of A$5.20/lb Cu sold (within 5% of target).

| Eloise Production and Cost Metrics | Units | September 2023 Qtr | December 2023 Qtr | March 2024 Qtr | June 2024 Qtr | FY24 Full Year |
|---|---|---|---|---|---|---|
| Underground development - capital | m | 655 | 437 | 345 | 377 | 1,814 |
| Underground development - operating | m | 263 | 362 | 496 | 461 | 1,581 |
| Total development | m | 918 | 799 | 840 | 838 | 3,394 |
| Ore mined | kt | 165 | 180 | 171 | 147 | 663 |
| Copper grade mined | % | 2.07% | 2.21% | 2.06% | 1.95% | 2.08% |
| Tonnes processed | kt | 179 | 180 | 149.8 | 179 | 688 |
| Copper grade processed | % | 2.02% | 2.21% | 2.17% | 1.90% | 2.07% |
| Copper recovery | % | 94.0% | 94.8% | 94.2% | 93.9% | 94.3% |
| Concentrate produced | dmt | 12,565 | 14,092 | 11,648 | 11,689 | 49,994 |
| Copper in concentrate | t | 3,402 | 3,759 | 3,066 | 3,185 | 13,412 |
| **Payable copper produced** | **t** | **3,276** | **3,618** | **2,950** | **3,068** | **12,912** |
| Gold produced | oz | 1,820 | 1,889 | 1,532 | 1,427 | 6,669 |
| Silver produced | oz | 34,344 | 36,895 | 32,365 | 34,137 | 137,741 |
| **Copper sold** | **t** | **3,360** | **3,705** | **2,674** | **3,317** | **13,056** |
| **Achieved copper price** | **A$/t** | **13,118** | **12,079** | **13,549** | **14,762** | **13,329** |
| Achieved copper price | A$/lb | 5.95 | 5.48 | 6.15 | 6.70 | 6.05 |
| Gold sold | oz | 1,906 | 1,886 | 1,412 | 1,552 | 6,757 |
| Achieved gold price | A$/oz | 3,028 | 3,074 | 3,390 | 3,535 | 3,233 |
| Silver sold | oz | 34,354 | 36,982 | 28,354 | 33,211 | 132,901 |
| Achieved silver price | A$/oz | 38 | 35 | 38 | 49 | 40 |
| **Cost Summary** | | | | | | |
| Mining | A$/lb prod | 1.81 | 1.81 | 1.90 | 1.92 | 1.86 |
| Processing | A$/lb prod | 1.13 | 1.07 | 1.08 | 1.15 | 1.11 |
| Site admin and transport | A$/lb prod | 0.52 | 0.53 | 0.61 | 0.65 | 0.57 |
| TC/RC and shipping | A$/lb prod | 0.68 | 0.69 | 0.58 | 0.71 | 0.67 |
| Ore stockpile adjustments | A$/lb prod | 0.14 | 0.01 | (0.20) | 0.27 | 0.06 |
| By-product credits | A$/lb prod | (0.95) | (0.91) | (0.90) | (1.05) | (0.95) |
| **C1 Cash Cost** | **A$/lb prod** | **3.32** | **3.20** | **3.07** | **3.64** | **3.31** |
| C1 Cash Cost | A$/lb sold | 3.24 | 3.12 | 3.38 | 3.37 | 3.27 |
| Royalties | A$/lb sold | 0.28 | 0.27 | 0.29 | 0.32 | 0.29 |
| Metal in circuit and finished goods | A$/lb sold | 0.10 | 0.06 | (0.41) | 0.23 | 0.02 |
| Reclamation and other adjustments | A$/lb sold | 0.06 | 0.06 | 0.08 | 0.08 | 0.07 |
| All-in Sustaining Capital [1] | A$/lb sold | 1.26 | 1.32 | 1.84 | 1.67 | 1.50 |
| **All-in Sustaining Cost** | **A$/lb sold** | **4.94** | **4.84** | **5.18** | **5.67** | **5.15** |
| All-in Capital [2] | A$/lb sold | 0.22 | 0.17 | 0.31 | 0.29 | 0.24 |
| **All-in Cost** | **A$/lb sold** | **5.16** | **5.01** | **5.49** | **5.96** | **5.39** |
| Depreciation & Amortisation [3] | A$/lb prod | 0.98 | 1.38 | 1.47 | 1.71 | 1.46 |

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
3. Depreciation & Amortisation information is preliminary and subject to FY24 year-end review

The main ore sources in the Quarter were the Deeps, Macy and Elrose Levuka North. New stoping areas were commenced in Deeps Lens 6 and Deeps SLC on the z355 Level. Total mined tonnes were less than planned due to impacts relating to the loader accident (noted above) and ramp-up of new stoping areas. The new stoping areas are expected to deliver higher-grade ore in the September 2024 Quarter.

Underground development during the Quarter focused on the Deeps z380 decline, z250 Lens 6 access establishment and remnant stoping opportunities in Elrose Levuka North.

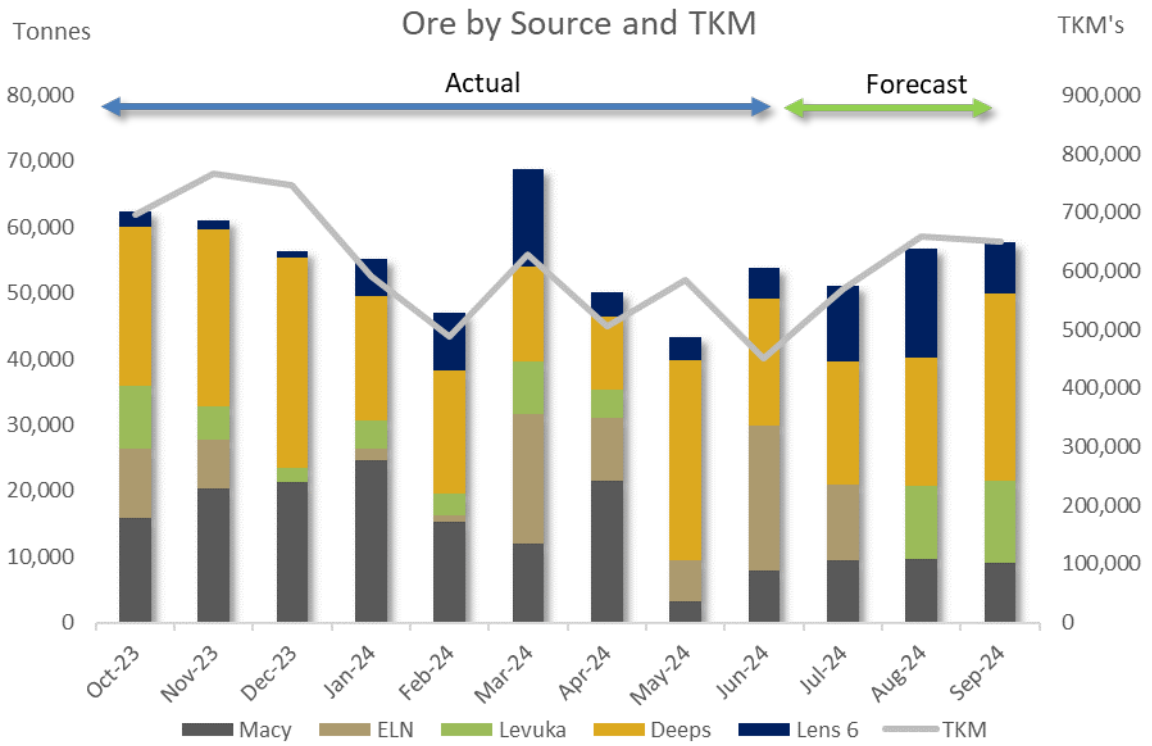



***Chart 1. Ore production location and TKM (tonnes of material trucked multiplied by distance trucked)***

Processing plant throughput during the Quarter benefited from a build-up of ROM stocks due to wet weather in the previous Quarter.

Work commenced on a new mine ventilation cooling system with laying of foundations and shaft-top works. A 9MW (cooling power) evaporative chiller plant is being installed and is scheduled to be commissioned prior to the next wet season. It will reduce the wet bulb temperature at the bottom of the mine by 3-4 degrees Celsius, providing more manageable working conditions. The upgraded system completely replaces the current system which is near its limits. The new system is expandable and in its initial configuration will be sufficient to progress mining down to the z525 Level in the Deeps. The system will initally be leased with a buyout option after 4 years at a cost of $2.8 million.

**Production Outlook**

Production of approximately 3,000 – 3,200t Cu and 1,250oz Au in concentrate is targeted in the September 2024 Quarter.

**FY25 Guidance – Eloise**

AIC Mines is targeting full year FY25 production from Eloise of approximately 12,500t Cu and 5,000oz Au in concentrate at an AISC of approximately A$5.25/lb Cu and AIC of A$5.50/lb Cu. The target is similar to what was achieved in FY24. It will require very tight cost control to achieve the cost targets given ongoing cost inflation evident across most inputs. *The production target is based entirely on current JORC compliant Ore Reserves. The cost targets are based on recent mining and metallurgical performance, and forecast capital and operating cost structures.*

Capital expenditure planned for FY25 is also similar to FY24 and in broadly similar areas other than the new mine ventilation cooling system (discussed above). The main areas of investment are outlined below.

Sustaining Capital:

- $10.0 million for plant and equipment replacement / refurbishment (including $5.0 million in equipment lease payments).
- $26.0 million for underground mine development.
- $4.0 - $5.0 million for resource definition drilling.

Growth Capital:

- $6.0 million for long-term mine development in the Deeps.
- $2.5 million for civil works and infrastructure related to the new mine ventilation cooling system.

Depreciation for FY25 is expected to be in the range of $35.0 - $40.0 million.

**Eloise Exploration and Resource Drilling**

Underground exploration drilling during the Quarter focused on Elrose Levuka North remnant areas. Drilling targeting remnant mineralisation in the upper levels of Elrose Levuka North continued to return excellent copper and gold intercepts.

