



AGM Presentation
29th November 2011

Australian Mines Limited



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Overview

- Nigeria – an emerging West African gold province
- Australian Mines (**AUZ**) – large Nigerian tenement portfolio covering 2,774 km² of prime West African gold geology
- Confirmed gold mineralisation within AUZ Nigerian tenements
- Experienced team with successful track record of discovering ore bodies
- Active on-ground exploration program in progress



Reawakening Nigerian Gold Industry

- Proven history of gold mining
- West African geology—similar to Burkina Faso & Ghana
- Recognised potential for large shear-hosted gold deposits
- Strong government support



Nigeria – Snapshot

- Member of Commonwealth
- Presidential Democracy
 - 4-year election cycles
- English – official language
- USA's largest sub-sahara trading partner
 - \$34 billion in two-way trade in 2010
- Major companies operating in Nigeria include:
 - Royal Dutch Shell, Exxon Mobil, Chevron, ENI



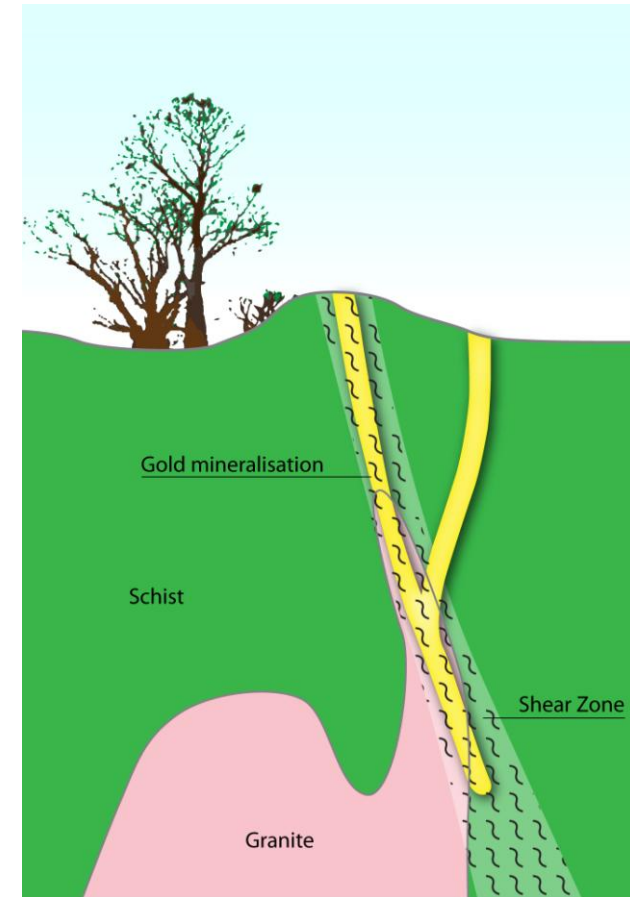
Nigerian Gold Mining Industry

- Long history of gold mining
 - Officially recorded production commenced in 1913
- Mining and Mining Act 2007 ensures security of tenure
- Exploration Licences valid for 3 years with 4 year renewal option
- 25 year Mining Leases – renewable every 20 years
- Government as regulator not owner & no BEE requirements



