

AGM Presentation

19 November 2012

Australian Mines Limited



Milestones achieved in 2011-12

- Acquired prospective tenement package within a proven gold field in Nigeria
- Confirmed gold mineralisation present across key project areas
- Identified high-priority gold targets warranting further exploration
- Commenced maiden drilling program of priority target zones
- Secured funding for a sustained gold exploration program to 2014 through the sale of non-core Australian assets



Attractive tenement portfolio

- Targeting West African-style gold across Nigeria's northwest gold fields
- 2,500 km² ground holding
 - All tenements 100% owned by AUZ
 - No JV or royalty agreements
- Easy access to tenements
 - Sealed public roads to project areas
- Artisanal gold workings observed within all key project areas



... in a stable and supportive country

- Nigeria – a significant oil producer for the past 60 years
 - Demonstrates a long term ability to attract & work with foreign resource companies
- Government actively encouraging a vibrant gold mining sector
 - Commissioned World Bank to draft Nigeria's Mining Act to ensure world's best practice
 - Act as an "administrator" not "participant" – i.e., companies hold 100% of projects
 - Exclusive right for companies to convert exploration licences to mining leases
 - No mining or resource rent tax (tax system simply 5% gold royalty & 30% corporate tax)
- Safe working environment
 - Similar risk profile as Thailand, Brazil and Burkina Faso
 - Democratically elected Government (American-style Presidential system)
 - Welcoming local communities



Gold potential demonstrated

- Numerous active artisanal workings within key project areas of:
 - Yargarma
 - Kasele
 - Teginia
- Yargarma - rock chips returned:
 - 9.8 g/t gold 7.7 g/t gold
 - 7.4 g/t gold 5.6 g/t gold
- Kasele - rock chips included:
 - 65.0 g/t gold 7.1 g/t gold
 - 6.9 g/t gold

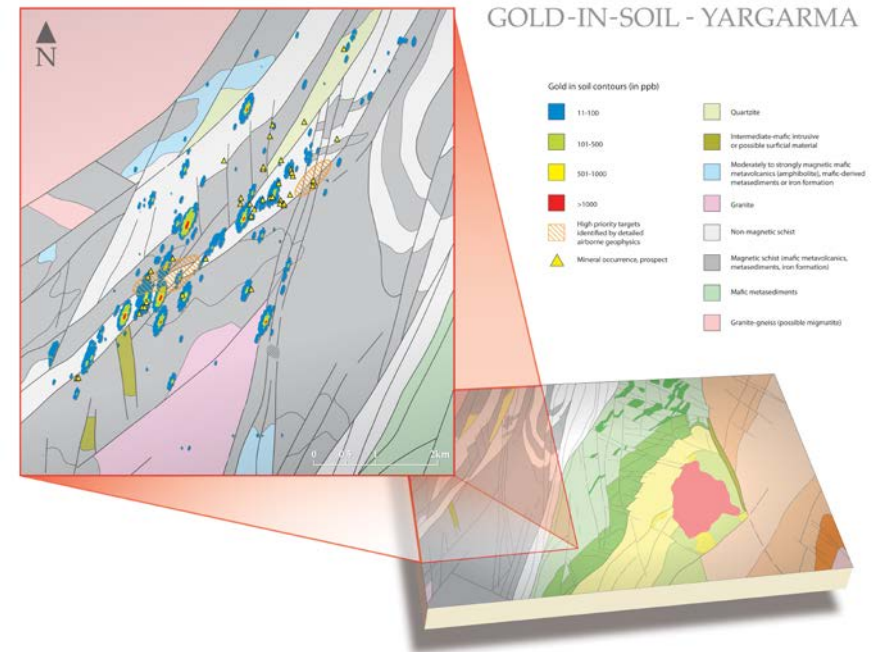


Artisanal gold working within AUZ's Kasele project area (to be drilled as part of the current program)