Drilling from the **905 Level** (see Figures 5 and 6 in Appendix 1) intersected new high-grade mineralisation including:

- EN359 – 7.0m (3.8 m ETW) grading 3.9% Cu
- EN362 – 4.2m (2.0m ETW) grading 1.6% Cu

Drilling from the **1070 Level** (see Figures 5 and 7 in Appendix 1) returned exceptional results including:

- EN349 – 4.2m (3.7 m ETW) grading 4.2% Cu and 0.7g/t Au *(previously reported)*
- EN352 – 18.1m (15.0 m ETW) grading 4.4% Cu and 1.8g/t Au
- EN353 – 18.5m (15.7 m ETW) grading 3.2% Cu and 0.7g/t Au *(previously reported)*
- EN356 – 7.3m (6.1 m ETW) grading 3.7% Cu and 0.8g/t Au
- EN357 – 8.8m (7.3 m ETW) grading 4.2% Cu and 0.4g/t Au
- EN357 – 5.5m (4.5 m ETW) grading 3.3% Cu and 1.2g/t Au
- EN358 – 4.2m (3.8 m ETW) grading 6.4% Cu and 1.1g/t Au
- EN365 – 7.2m (5.9 m ETW) grading 4.8% Cu and 0.9g/t Au
- EN365 – 9.7m (7.3 m ETW) grading 3.9% Cu and 1.1g/t Au
- EN365 – 7.1m (5.6 m ETW) grading 3.2% Cu and 2.2g/t Au

For further details of the Elrose Levuka North drilling see Appendix 1 (Table 1) and AIC Mines ASX announcement “Eloise 1070L Drilling Results – Amended” dated 16 May 2024.

The in-mine EM loop completed in the March 2024 Quarter was used for the first time on selected Lens 6 up-dip exploration holes and a hole drilled to the west of the Deeps. A conventional down hole EM tool was used with the in-mine EM loop and was successful in detecting conductive ‘plates’ associated with mineralisation both in the Lens 6 and Lens 7 positions up-dip and east of known mineralisation. These conductors will be drill-tested later in the year (second half of FY25).

## PROJECT DEVELOPMENT

### Jericho Project

The Jericho copper deposit is located 4 kilometres south of the Eloise processing plant and has similar geology, mineralisation and metallurgy to Eloise. Staged development of the Jericho mine and expansion of the Eloise processing plant will lift production to over 20,000tpa copper and 7,500ozpa gold. It will reduce operating costs through economies of scale and de-risk production by increasing the number of available ore sources.

**Jericho Mine Development**

The Jericho Mining Lease (ML100348) was granted during the Quarter. This was an important milestone for Jericho, allowing AIC Mines to advance surface works in preparation for mining and, importantly, commit to long lead time items and the Eloise to Jericho link drive.

The next important approvals, relevant to Jericho mine development, are an amendment to the Eloise Environmental Authority (EA), an Associated Water Licence, and the Jericho Site Specific Environmental Authority (SSEA). Discussions are underway with the Queensland Government Department of Environment, Science and Innovation to understand the requirements to achieve these approvals. Receipt of these approvals is currently not expected to cause any delay to mine development.

The Jericho link drive, from the 1065 Level on the Eloise decline (125m below surface) to Jericho, was commenced during the Quarter with the firing of the first full development cut. Over the next two months, development will focus on reaching the first ventilation rise. After installation of the ventilation rise, the link drive will be able to operate independently from the Eloise ventilation system allowing high speed development to commence. This will mark the point at which a dedicated workforce and mining fleet will be mobilised. The link drive is expected to be completed over approximately 24 months and reach first development ore in June 2026.


Jericho Link Drive
First Cut 30 June 2024

Pre-sinking work for the first ventilation shaft for the link drive also commenced during the Quarter. Tenders for raise boring the shaft were sent and responses are currently being evaluated with the aim of awarding the contract in the September 2024 Quarter.

Subsequent to the end of the Quarter, the underground mine development contract for both Eloise and Jericho was awarded to PYBAR. The contract has a four-year term, with one-year extension option. PYBAR is currently the development contractor at Eloise, a contract it has held since 2020.

**Eloise Processing Plant Expansion**

Planning for the plant expansion included developing the contracting strategy, building the owners team and de-risking the interface points between items of old and new plant. Engineering studies are now underway to allow procurement of long lead time items such as the grinding mill.

**FY25 Guidance – Jericho Capital Expenditure**

Planned investment in FY25 to directly progress the Jericho link drive, Eloise process plant expansion and related infrastructure is expected to cost up to $46.0 million made up of:

- $25.0 - $30.0 million for the link drive development including ventilation rises and fans.
- $5.0 million to complete plant detailed design work and place deposits for long lead time items.
- $11.0 million for upgrades to the powerhouse, workshops and camp.

## EXPLORATION

### Eloise Regional Project (AIC Mines 100%)

The Eloise Regional Project consists of approximately 2,000km$^2$ of contiguous, 100% owned tenure immediately surrounding the Eloise mine (see Figure 1). The highly endowed project contains a pipeline of targets from early-stage prospects to known resources. It includes numerous prospects that have intersected chalcopyrite in wide-spaced or single test drillholes along the 20-kilometre Levuka Shear Zone (**Big Foot to St Louis**).

To the east, the project area includes the Middle Creek Anticline which hosts the advanced prospects of **Sandy Creek, Artemis** and **Roberts Creek** as well as numerous earlier-stage targets.

To the west, the project area includes the immature but highly prospective Kevin Downs and Breena Plains shear zones which host several inadequately tested targets under conductive cover rocks.

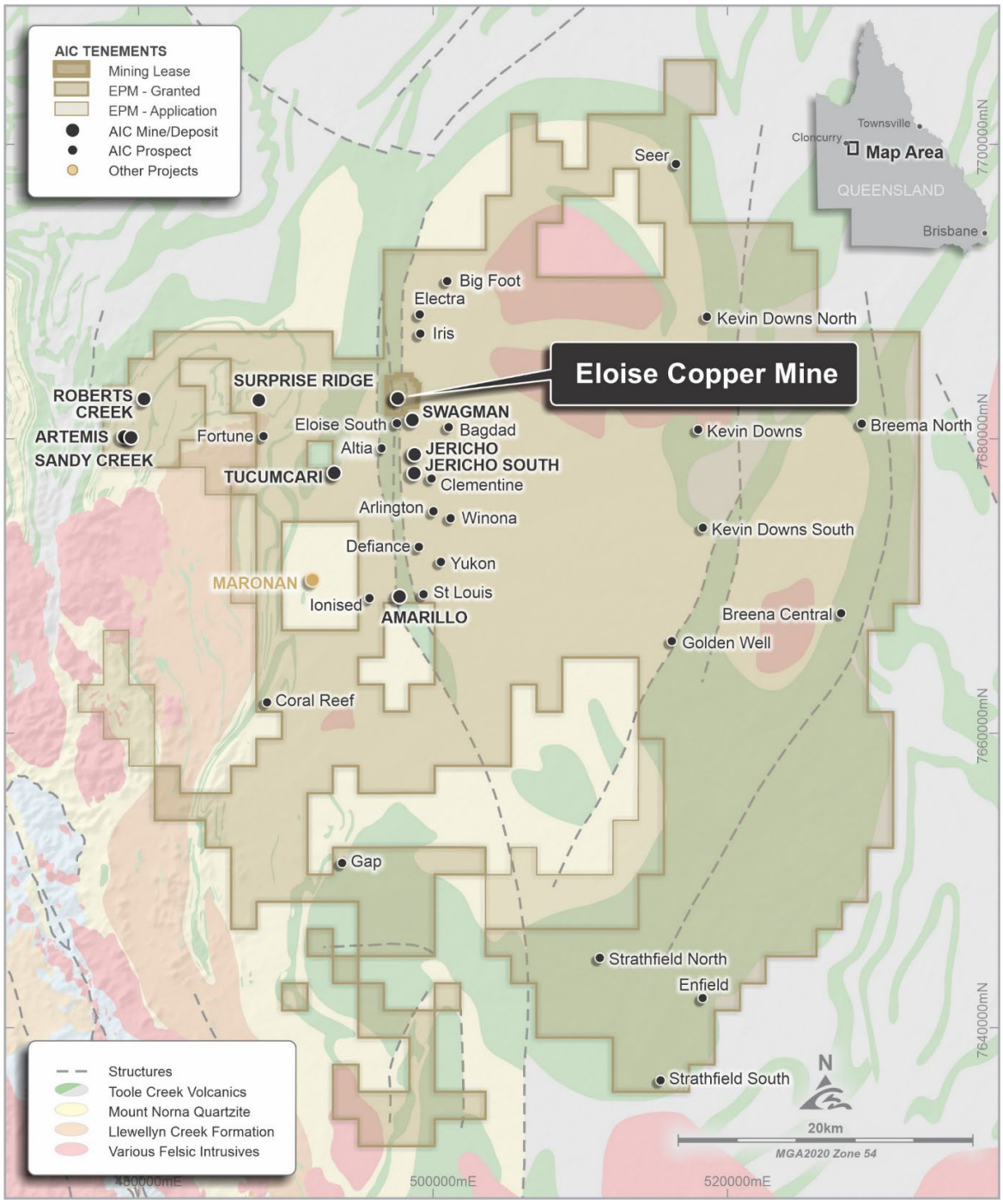



***Figure 1. Eloise Regional Project with key prospects shown.***

Exploration work completed in FY24 was incredibly successful:

- Copper in Mineral Resources at Eloise increased by 13%
- Copper in Mineral Resources at Jericho increased by 59% – delivered at a resource discovery cost of only A$0.02/lb of contained copper.
- Discovery of the Swagman prospect located midway between Eloise and Jericho.

This has provided a robust long-term outlook for the Eloise project. It now has a mineral resource base larger than at any time in its 30-year history. This puts the project in an enviable position – exploration can now focus on transformational discovery rather than just mineral resource replacement. Coupled with this, regional consolidation completed over the past two years provides a suite of prospects not previously available for exploration through an Eloise hub and spoke lens.

Accordingly, AIC Mines plans to significantly increase exploration at Eloise, Jericho and regionally in FY25 with a focus on transformational discovery – searching for higher-grade deposits (>2% Cu) that could displace current lower-grade resources and increase copper production, and for large deposits (>10Mt) that would warrant a further expansion to the Eloise processing capacity and hence increased copper production. Gated funding of $7 million has been allocated to this task in FY25, approximately double the recent expenditure rate, which would see 10 targets tested and over 20,000m drilled.

**Drilling**

In the June 2024 Quarter, diamond drilling commenced at the Swagman Prospect and then moved to resource extension drilling at the Sandy Creek and Artemis prospects before testing two regional targets, Roberts Creek and Tucumcari (see Figure 1).