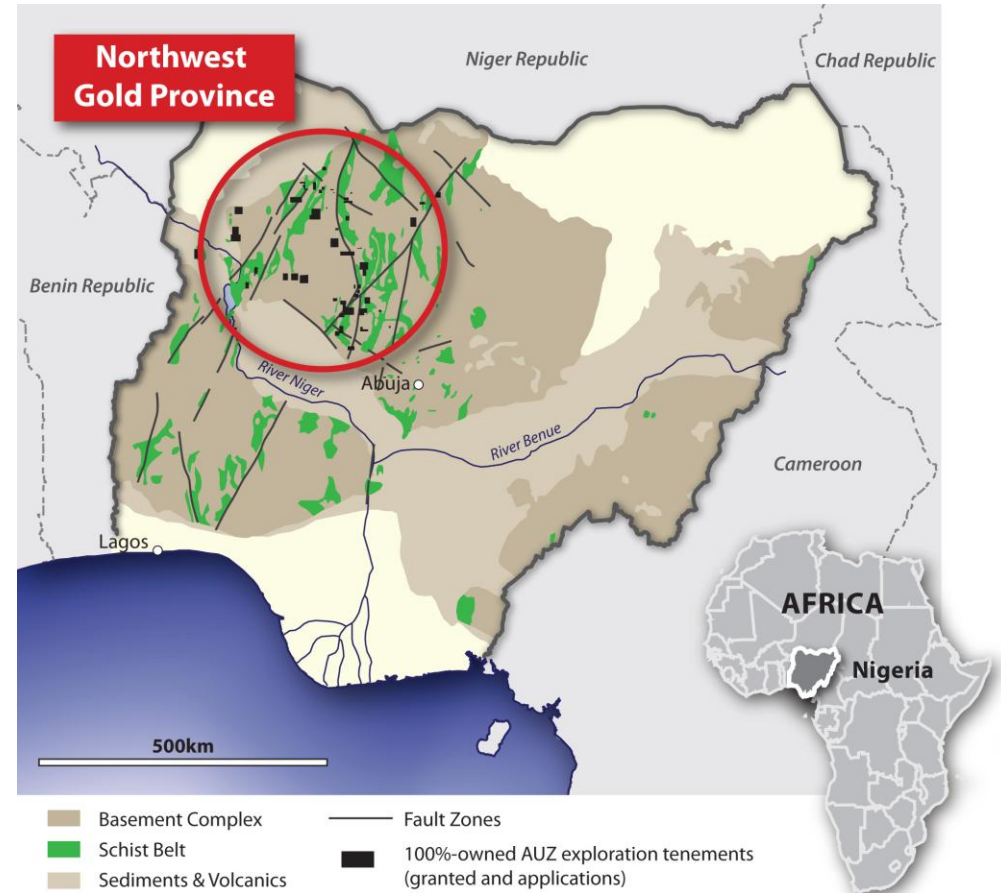
Nigerian Gold Formation

- Gold mineralisation hosted within shear zones
- Target – shear zones within a schist belt proximal to a granite intrusion
- Gold enrichment zones where secondary structures intersect regional shear zones
- Copper, silver, zinc and lead often accompany Nigerian gold mineralisation



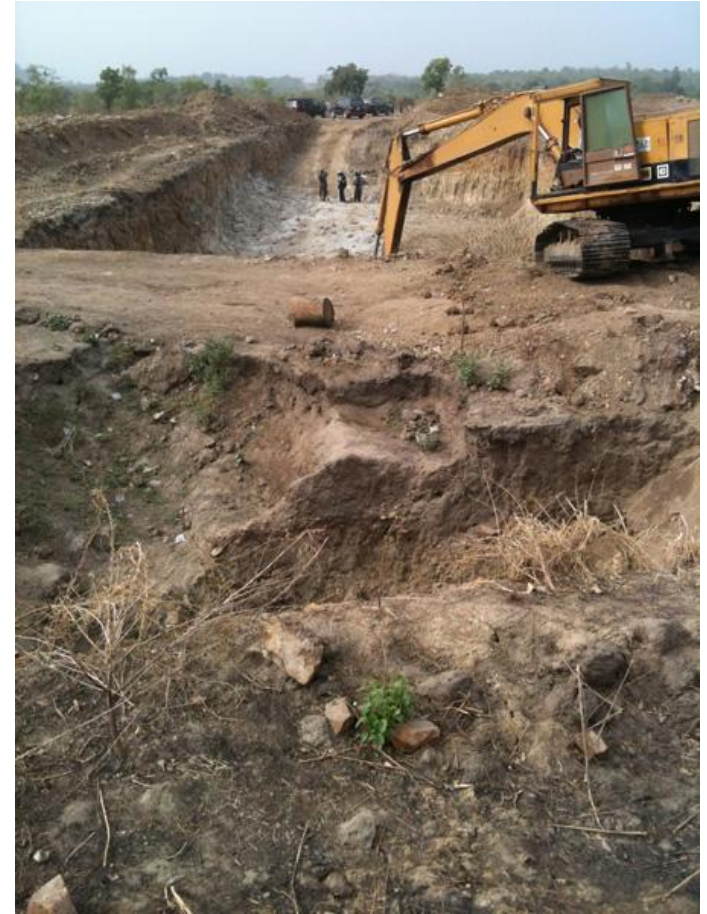
Australian Mines' Nigerian Projects

- Location is key – targeting shear zones across Nigeria's northwest schist belt
- 2,774km² tenement portfolio (100% AUZ)
- Four highly-prospective projects
 - Tsauni
 - Yargarma
 - Kasele
 - Kagara
- No modern exploration previously applied across region



