

HIGH PURITY ALUMINA (HPA) OPTIMISATION TEST WORK AND BULK SAMPLE UPDATE

HIGHLIGHTS

- **Results of optimisation test work to date include:**
 - Initial leaching phase successfully carried out on a continuous basis;
 - Optimal leaching temperatures lower-than-expected;
 - Considerable processing efficiencies identified to streamline the process; and
 - Successful production of intermediate aluminium chloride at 99.99% purity before final HPA product;
- **Initial stages of bulk sample program commenced to produce approximately 20kgs of 99.99% (4N) HPA:**
 - Final bulk trade sample will be sent to international end-users and potential off-take partners.

Australia Minerals and Mining Group Limited (**ASX: AKA**) (AMMG/the Company) is pleased to provide an update on the progress of the current high purity alumina (**HPA**) optimisation test work (**Test Work**) conducted by AMMG's specialist engineering consultants (Consultants) as well as the commencement of the **bulk sample program** for potential **off-take** customers.

The last remaining stages of the Test Work are nearing completion and further updates will be announced upon completion.

AMMG and the Consultants have commenced the bulk sample production program, which aims to produce a large **trade sample** of approximately 20kgs of 4N HPA for despatch to international end-users and potential off-take customers.

Based on the preliminary assay results of the intermediate aluminium chloride, which indicated a purity of 99.99%, the subsequent final HPA product's target purity of 99.99% (4N) aluminium oxide (Al_2O_3) should be achievable.

Following the two final stages of calcination and washing within the process, the assay results of the final HPA should verify that the product is of the **desired purity** level provided no outside contaminants were introduced during these final stages.

The Test Work has identified **considerable efficiencies** to streamline the process by way of optimising reagent concentrations, solid-liquid ratios, temperatures as well as the consolidation of solid/liquid separation and washing equipment.

The initial leaching phase of AMMG's process was successfully conducted on a **continuous basis**, which confirmed its capacity for the full-scale processing pilot plant (**Plant**). Further, lower-than-expected optimal leaching temperatures were determined, which reduces the energy consumption.

These efficiencies were incorporated into the design of AMMG's HPA Plant detailed in the announcement dated June 5, 2014 ([please click here to view the announcement](#)).



Figure 1. Leaching phase of AMMG's process conducted on a continuous basis

Off-take Negotiations & Funding

AMMG has received several requests for its HPA product from some major end-users and potential off-take customers from around the world. The Company looks forward to providing its trade sample of HPA to those interested end-users and believes the sample may further support its off-take negotiations.

AMMG is highly encouraged by the recently revised **capex/opex** figures indicated by the integrated plant study (Study) previously announced to the market. The Company aims to secure competitive funding arrangements for its proposed Plant following the completion of the current Test Work as well as off-take negotiations.

In parallel to developing its ongoing fundraising activities in Australia, AMMG is advancing its funding strategy for the Canadian capital and investment markets, following the investor road show conducted in early 2014.



Figure 2. Sample of unwashed aluminum oxide produced during the Test Work

ENDS

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About AMMG

AMMG was established for the purpose of securing exploration ground over areas that have typically been subject to **historical exploration** and where **significant geological data** was available and/or the land was considered sufficiently prospective. Areas with existing or potential access to infrastructure were also targeted.

To date, the Company has identified project areas located in Western Australia and Queensland, which the directors believe may have the potential for the realisation of economic resources of these commodities currently targeted, being - **alumina, kaolin (aluminous clay), iron ore, coal, mineral sands, salt, gypsum and gold.**

The Company itself or under joint venture now has **10 granted tenements and 16 applications** for tenements covering approximately **7,450km²** over the project areas. AMMG is pursuing a **diversification strategy** at this stage of the Company's development in order to provide additional development options and potential production opportunities.