In the September 2024 Quarter, the drill rig will move to the Jericho South target. Drilling will then move to the 500m gap between Matilda and Swagman (J1 Lens), proximal to the Jericho link drive, before drilling the 1km gap between Billabong and Swagman (J2 Lens).

***Swagman Drilling***

Seven diamond drillholes for 2,927m were completed, with the aim of defining mineralisation up-plunge of the Swagman discovery intersection made in September 2023 of 9.8m (6.9m ETW) grading 2.1% Cu from 491m (see Figure 2). Drillholes were completed on 100m to 200m spaced drill lines over a strike length of approximately 800m.

Mineralisation was intersected in 6 of the 7 holes with high-grade copper intersected in several holes confirming the interpreted north plunging shoot geometry that is seen elsewhere at Jericho (see Figure 2 and AIC Mines ASX announcement “High-Grade Copper Results Returned from Swagman Prospect” dated 4th July 2024). Significant intercepts from the drilling program include:

- JEDD043 – 3.9m (2.7m ETW) grading 1.77% Cu, 0.32g/t Au and 1.60g/t Ag from 453m
  - Including 1.0m (0.7m ETW) grading 4.25% Cu, 1.0g/t Au and 4.0g/t Ag from 454m
  - Including 2.1m (1.5m ETW) grading 2.0% Cu, 0.22g/t Au and 3.23g/t Ag from 483m
- JEDD045 – 2.0m (1.4m ETW) grading 3.39% Cu and 1.01g/t Au from 549m
- JEDD045 – 9.0m (6.3m ETW) grading 0.74% Cu, 0.16g/t Au and 0.69g/t Ag from 582m
  - Including 3.0m (2.1m ETW) grading 1.48% Cu, 0.38g/t Au and 1.23g/t Ag from 588m
- JEDD046 – 5.0m (3.5m ETW) grading 0.85% Cu, 0.15g/t Au and 1.58g/t Ag from 338m
- JEDD046 – 2.0m (1.4m ETW) grading 1.50% Cu, 0.13g/t Au and 2.50g/t Ag from 384m

Mineralisation remains open up and down plunge. The grade and thickness of the Swagman shoot appears to increase below -200mRL (approximately 400m below surface) indicating mineralisation could strengthen at depth. For further details of the Swagman drilling including 2012 JORC Code reporting tables see AIC Mines ASX announcement “High-Grade Copper Results Returned from Swagman Prospect” dated 4th July 2024.

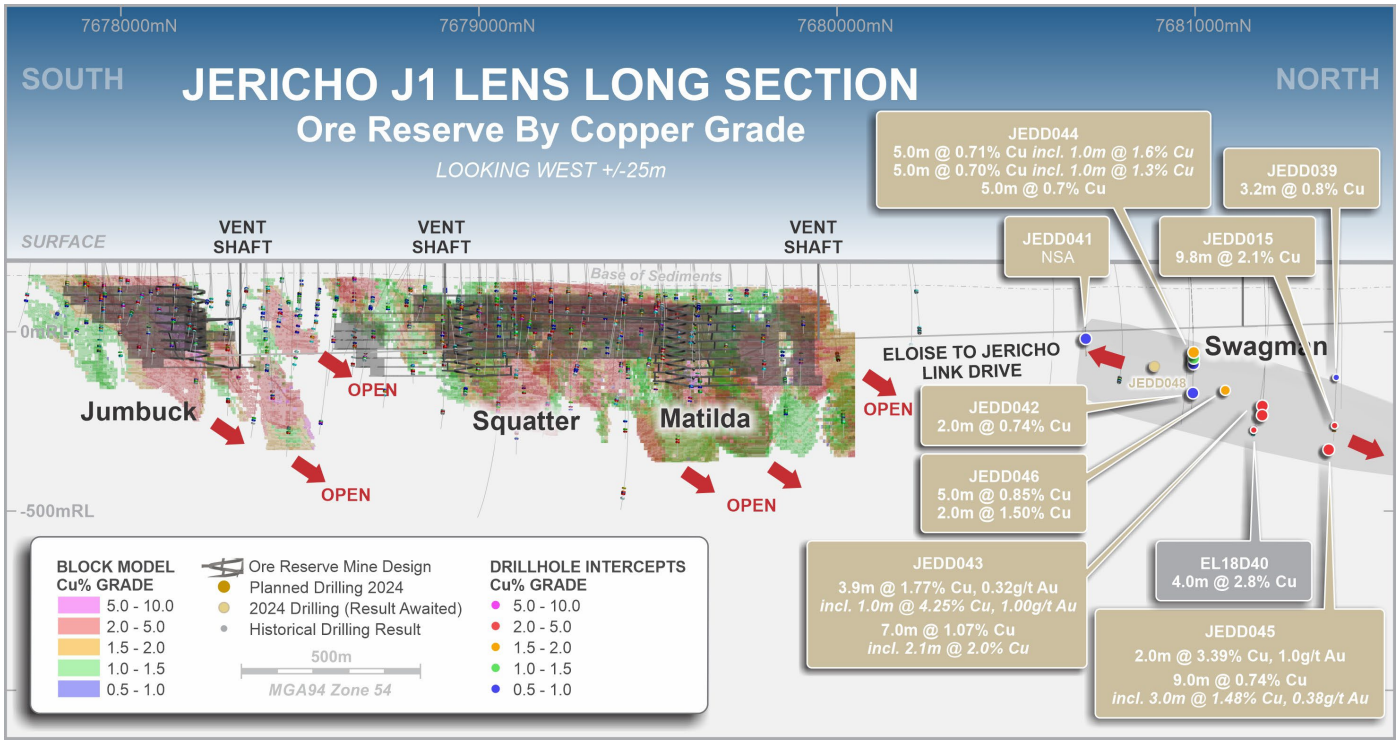



***Figure 2. Long Section (looking west) showing location of J1 Lens Ore Reserves and Swagman Shoot***

***Sandy Creek, Artemis and Roberts Creek***

Four diamond drill holes for 1,279m were drilled at the Sandy Creek copper prospect and the nearby Artemis base metal prospect aimed at extending mineralisation down plunge. Encouragingly, sulphides were intersected in all three step-out holes drilled at Sandy Creek. At Artemis, a single hole intersected only a narrow interval (<1.5m) of sulphides. Assay results are due late-July.

Roberts Creek is a copper-gold prospect located 4km north of Sandy Creek (see Figure 1). Two diamond holes for a total of 554m were drilled 100m beneath the limit of historical drilling and spaced 200m apart, investigating the potential for plunging shoots continuing with improved grade at depth. Assay results are expected in August.

***Tucumcari***

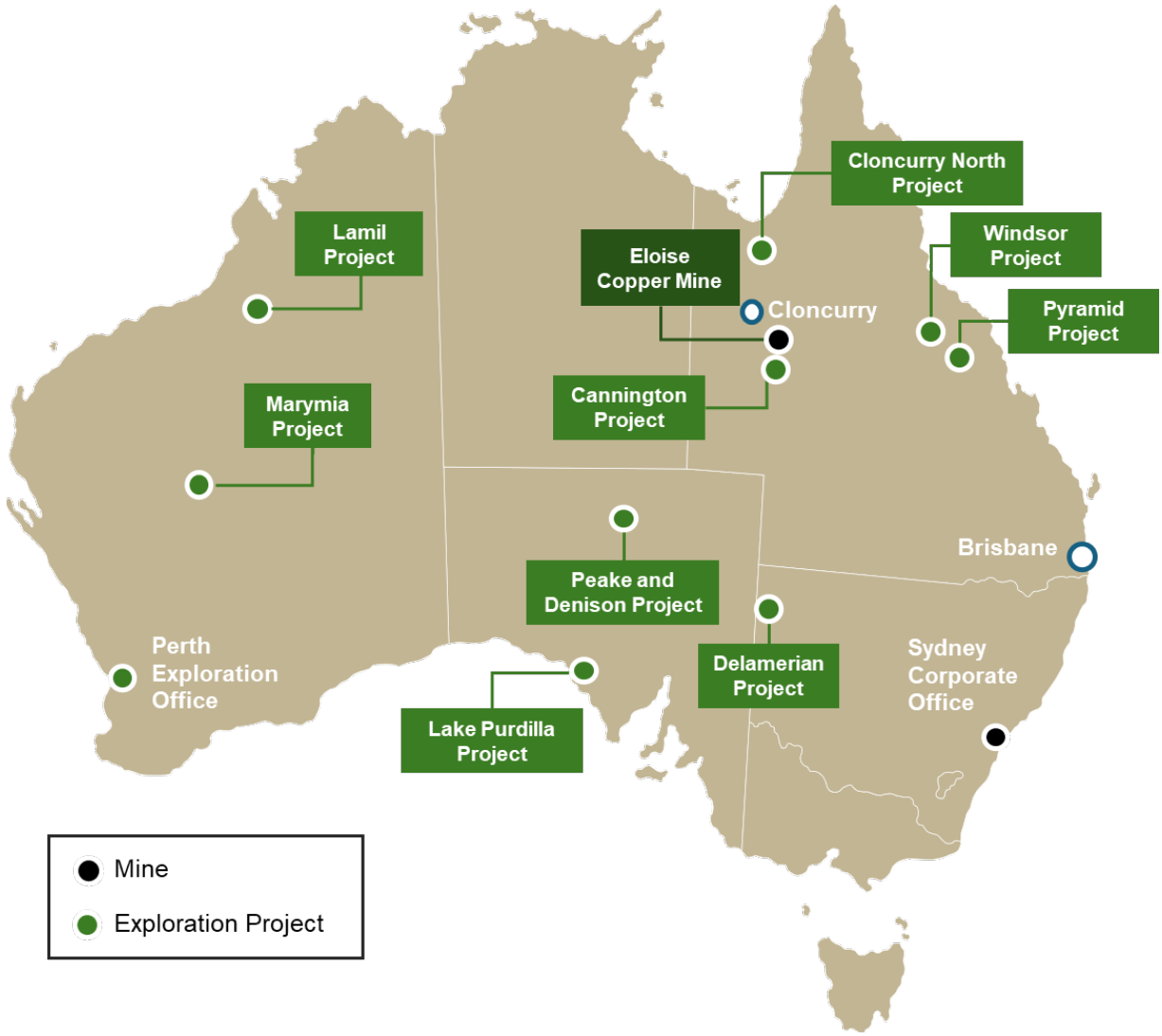
The first drill test of the Tucumcari prospect located 6km southwest of Eloise (see Figure 1) was completed with a 438m diamond drillhole. The hole was designed to test two discrete electromagnetic conductors defined by a ground electromagnetic survey. Several zones of metre thick intervals of sulphides (dominantly pyrite and pyrrhotite) were intersected corresponding to the position of the conductors. Assay results are expected in August.