Tsauni

- Located 20 kilometres west of Abuja
- 500 metre long corridor of artisanal workings
- Grab samples returned:
 - 14 g/t gold
 - 400 g/t silver
- Potential for multiple mineralised vein systems within project
- High priority drill target



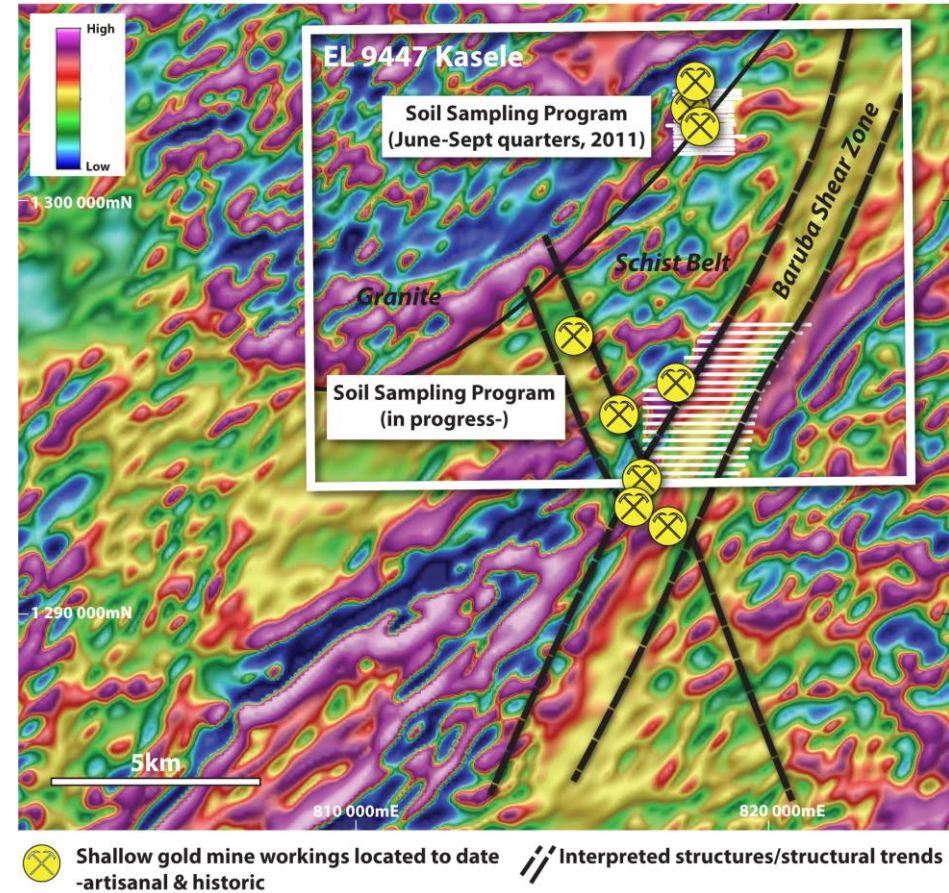
Yargarma

- Located 350 kilometres northwest of Abuja
- Covers 9 kilometre strike length of mineralised shear zone
- Rock chip sampling returned:
 - 9.8 g/t gold from quartz vein in schist
 - 3.5 g/t gold from brecciated schist
 - 3.3 g/t gold from quartz vein
- Detailed soil sampling program commenced last week