Priority gold targets identified

- Multiple gold-in-soil anomalies recorded at Yargarma and Kasele
 - Peak assay values exceeded 1 g/t (1,000 ppb) gold
 - Anomalies situated along favorable shear zone geology
- Over 20 gold targets revealed by high-resolution geophysics including:
 - 3 high-priority gold targets at Yargarma
 - 2 high-priority gold targets at Kasele
- Coincident geochemical and geophysical anomalies with evidence of artisanal mining



Example of the anomalies returned from the detailed Yargarma geochemical sampling (100 x 20 m grid)



Drilling commenced at priority targets

- Maiden drill program currently in progress
- Targeting primary gold below known surface mineralisation
- Initially drill testing four specific mineralised areas
- Follow-up RC drill program proposed for early 2013



Diamond core drilling currently in progress at Yargarma (photo taken at hole YADD001)



Strong cash position funding exploration

| | AUZ |
|---|--|
| ASX Code | |
| Share price | 2.6 cents |
| Fully paid Ordinary Shares | 666.9 million |
| Options (4 cents expiring 30 June 2013) | 59.5 million |
| Unlisted Options (2 -12 cents expiring November 2014) | 54.7 million |
| Market Capitalisation | 17.3 million |
| Cash in bank | \$1.9 million (as at 14 November 2012) |

AUZ to also receive:

\$2.5 million cash payment from Alacer Gold on 28 June 2013 plus

\$0.7 million cash payment from Pioneer Resources in March 2013

following the divestment of non-core Australian assets

All amounts expressed in Australian Dollars

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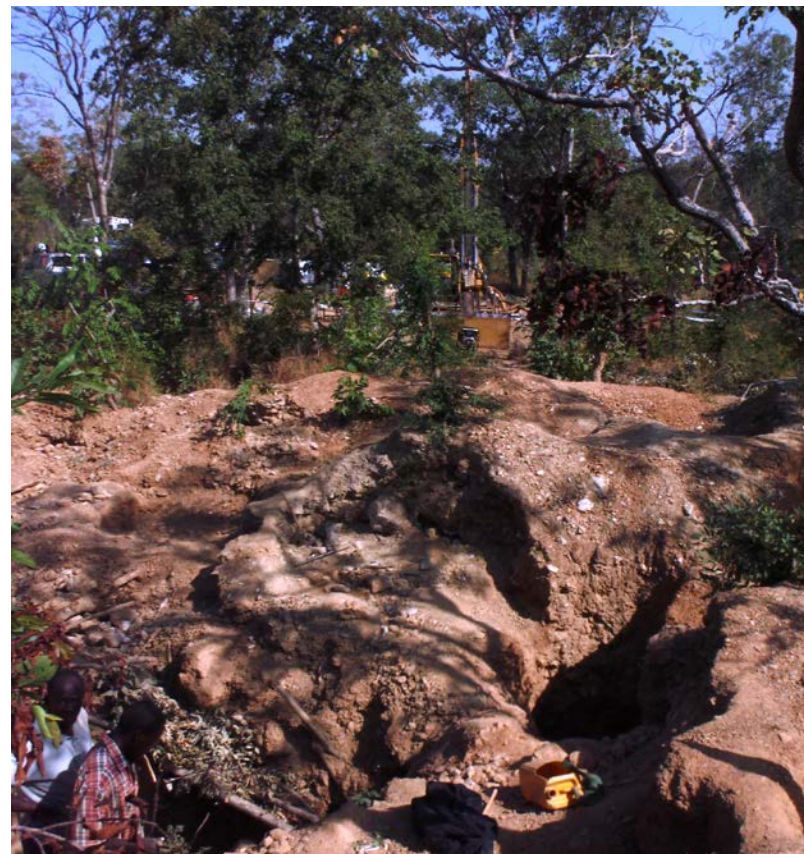
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Active artisanal working in foreground; position of drill rig at hole YADD001 visible in background

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