**Geophysics**

A ground electromagnetic survey between the **Jericho South** target and the **Ionised** prospect was completed during the Quarter. The survey was successful in defining a prospective conductor located between the Ionised and St Louis targets. This target, now named **Amarillo**, is a strong conductor located in the central shear of the Levuka Shear Zone; a position similar to that which hosts Eloise. This target will be considered for drilling later in the year.

## Exploration Portfolio

AIC Mines holds a pipeline of copper, gold and base metal exploration projects capturing extensive land positions in well-endowed mineral sub-provinces across Australia.




AIC Mines is in the process of realigning its exploration portfolio, where economically rational to do so, to focus on copper, Queensland and late-stage projects. This was evident during the June 2024 Quarter with the divestment of the **Lake Purdilla** gypsum project and the acquisition of two new tenements (**Cloncurry North Project**) located in the Mary Kathleen domain, 250km NNW of Eloise (and 100km NW of Ernest Henry), prospective for iron oxide copper-gold (IOCG) deposits.

The main piece of work conducted across the exploration portfolio in the June 2024 Quarter (i.e. outside of the Eloise Regional Project) was a 32-line kilometre ground electromagnetic (GEM) survey (see Figures 3 and 4a) at the Kars prospect area within the **Delamerian Project** (100% AIC Mines). The survey was successful in identifying a 1.5km striking basement conductor that is untested by drilling (Figure 4a). Based on the success of this program in detecting basement conductors through the shallow Murray Basin, an extension of the survey to the south is planned for later in the year.

Also at the Delamerian Project, gravity surveys consisting of 400m spaced stations were completed over the Kars and Loch Lilly prospect areas to assess potential magnetic and density anomalies coincident with the electromagnetic conductors (see Figures 4a and 4b).

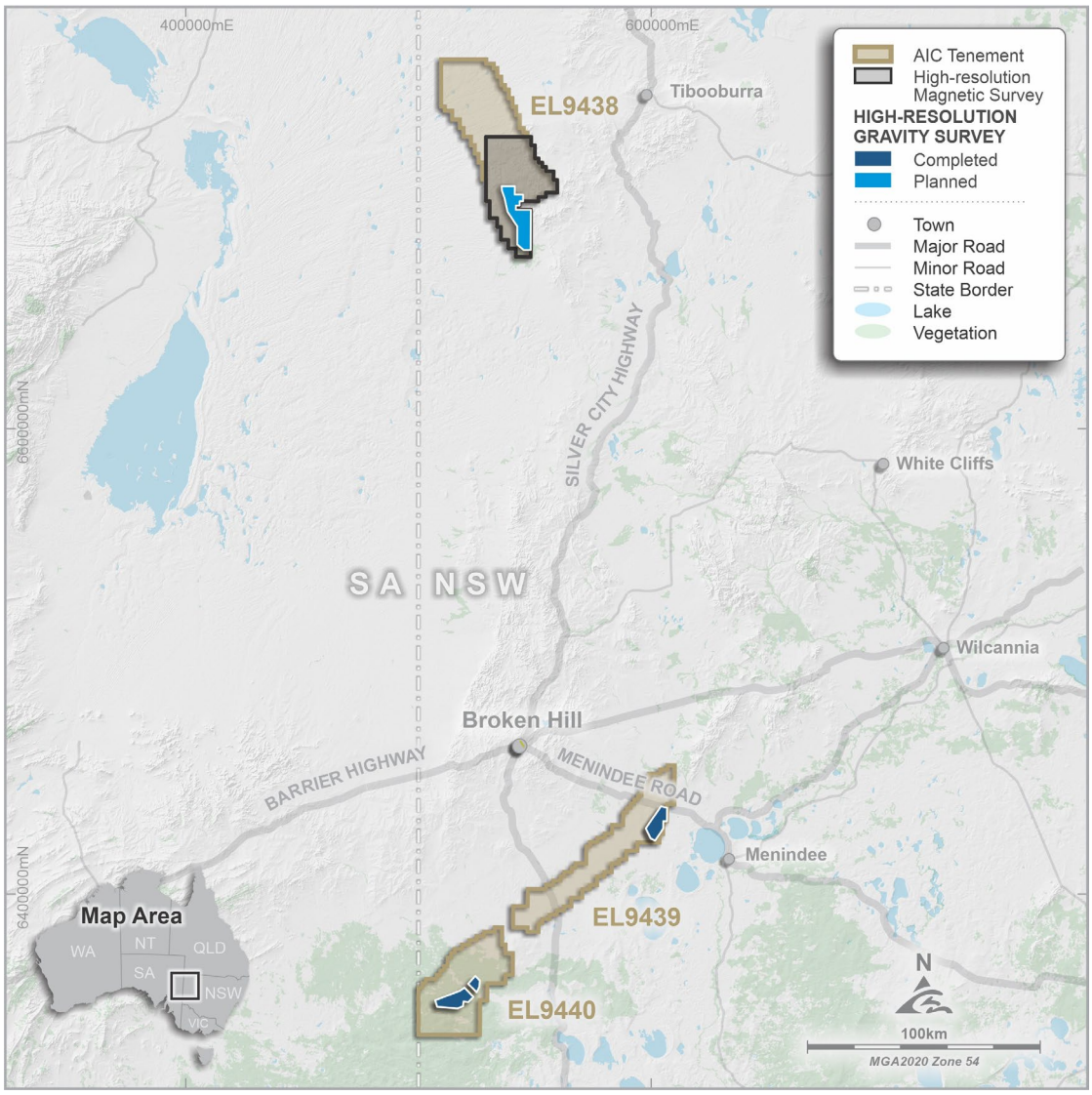



*Figure 3. Location of Delamerian Project tenure.*

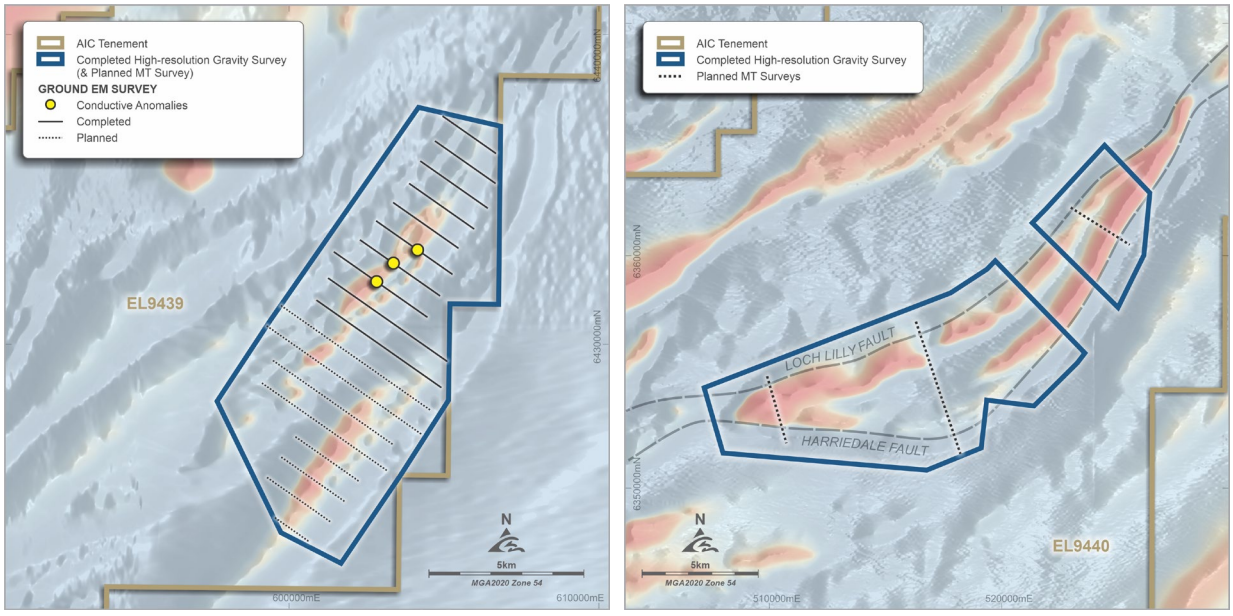



*Figure 4. (a) Kars Prospect showing area of gravity survey, completed and planned GEM lines, conductors on background of magnetics. (b) Loch Lilly Prospect showing area of gravity survey and planned MT survey on background of magnetics.*

# CORPORATE

## Financial Performance

AIC Mines finished the Quarter with $74.3 million in cash at bank (31 March 2024: $25.7 million) excluding $5.7 million in cash held in term deposits for environmental bonding purposes. Approximately 663dmt of concentrate containing 187t of copper, with a notional value of $2.7 million at a copper price of A$14,300/t, was awaiting shipment at the end of the Quarter.

***Quarterly Results***

Eloise produced 3,068t of payable copper (March 2024 Quarter: 2,950t) and sold 3,317t of copper during the Quarter at an average price of A$14,762/t (A$6.70/lb) (a 9% increase from the March 2024 Quarter: A$13,549/t) generating $51.3 million in metal sales post TC/RC deductions and including gold and silver by-product credits.

Operating cashflow for the Quarter was $23.8 million and after capital investment of $14.3 million, net mine cashflow was $9.5 million.

AISC of A$5.67/lb and AIC of A$5.96/lb (March 2024 Quarter: A$5.18/lb and A$5.49/lb respectively) were higher largely due to the drawdown of stockpiled ore and copper concentrates awaiting sale, which impacted both AISC and AIC by a combined $0.50/lb. With ore and concentrate stockpiles effectively eliminated at the end of the Quarter there will be minimal stockpile impact on costs into Q1 or Q2 FY25.