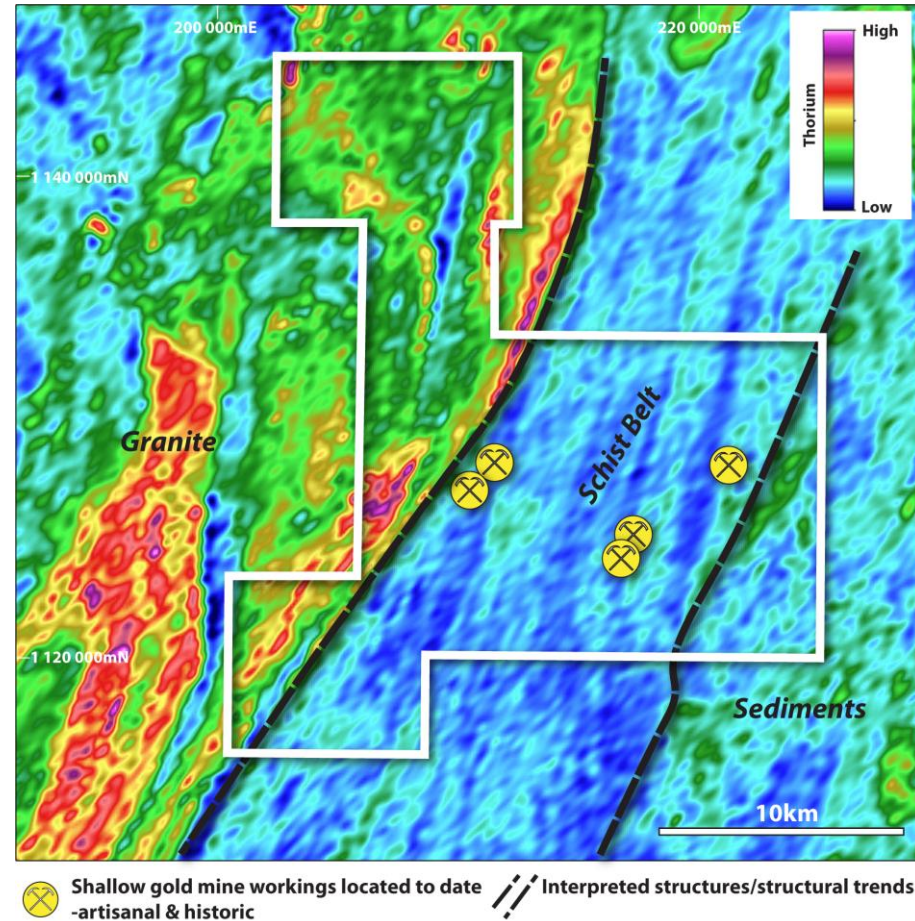
Kasele

- Includes 10 kilometre strike length of mineralised Buruba Shear Zone
- Rock chips from shear returned:
 - 168.0 g/t gold from schist bedrock
 - 17.2 g/t gold from quartz vein
 - 6.9 g/t gold from quartz vein
 - 2.8 g/t gold from schist bedrock
- Significant gold-in-soil anomaly returned along schist-granite contact
 - Assays exceeded 1,000ppb gold



Kagara

- Located 130 kilometres northwest of Abuja
- Cover 20 kilometre strike length of a secondary shear zone, intersecting the mineralised Baruba Shear Zone
- Artisanal workings present within project area
- Encouraging geophysical signature



Exploration Strategy

- Nigerian - rapidly emerging as the next address for discovering West African gold deposits
- Absence of modern exploration in Nigerian gold fields to date
 - Considered early-stage gold play despite outcropping primary gold mineralisation
- AUZ established a strong Nigerian presence
 - Five in-country staff geologists
 - Large team of Nigerian field assistants
 - Permanent field office in Nigeria
- On-going collaboration with Nigerian Geological Survey Agency



Current Program

- Drill test Tsauni project in early 2012
 - Targeting strike and depth continuation of mineralised gold system
- Soil sampling of entire 9 kilometre strike length of Yargarma shear zone (commenced November 2011)
- Surface geochemical sampling of entire 10 kilometre Baruba shear zone at Kasele project area (40% complete to date)
- High-resolution aeromagnetic surveys over mineralised shear ZONES (currently reviewing quotes from geophysical contractors)



Corporate Profile

| | |
|------------------|------------|
| ASX Code | AUZ |
| Market Cap | \$8.9m |
| Ordinary Shares | 636.9m |
| Listed Options | 59.5m |
| Share price | 1.4c |
| Cash | \$2.0m |
| Debt | nil |
| % held by top 20 | 38% |

Board of Directors

| | |
|--------------------|-------------------|
| Non Exec Chairman | Michael Ramsden |
| CEO | Benjamin Bell |
| Executive Director | Dominic Marinelli |
| Non Exec Director | Mike Elias |
| Non Exec Director | Neil Warburton |
| Non Exec Director | Brett Young |

(as at 24 November 2011)



Why Invest in Australian Mines

- First-mover advantage in emerging West African gold province
- Large tenement holding – potential for multiple ore bodies
- Gold mineralisation confirmed within four key project areas
- Experienced management leading established Nigerian-based exploration team
- Significantly undervalued



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