***Full Year Results***

FY24 production totalled 13,412t of copper in concentrate at an AISC of A$5.15/lb Cu sold and an AIC of A$5.39/lb Cu sold. In FY24 Eloise sold 13,056t of copper generating $182.2 million in metal sales post TC/RC deductions and including gold and silver by-product credits, operating cashflow of $73.2 million and net mine cashflow of $23.1 million after capital – all record results for Eloise under AIC Mines ownership.

Eloise successfully achieved its FY24 target of 12,500t of copper in concentrate (7.3% over target) at an AISC of A$5.00/lb Cu sold (within 5% of target) and an AIC of A$5.20/lb Cu sold (within 5% of target). This achievement is testament to the work ethic of the Eloise team and the investment in new plant and equipment made by AIC Mines over the past two years.

***Cashflow***

Eloise sustaining capital expenditure for the Quarter (captured in AISC) included:

- $0.9 million on resource definition drilling at Eloise.
- $2.8 million on equipment financing, replacement of underground fixed plant infrastructure and ongoing reliability improvements in the mill.
- $8.5 million on underground development.

Eloise non-sustaining capital expenditure for the Quarter (captured in AIC) included:

- $2.1 million on decline, Lens 6 and Deeps development.

Investment during the Quarter relevant to the Jericho development and Eloise expansion project totalled $3.7 million. This mainly consisted of:

- $1.4 million on new kitchen and sewerage treatment plant, both of which are expected to be fully operational in the September 2024 Quarter.
- $0.7 million on environmental approvals, studies, land compensation and cultural heritage.
- $0.6 million on the Jericho link drive and ventilation shaft excavation.
- $0.9 million in project team and owner's costs.

Exploration expenditure for the Quarter of $2.8 million consisted of $2.5 million on diamond drilling at Swagman and Eloise regional prospects and $0.3 million on geophysical surveys at the Delamerian Project.

AIC Mines' creditor position (trade and other payables) at the end of the Quarter was $16.6 million (31 March 2024: $17.1 million).

AIC Mines' cash movements for the Quarter are summarised in the table below.

| Cashflow (A$ Millions) | September 2023 Qtr | December 2023 Qtr | March 2024 Qtr | June 2024 Qtr | FY24 Full Year |
|---|---|---|---|---|---|
| Metal sales (net of TC/RC)[1] | 46.2 | 46.4 | 38.3 | 51.3 | 182.2 |
| Mine operating costs | (27.0) | (29.5) | (25.0) | (27.5) | (109.0) |
| **Operating Mine Cashflow** | **19.2** | **16.9** | **13.3** | **23.8** | **73.2** |
| Total capital | (11.0) | (12.2) | (12.7) | (14.3) | (50.1) |
| **Net Mine Cashflow** | **8.2** | **4.7** | **0.7** | **9.5** | **23.1** |
| Corporate | (1.3) | (1.6) | (1.7) | (2.3) | (6.9) |
| Exploration | (1.5) | (1.4) | (0.9) | (2.8) | (6.6) |
| Jericho | (3.7) | (2.0) | (1.9) | (3.7) | (11.2) |
| Net interest and other income | 0.1 | 0.0 | (0.0) | (1.4) | (1.3) |
| Working capital movement | (3.7) | (2.0) | 2.9 | (2.9) | (5.9) |
| **Group Cashflow** | **(1.9)** | **(2.3)** | **(1.0)** | **(3.6)** | **(8.9)** |
| Cash backed environmental bond | - | - | - | (1.3) | (1.3) |
| Net cash received from placement[2] | - | - | - | 53.6 | 53.6 |
| Acquisition and integration costs | - | - | - | - | - |
| **Net Group Cashflow** | **(1.9)** | **(2.3)** | **(1.0)** | **48.6** | **43.4** |
| **Opening Cash Balance 1 July 2023** | **30.9** | | | | **30.9** |
| **Opening Cash Balance 1 October 2023** | | **29.0** | | | |
| **Opening Cash Balance 1 January 2024** | | | **26.7** | | |
| **Opening Cash Balance 1 April 2024** | | | | **25.7** | |
| **Closing Cash Balance** | **29.0** | **26.7** | **25.7** | **74.3** | **74.3** |

1. Metals sales information is preliminary and subject to FY24 year-end review
2. Approximately $0.8 million from Directors that participated in the Placement is due if shareholder approval is received at an EGM to be held on 24 July 2024

### Placement

AIC Mines completed a placement of 110 million new fully paid ordinary shares ("New Shares") at an issue price of $0.52 per share ("Placement") to institutional and sophisticated investors during the Quarter. As part of the Placement, and subject to shareholder approval, Directors of AIC Mines applied for 1,592,308 shares under the Placement.

Net proceeds of $53.6 million was received during the Quarter and a further $0.8 million is expected to be received if shareholder approval is received, for Director participation in the placement, at an Extraordinary General Meeting to be held on 24 July 2024.

Additional information in relation to the Placement can be found in the Equity Raising Presentation released to the ASX on 22 May 2024, which contains important information, including a breakdown of sources and uses of funds, key risks and foreign selling restrictions with respect to the Placement.

The Placement proceeds will be applied primarily to advancement of the Jericho link drive. With funding for the Jericho link drive now secured, the debt funding process for the Jericho project was suspended during the Quarter. A number of debt providers, including concentrate traders, remain interested in supporting the Jericho project. Discussions will be advanced with preferred parties, as required, as expenditure at the Eloise processing plant expansion project ramps up.

**Authorisation**

This Quarterly Activities Report has been approved for issue by, and enquiries regarding this report may be directed to Aaron Colleran, Managing Director, via email at info@aicmines.com.au.

**Exploration and Mineral Resource 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"). These announcements are listed below.

Further details, including 2012 JORC Code reporting tables where applicable, can be found in the following announcements lodged on the ASX by AIC Mines:

- Eloise Remnant Mining Strategy 18 July 2023
- High-Grade Copper Discovery at Jericho North 19 September 2023
- Significant Increase in Jericho Mineral Resource 30 January 2024
- Significant Increase in Jericho Ore Reserve 28 March 2024
- Drilling Commences at Swagman 9 April 2024
- Increased Resources and Reserves at Eloise, Sandy Creek and Artemis 18 April 2024
- Eloise 1070L Drilling Results - Amended 16 May 2024
- High-Grade Copper Results from Swagman Prospect 04 July 2024

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 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. Mr Cunningham 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 consent 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 – Jericho and Eloise Regional Exploration Results and Drilling Results**

The information in this announcement that relates to the Jericho and Eloise Regional exploration results and drilling results is based on information, and fairly represents information and supporting documentation compiled by Mike 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 they have undertaken to qualify as a Competent Person as defined in the JORC Code. Mr. Taylor is a full-time employee of AIC Mines Ltd. Mr. Taylor 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 – Delamerian Exploration Results**

The information in this announcement that relates to Delamerian exploration results is based on information, and fairly represents information and supporting documentation compiled by Mike 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 they have undertaken to qualify as a Competent Person as defined in the JORC Code. Mr. Taylor is a full-time employee of AIC Mines Ltd. Mr. Taylor 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 Mineral Resources**

The information in this announcement that relates to the Eloise Mineral Resource is based on information, and fairly represents information and supporting documentation compiled by Matthew Thomas 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 Thomas is a full-time employee of AIC Copper Pty Ltd and is based at the Eloise Mine. Mr Thomas consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

**Competent Person's Statement – Jericho Mineral Resources**

The information in this announcement that relates to the Jericho Mineral Resource is based on information, and fairly represents information and supporting documentation compiled by Matthew Fallon 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. Fallon is a fulltime employee of AIC Mines Limited. Mr Fallon consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

**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: Eloise Mine – Elrose-Levuka North Drilling – Drill Hole Locations and Anomalous Intercepts

*JORC Code 2012 Assessment and Reporting Criteria for these holes is included in AIC Mines ASX announcement "Eloise 1070L Drilling Results – Amended" dated 16 May 2024.*

| 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 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| EN343 | DD EXP | 82898.0 | 97928.8 | 1185.8 | 390.6 | -56.8 | 299.9 | 179.0 | 181.0 | 2.0 | 1.2 | 2 | 0.3 | 3 |
| EN347 | DD EXP | 82544.2 | 97629.6 | 1072.6 | 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 | 82538.7 | 97634.0 | 1072.2 | 122.2 | 1.0 | 114.4 | 65.0 | 74.0 | 9.0 | 9.0 | 2.9 | 0.3 | 3 |
| EN349 | DD EXP | 82538.4 | 97633.6 | 1072.0 | 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 | 82538.5 | 97633.6 | 1071.6 | 106.2 | -7.8 | 101.1 | 53.0 | 55.0 | 2.0 | 1.8 | 1.6 | 0.3 | 2 |
| EN351 | DD EXP | 82538.0 | 97632.6 | 1071.5 | 100.0 | -10.9 | 128.0 | NSA | | | | | | |
| EN352 | DD EXP | 82537.9 | 97632.5 | 1072.1 | 127.0 | 3.1 | 134.9 | 80.9 | 99.0 | 18.1 | 15.0 | 4.4 | 1.8 | 3 |
| EN353 | DD EXP | 82538.2 | 97632.7 | 1072.6 | 131.8 | 20.5 | 124.5 | 101.5 | 120.0 | 18.5 | 15.7 | 3.2 | 0.7 | 3 |
| EN355 | DD EXP | 82545.9 | 97629.1 | 1072.3 | 111.15 | 5.3 | 84.4 | 69.3 | 71.0 | 1.7 | 1.5 | 3.7 | 0.7 | 2 |
| | | | | | | | | 107.0 | 109.0 | 2.0 | 1.8 | 3.7 | 1.2 | 4 |
| EN356 | DD EXP | 82546.8 | 97629.5 | 1072.3 | 134.9 | 5.8 | 67.4 | 73.3 | 80.6 | 7.3 | 6.1 | 3.7 | 0.8 | 1 |
| | | | | | | | | 107.5 | 110.4 | 2.9 | 2.4 | 1.2 | 0.3 | 2 |
| | | | | | | | | 126.6 | 130.8 | 4.2 | 3.4 | 2.9 | 0.5 | 3 |
| EN357 | DD EXP | 82547.0 | 97629.4 | 1073.2 | 149.8 | 19.6 | 64.2 | 113.2 | 122.0 | 8.8 | 7.3 | 4.2 | 0.4 | 2 |
| | | | | | | | | 138.8 | 144.3 | 5.5 | 4.5 | 3.3 | 1.2 | 3 |
| EN358 | DD EXP | 82547.2 | 97629.6 | 1072.9 | 197.0 | 13.9 | 54.2 | 93.0 | 97.2 | 4.2 | 3.8 | 6.4 | 1.1 | 2 |
| | | | | | | | | 130.0 | 134.0 | 4.0 | 3.4 | 1.1 | 0.2 | 3 |
| EN365 | DD RD | 82545.7 | 97629.1 | 1071.6 | 132.1 | -7.8 | 75.3 | 50.8 | 58.0 | 7.2 | 5.9 | 4.8 | 0.9 | 1 |
| | | | | | | | | 59.3 | 69.0 | 9.7 | 7.3 | 3.9 | 1.1 | 2 |
| | | | | | | | | 72.0 | 79.1 | 7.1 | 5.6 | 3.2 | 2.2 | 3 |
| EN359 | DD RD | 82679.1 | 97785.4 | 905.7 | 128.0 | 41.0 | 317.7 | 52.4 | 59.4 | 7.0 | 3.8 | 3.9 | NR | 3 |
| EN360 | DD RD | 82679.3 | 97786.0 | 906.3 | 140.0 | 48.7 | 334.3 | AR | | | | | | |
| EN361 | DD RD | 82679.5 | 97785.9 | 905.2 | 153.0 | 33.1 | 336.3 | AR | | | | | | |
| EN362 | DD RD | 82679.7 | 97786.3 | 905.7 | 173.9 | 39.5 | 346.4 | 95.2 | 99.0 | 3.8 | 3.3 | 1.4 | NR | 3 |
| EN362 | | | | | | | | 139.0 | 143.2 | 4.2 | 2.0 | 1.6 | NR | 2 |
| EN363 | DD RD | 82678.85 | 97785.74 | 906.882 | 125.0 | 57.1 | 319.9 | 179.0 | 181.0 | | | | | |
| EN364 | DD RD | 82679.7 | 97786.2 | 904.8 | 178.0 | 26.0 | 345.4 | 96.0 | 99.0 | 2.0 | | | | |

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 1.5 metres downhole
- maximum internal dilution of maximum of 3 metres downhole containing assays below 1.0% Cu

Downhole intervals are rounded to one decimal place

ETW – Estimated True Width

DD RD / EXP – Diamond drillhole resource definition / exploration

NR – Not reported

NSA – No significant assays

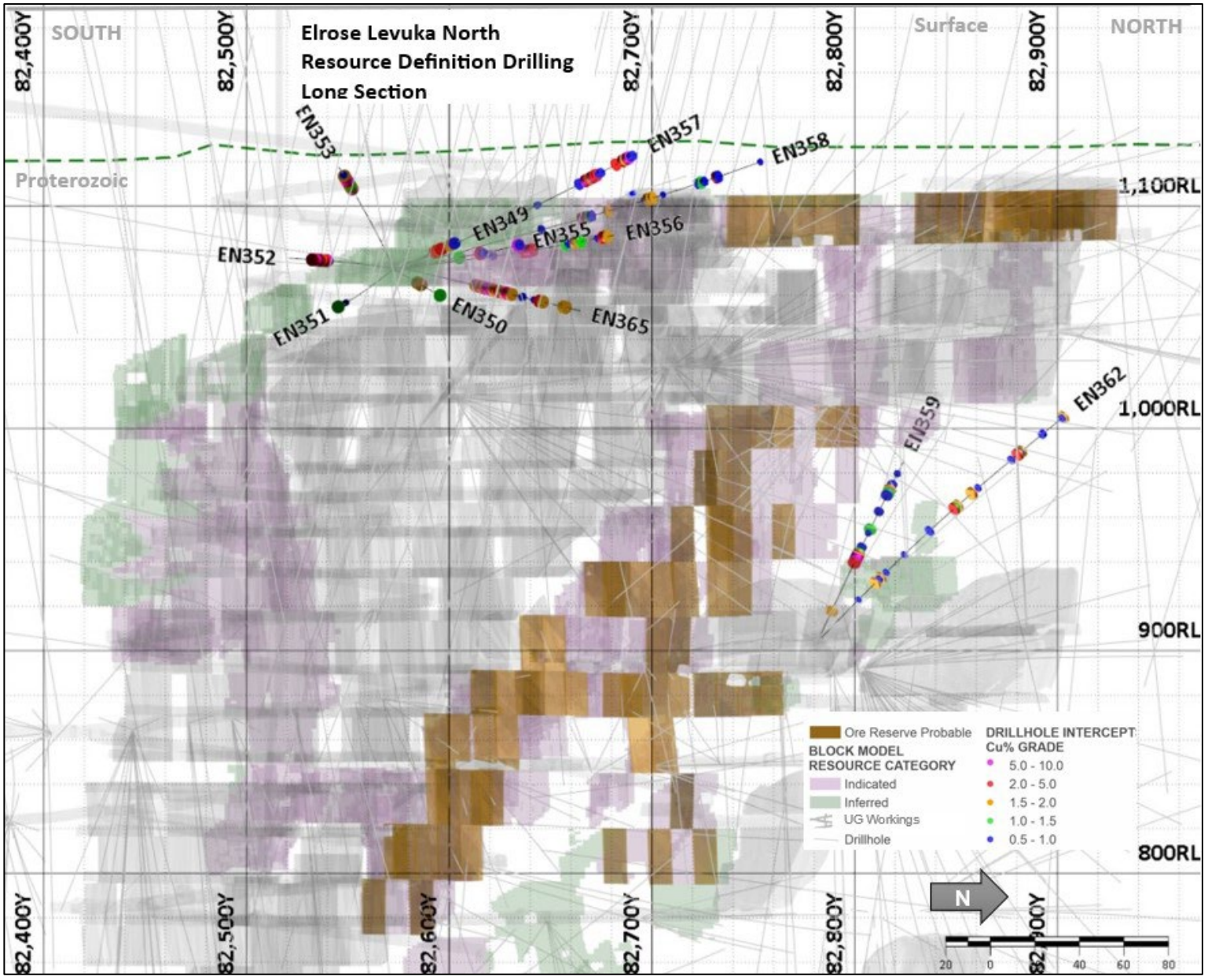



**Figure 5. Long section showing new drilling intercepts at Elrose Levuka North**

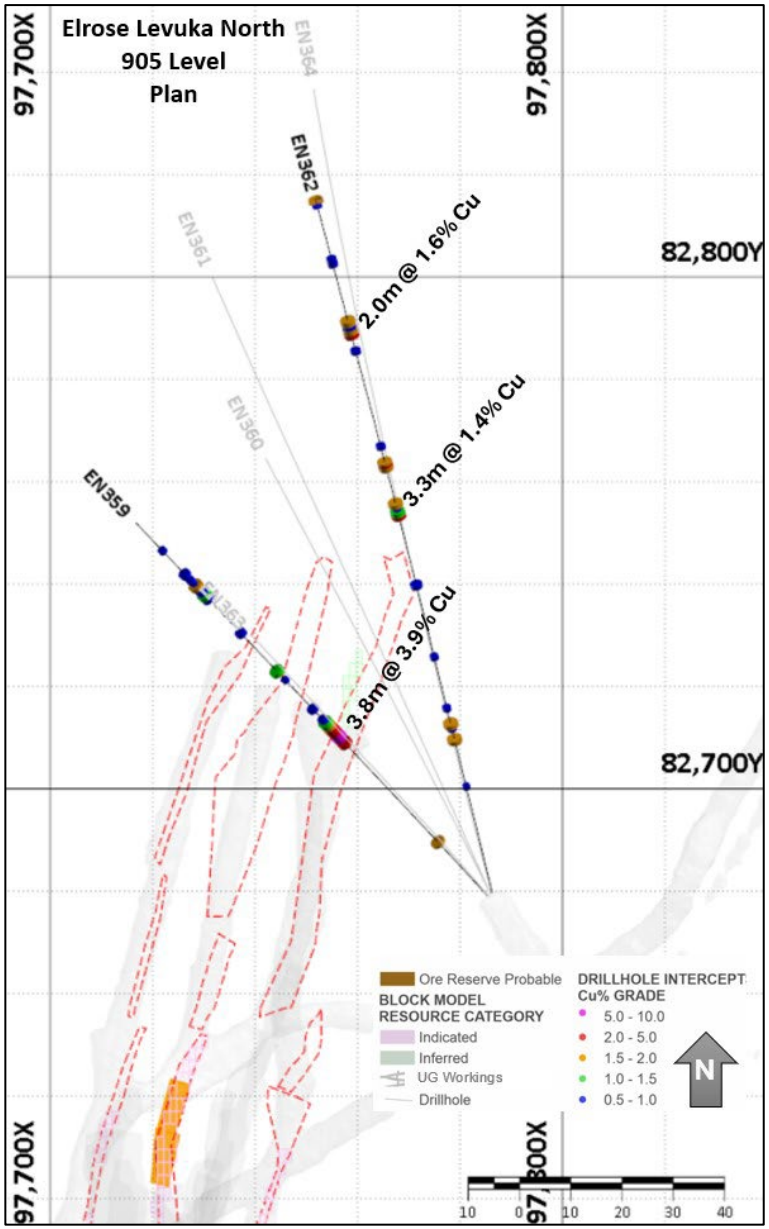



**Figure 6. Plan of drilling on the 905 Level showing intercept estimated true width and copper grade.**

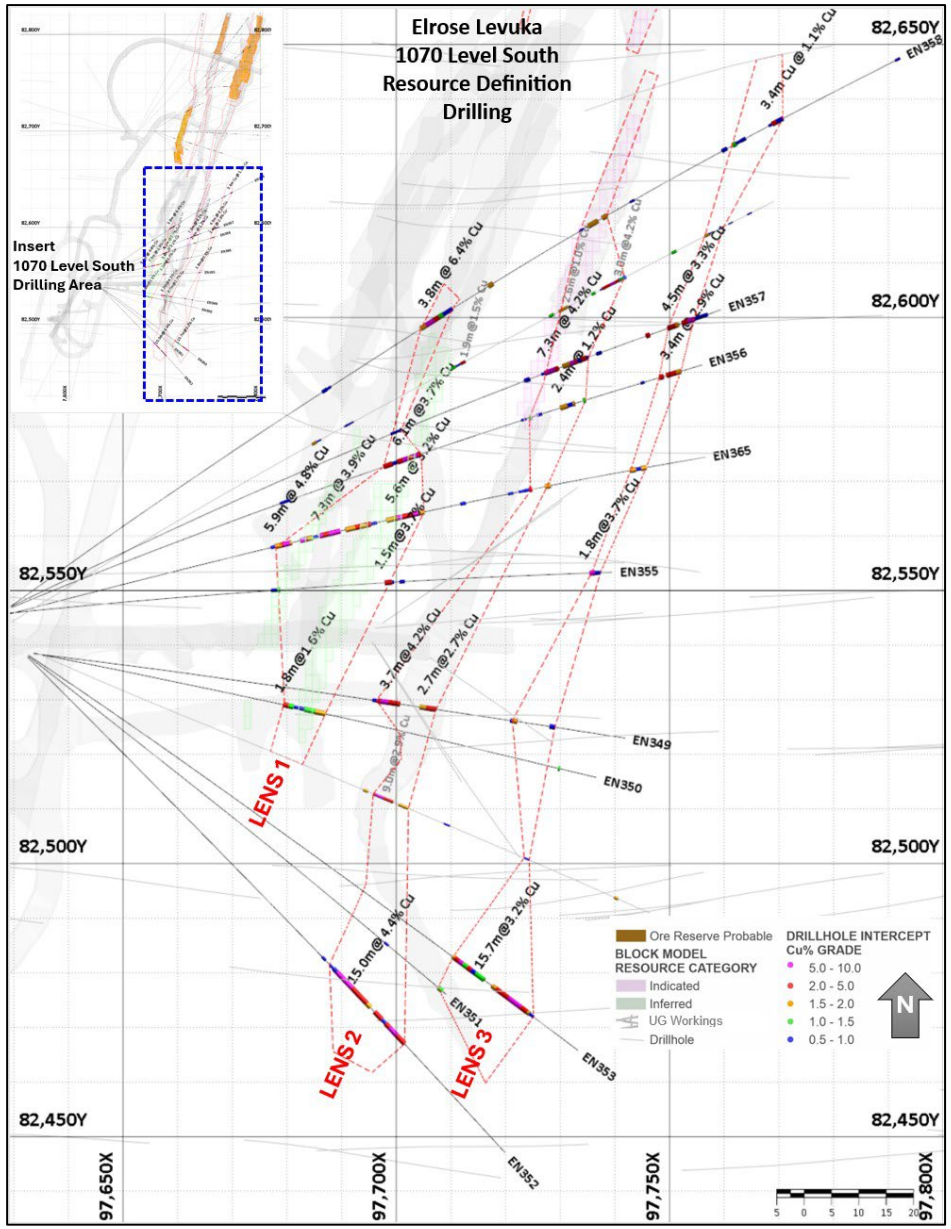



**Figure 7. Plan of drilling on the 1070 Level showing intercept estimated true width and copper grade.**

**Appendix 2. JORC Code 2012 Assessment and Reporting Criteria**

**Section 1 Sampling Techniques and Data** (Criteria in this section apply to Exploration Results succeeding sections)

| Criteria | Commentary |
|---|---|
| ***Sampling techniques*** | • Sampling discussed in the Exploration section of this announcement (Swagman, Sandy Creek, Artemis, Roberts Creek and Tucumcari drilling) were obtained through diamond drilling methods.<br>• The sampling methodology described below has been consistent for all of the holes completed at these prospects and immediately surrounding areas by previous explorers, with the methodology considered to comply with industry standard.<br>• Diamond drill sample intervals are generally 1m lengths with some occasional changes varying from 0.3m to 1.2m to honour geological zones of interest (lithology or grade) as identified by the geologist.<br>• Holes were generally angled to optimally intersect the mineralised zones as close to the true width intersection as possible.<br>• Holes at Jericho/Swagman were angled towards MGA grid east (090) at an angle of 60-70°<br>• Diamond drilling was completed using a PQ, HQ or NQ drilling bit for all diamond holes. Core selected from geological observation was cut in half for sampling, with a half core sample sent for analysis at measured geological intervals.<br>• For drill core specific gravity measurements have been recorded approximately every 1m throughout mineralised zones. Core orientation has been determined where possible and photographs have been taken of all drill core.<br>• There is no apparent correlation between ground conditions and assay grade.<br>• The assays reported are derived half-core lengths.<br>• Core samples were split with a core saw and half core samples ranging from 0.3-1.20 metre lengths were sent to ALS laboratories for assay. One metre length core samples are considered appropriate the style of mineralization. Variation in sample length to align with visible changes in lithology or sulphide content is also considered appropriate.<br>• Samples were either sent to ALS laboratory in Mount Isa or ALS laboratory in Townsville for sample preparation (documentation, crushing, pulverizing and subsampling and analysis). Geochemical analyses for Cu, Ag, As, Pb, Zn, Fe and S are undertaken at ALS Mt Isa laboratory analysis of Au is completed at ALS laboratory in Townsville. |
| ***Drilling techniques*** | • Diamond drilling was undertaken by DDH1 drilling contractor. All core is orientated using a Reflex ACT III orientation tool.<br>• A Reflex north-seeking gyro downhole survey system was used approximately every 30m by DDH1 to monitor drillhole trajectory during drilling. |
| ***Drill sample recovery*** | • Core recovery measurements for the mineralised zones indicate 99% recovery for sampled intervals.<br>• Visual estimates of chip sample recoveries indicate ~100% recoveries for majority of samples within mineralized zones.<br>• No apparent correlation between ground conditions/drilling technique and anomalous metal grades has been observed.<br>• Ground conditions in the basement rocks hosting the Jericho mineralisation were suitable for standard core drilling. Recoveries and ground conditions have been monitored by AIC Mines personnel during drilling.<br>• No relationship or bias was noted between sample recovery and grade. |
| ***Logging*** | • Geological logging of the cover sequence and basement has been conducted by trained geologists. The level of detail of logging is appropriate for the stage of understanding of the mineralisation.<br>• Logging of lithology, alteration, mineralisation, regolith and veining was undertaken for drilling.<br>• In addition, diamond core has been logged for structure and geotechnically.<br>• Photography of diamond core trays are undertaken as part of the logging process.<br>• Specific gravity measurements have been recorded approximately every 1m throughout mineralised zones within the cored portions of drillholes.<br>• Retained half core and whole unsampled core have been retained in industry-standard core trays in AIC Mines' storage facility, as a complementary |

| Criteria | Commentary |
|---|---|
| | record of the intersected geology.<br>• Data has been collected and recorded with sufficient detail to be used in resource estimation.<br>• Geological logging is qualitative. Specific gravity, RQD and structural measurements are quantitative.<br>• All holes have been geologically logged for the entire drilled length. |
| ***Sub-sampling techniques and sample preparation*** | • Half core was sampled except for duplicate samples where quarter core was taken.<br>• No wet samples from the mineralised zone were submitted for assay.<br>• Samples were prepared at ALS in Mt Isa.<br>• Samples were dried at approximately 120°C<br>• Half-core samples are passed through a Boyd crusher with nominal 70% of samples passing <4 mm. Between each sample, the crusher and associated trays are cleaned with compressed air to minimise cross contamination.<br>• The crushed sample is then passed through a rotary splitter and a catch weight of approximately 1 kg is retained. Between crushed samples the splitter is cleaned with compressed air to minimise cross contamination.<br>• Approximately 1 kg of retained sample is then placed into a LM5 pulveriser, where approximately 85% of the sample passes 75um.<br>• An approximate 200 g master pulp subsample is taken from this pulverised sample for ICP/AES and ICP-MS analyses, with a 60 g subsample also taken and dispatched to ALS Global (Townsville) for the FA analysis for gold (Au-AA25).<br>• Sample preparation is considered appropriate to the style of mineralisation being targeted.<br>• Logging of the drillcore was conducted to sufficient detail to maximise the representivity of the samples when determining sampling intervals.<br>• Sample size of the calico bags removed from the cone splitter is monitored during RC drilling to maximise representativity whilst ensuring adequate sample is obtained for analysis.<br>• AIC Mines submitted standards and blanks into the Diamond sample sequence as part of the QAQC process. CRM's were inserted at a ratio of approximately 1-in-30 samples.<br>• Sampling was carried out using AIC Mines' protocols and QAQC procedures as per industry best practice. Duplicate samples were routinely submitted and checked against originals for both drilling methods.<br>• The grainsize of Jericho/Swagman mineralisation varies from disseminated sub-millimetre grains to massive, aggregated sulphides.<br>• Geological logging indicates that typically sampling 1m intervals are considered to be appropriate to correctly represent the style of mineralisation, the thickness and consistency of the intersections. |
| ***Quality of assay data and laboratory tests*** | • Analytical samples were analysed through ALS laboratories in (either Mount Isa or Townsville).<br>• From the 200g master pulp, approximately 0.5 g of pulverised material is digested in aqua regia (ALS – GEO-AR01).<br>• The solution is diluted in 12.5 mL of de-ionised water, mixed, and analysed by ICP-AES (ALS Global – ME-ICP49) for the following elements: Cu, As, Ag and Fe. Over range samples, in particular Cu >5% are re-analysed (ALS Global methods ASY-AR01 and ME-OG46) to account for the higher metal concentrations.<br>• Gold analysis is undertaken at ALS Global (Townsville) laboratory where a 30 g fire assay charge is used with a lead flux in the furnace. The prill is totally digested by HCL and HNO3 acids before AAS determination for gold analysis (Au-AA25).<br>• Sample analyses are based upon a total digestion of the pulps.<br>• Pulps are maintained by ALS Global laboratory in Mount Isa for 90 days to give adequate time for re-analysis and are then disposed.<br>• AIC Mines runs an independent QAQC program with the insertion of blanks at a rate of 1 in 30, and certified reference material (CRM) at a rate of 1 in 30.<br>• Analysis of the QAQC shows there is no contamination and that assaying of CRM's report within three standard deviations of the expected value.<br>• Analytical methods Au-AA25, ME-ICP49 and ME-OG46 are considered to provide 'near-total' analyses and are considered appropriate style of mineralisation expected and evaluation of any high-grade material intercepted. |

| Criteria | Commentary |
|---|---|
| | • Certified reference materials that are relevant to the type and style of mineralisation targeted were inserted at regular intervals.<br>• Results from certified reference material highlight that sample assay values are accurate.<br>• Results of duplicate analysis of samples showed the precision of samples is within acceptable limits.<br>• In addition to AIC Mines' standards, duplicates and blanks, ALS Global (Mount Isa and Townsville) conduct their own QAQC protocol, including grind size, standards, and duplicates, and all QAQC data is made available to the mine via the ALS Global Webtrieve website. |
| ***Verification of sampling and assaying*** | • Assay data from reported results have been compiled and reviewed by the senior geologists involved in the logging and sampling of the drill holes, cross-checking assays with the geological logs and representative photos. All significant intersections reported here have been verified by AIC Mines' Exploration Manager.<br>• No twinned holes have been completed at the Jericho prospect.<br>• Logging of data was completed in the field with data entered using a Toughbook with a standardised excel template with drop down fields. Data is stored in an MS access database maintained by AIC Mines.<br>• No adjustments to assay data have been undertaken. |
| ***Location of data points*** | • All maps, geophysical data and drillhole collar locations are in MGA Zone54 GDA grid.<br>• Initial hole locations are pegged by field personnel using a handheld GPS unit.<br>• At regular intervals during the drilling program the collar locations are surveyed with Rover pole shots using a Leica Captivate RTK GPS (+/-0.1m).<br>• Grid system used is GDA1994, Zone 54.<br>• The Jericho area is flat-lying with approximately 10m of elevation variation over the extended prospect area. Detailed elevation data of the Jericho area were collected in August 2019 by contract surveyors M.H. Lodewyk Pty Ltd using a rover/differential GPS (real time kinematic), accuracy ±50mm.<br>• At the Delamerian Project, GPS measurements for gravity survey control points and post-processed observations were made using Static techniques, with baselines processed to double-difference fixed solutions, resulting in horizontal and vertical precision of approx. 2cm. Static baseline and RTK processing were completed in Trimble Business Centre V2.55 software. Survey control was established to within 5cm using the AUSPOS processing services provided by Geoscience Australia.<br>• Gravity readings were taken at 120s for base stations and 40s for all other stations. Autograv instruments apply instrument drift correction and Earth Tide corrections. Residual drifts between base station readings were corrected by gravity post-processing software. Gravity control was established to within 0.0010 milligrams using three base stations and ties to gravity station 1995900341 (Broken Hill War Memorial) maintained by Geoscience Australia.<br>• At Delamerian and Eloise Regional Projects, moving loop electromagnetic readings were taken using a handheld GPS |
| ***Data spacing and distribution*** | • At the Swagman deposit, drilling has been completed on approximately 100m x 100m/200m spacings.<br>• The data spacing is considered appropriate for assessing mineralisation continuity.<br>• Further extensional and infill drilling is required to confirm the orientation and full extent of the copper mineralisation intersected.<br>• No compositing has been applied.<br>• Delamerian gravity data were acquired and collected together with GPS readings using Scintrex CG5 Autograv instruments and Trimble R8 GNSS receivers. The gravity measurements were acquired using a 400 x 400 m (100 x 100 m infill) grid by Haines Surveys, a geophysical survey contractor.<br>• Delamerian and Eloise Regional ground-based moving loop electromagnetic data were acquired together with GPS readings using the Zonge ZT-30 modified transmitter at a base frequency of 0.5Hz and approx. 60 Amp and the SMARTem 24 receiver coupled with Jena HT SQUID sensor. The electromagnetic measurements were acquired using an 800 m line spacing and 100 m station spacing in a slingram configuration (loop dimensions 200 x 200 m, receiver separation 300 m) by GEM Geophysics, a geophysical survey contractor. |

| Criteria | Commentary |
|---|---|
| ***Orientation of data in relation to geological structure*** | • Drill hole orientation aims to intersect the mineralisation perpendicular to the strike of the mineralisation.<br>• The orientation of the sampling is not expected to have caused biased sampling.<br>• No orientation-based sampling bias is evident in the assay results. |
| ***Sample security*** | • Chain of custody is managed by AIC Mines and the principal laboratory, ALS Mt Isa.<br>• Core and RC samples are collected daily by AIC Mines personnel, where it is transported and laid on racks for logging and sampling. All core is photographed when marked up for a permanent record. On completion of logging, samples are bagged and tied for transport to Mount Isa by commercial courier.<br>• Pulps are stored at the ALS Global laboratory in Mount Isa for a period of 90 days before being discarded.<br>• Assay results are received from the laboratory in digital format. Once data is finalised, it is imported into a Microsoft Access database. |
| ***Audits or reviews*** | • AIC Mines has completed reviews of the Principal Laboratory, ALS Mount Isa, and reviewed all drill core handling, logging, and sampling processes. All laboratory equipment was well-maintained, and the laboratory was clean with a high standard of housekeeping. ALS regular monitor the sample preparation and analytical processes.<br>• No audits or reviews of sampling techniques and data were completed. |

**Section 2 Reporting of Exploration Results (including Geophysical Surveys)**

(Criteria listed in the preceding section also apply to this section.)

| Criteria | Commentary |
|---|---|
| ***Mineral tenement and land tenure status*** | • The Swagman, Sandy Creek, Artemis, Roberts Creek and Tucumcari prospects are located within 20km of AIC Mines' operating Eloise copper mine. Swagman holes were drilled within ML100348 which is 100% held by AIC Jericho Pty Ltd, a wholly owned subsidiary of AIC Mines. Sandy Creek, Artemis, Roberts Creek and Tucumcari holes are drilled on EPM17838 also 100% held by Levuka Resources Pty Ltd a wholly owned subsidiary of AIC Mines. ML100348 is compliant with the conditions of grant and EPM17838 is in good standing.<br>• A registered native title claim exists over Mining Lease 100348 (Mitakoodi and Mayi People #5). Native title site clearances were conducted at each drill site prior to drilling.<br>• Conduct and Compensation Agreements are in place with the relevant landholders.<br>• There are no known impediments to obtaining a licence to operate in the relevant prospect areas.<br>• The Delamerian Project consists of three exploration licences. The tenements encompass an area of 1,936km$^2$ at the northern end of the Koonenberry Belt (EL9438) and 2,344km$^2$ of the Loch Lilly-Kars Belt (EL9439 and EL9440). All tenements are in good standing. The Delamerian project tenements are 100% held by AIC Delamerian Pty Ltd, a wholly owned subsidiary of AIC Mines. |
| ***Exploration done by other parties*** | • The Jericho/Swagman deposit was delineated by work completed by Minotaur, Demetallica and OZ Minerals in joint venture.<br>• Prior to Minotaur commencing exploration in the Jericho area, the only pre-existing exploration data were open file aeromagnetic data and ground gravity data. The open file aeromagnetic data were used to interpret basement geological units to aid regional targeting which culminated in the discovery of Jericho. |

| Criteria | Commentary |
|---|---|
| ***Geology*** | • Jericho/Swagman is an Iron Sulphide Copper Gold (ISCG) type deposit covered by approximately 30-80 metres of Cretaceous sedimentary units. Proterozoic basement beneath the cover is predominantly psammite and psammopelite with amphibolites interpreted to be original dolerite sills. The psammopelitic units are generally strongly foliated with compositional layering sub-parallel to the original bedding that dips steeply west.<br>• The mineralisation is typified by massive to semi-massive pyrrhotite-chalcopyrite sulphide veins and breccia zones overprinting earlier quartz-biotite alteration/veining. These zones of high sulphide content typically show deformation textures, and structural studies indicate Jericho formed in a progressively developing ductile shear zone that was active prior to and during mineralisation. The high-grade sulphide zones are bound by lower-grade chalcopyrite and pyrrhotite mineralisation including crackle breccias, stringers and disseminations.<br>• The main zone of mineralisation at Jericho forms two parallel lodes (J1 and J2) approximately 120 metres apart and over 3.5km in strike length (open along strike and at depth). The true thicknesses of individual mineralised lenses range from less than one metre to approximately 13 metres. The lodes are sub-parallel to the fabric of the host units and dip steeply to the west. Higher grade mineralisation is developed in discrete shoots, named Matilda and Jumbuck on J1 and Billabong on J2 that plunge moderately north. |
| ***Drill Information*** | • No data deemed material to the understanding of the exploration results have been excluded from this document. |
| ***Data aggregation methods*** | • The weighted average assay values of the mineralised intervals (values >0.5% Cu) from drillholes were calculated by multiplying the assay of each drill sample by the length of each sample, adding those products and dividing the product sum by the entire downhole length of the mineralised interval.<br>• No minimum or maximum cut-off has been applied to any of the drillhole assay data presented in this document.<br>• Maximum of 3m internal dilution was included for reported intercepts. Individual high grade values within the intercept are identified separately.<br>• No metal equivalent values have been reported in this announcement. |
| ***Relationship between mineralisation widths and intercept lengths*** | • The targeted Swagman mineralisation dips steeply west; the orientation of the mineralisation is similar to what is defined at the Jericho deposit to the south. The drilling program aimed to test the mineralisation at as high an angle as practical and mineralisation has been intersected in each hole close to the expected position.<br>• Down hole intervals and estimated true width values have been reported.<br>• Available data indicate that Jericho true mineralisation widths approximate 60-70% of the downhole intersected width. |
| ***Diagrams*** | • Appropriate plans showing the location of drill holes and geophysical surveys are included in this announcement. |
| ***Balanced reporting*** | • All available exploration results are reported. Significant intercepts reported are balanced and representative of mineralisation. |
| ***Other substantive exploration data*** | • No meaningful and material exploration data have been omitted.<br>• No mining has taken place at Jericho/Swagman, Eloise Regional and Delamerian and Eloise Regional projects.<br>• The measured electromagnetic response (uV) at Delamerian and Eloise Regional was normalised for the transmitter current by the SMARTem24 system. B-field data were converted from uV/A into pT/A using a calibration factor for each component provided by the manufacturer, Supracon.<br>• The EM field data were inspected for repeatability and consistent decay. Where multiple recordings were made, and the difference was significant, the outlying record was removed before further processing in Maxwell v7.1 software. |
| ***Further work*** | • The Swagman drilling program is now complete. Assay data for one drillhole are still to be received. Further definition and extensional drilling is warranted.<br>• Assay results from Sandy Creek, Artemis, Roberts Creek and Tucumcari are awaited.<br>• Further work is currently being planned based on the results of the reported drilling programs and geophysical surveys. |