Welcome

China Road Show

To take advantage of China's continued expansion in securing potential sources of mineral supply, AMMG travelled to China in early March to market its diversified suite of mineral projects and strengthen Chinese networks.

Representatives from China's mineral sectors showed strong interest in AMMG's projects that target historical data and potential accessible infrastructure. The road show assisted AMMG in associating with key strategic partners, with further meetings in Australia and China planned for the coming months.

Joint Venture Agreement

In seeking to enhance shareholder value, AMMG signed a strategic joint venture agreement with Alphabrass Resources Pty Ltd (backed by Josh Pitt & Neil Tomkinson), which combines the mineral rights containing copper, zinc, gold and silver at its Yilgarn Illaara project. AMMG retains the iron ore and associated minerals rights.

Yilgarn Iron Ore Project

AMMG's recent site reconnaissance at the Yilgarn Iron Ore project allowed the Company to take samples for analysis from the Bencubbin tenement area (E70/4078). A further field trip is now required with methodical mapping and rock chip sampling for further analysis.

Thank you for your continued support.

Ric Dawson

Managing Director

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OUR PROJECTS

Constance Range Iron Ore Project, Queensland

Yilgarn Iron Ore Project, WA

Lake Macleod Gypsum Project, Northwest WA

South West Kaolin Project, WA

East Pilbara Iron Ore Project, WA

South West Salt Project, WA

South West Mineral Sands Project, WA

Canning Coal Project, Kimberley, WA

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Site reconnaissance at the Yilgarn Iron Ore project

AMMG recently undertook a site reconnaissance at the Bencubbin tenement area, 140kms north-east of Perth.

The field trip concluded that BIF (quartz/magnetite) outcropping occurred significantly in the tenement area.

Welcoming local landowners allowed the Company access to the BIF outcrops and samples were taken for analysis.

A further field trip to the other Yilgarn Iron Ore tenements is planned for early June, which will require methodical mapping and rock chip sampling. Meetings with relevant landowners will also be scheduled.

AMMG has two granted tenements at Koolyanobbing and Illaara.

Another two exploration licence applications were recently applied for near Burngup E70/4060 and Goomalling E70/4097.

The other five applications are located at Pingaring, Kukerin, Ularring, Brontie and Bencubbin.

The total area granted and under application status is now approximately 1,532km^2.

A further field reconnaissance to the project is required, involving possible ground magnetics and RC drilling to determine the development of hematite, magnetite in this meta iron formation.

AMMG News

May 2011

AMMG Corporate strategy extends to China markets

AMMG has broadened its investor relations footprint to enterprises in China and Hong Kong.

The Company's recent marketing road show to interested parties in China was a strategic step in fostering strong relationships with key stakeholders in China.

AMMG showcased the latest Strategic Co-Operation / Investor Presentation (see website for copy) to a number of interested parties in Shenzhen, Guangzhou, Hainan, Shanghai and Beijing.

AMMG is highly encouraged with the level of interest in the Company's diversified suite of mineral projects. As a result, four confidentiality agreements and engagement letters have been signed with interested parties.

Managing Director, Ric Dawson, says "it was apparent that the location of our projects in a country that is close to China, is politically stable, and on the same time zone, was viewed highly, especially in the context of recent world events."

Australia is viewed as being a highly desirable country to invest in, The shipping freight distance for bulk mineral commodities is a big consideration.

Of particular note, whilst in China, AMMG learnt that the reported level of import duties levelled by the Chinese Government on imported minerals is in the range of 14 - 17% on the contract price.

AMMG News

May 2011

Joint Venture Copper-Gold rights at Illaara project

A joint venture agreement was made between AMMG and Alphabrass Resources Pty Ltd, who will undertake base metals exploration on AMMG's granted Illaara tenement. The rights to copper, zinc, gold and silver are now joint ventured to Alphabrass, with the mineral rights to iron ore and associated minerals retaining to the Company.

Mr Ric Dawson, AMMG's Managing Director, said "the agreement offers tremendous potential, it will give the Company an opportunity to share in a potential new discovery of copper or gold whilst preserving our capital outlay as well as retaining the mineral rights to the iron ore potential, which is our focus of interest from China".

Alphabrass will explore the tenement using their proprietary approach to exploration for Volcanic Massive Sulphide (VMS) style copper-zinc-gold-silver deposits.

Alphabrass Resources Pty Ltd is a privately owned mineral exploration company with a brief to explore for VMS style copper-zinc-gold-silver deposits in the Yilgarn block of Western Australia.

The directors of Alphabrass are John McIntyre, Scott Halley, Joshua Pitt and Neil Tomkinson. Mr Pitt is a non-executive director of Traka Resources Ltd, Red Metal Ltd, Red Hill Iron Ltd, Pan Pacific Petroleum NL and Hampton Hill Mining NL.

AMMG announces Lake Macleod Gypsum project JORC Inferred Resource

AMMG announced an inferred mineral resource at its Lake Macleod North project of 30.9Mt of gypsum at **a grade of 89.5%** using a cut-off of 85% contained $CaSO_4$ (calcium sulphate).

The resource estimation was prepared by independent geological consultant, Reynard Australia and is included below, at cut off grades of 75%, 80%, 85% and 90% $CaSO_4$ using an assumed bulk density of 2.0 t/m^3.

The Company anticipates a further resource estimation at its Lake Macleod North project.

	M Tonnes	*M Tonnes*	*M Tonnes*	*M Tonnes*
North Block 1	5.6	5.5	4.9	3.5
South Block 2	35.2	34.1	26.1	9.8
Total	**40.8**	**39.6**	**30.9**	**13.2**
Overall Grade	**87.7%**	**88.0%**	**89.5%**	**92.1%**
Cut-off Grade	>75%	>80%	>85%	>90%

AMMG News

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AMMG representatives inspecting kaolin test pit located at Meckering E70/3923

Shareholder Services

Share Registry

Any shareholders wishing to perform any of the following tasks should visit our share registry on www.securitytransfer.com.au:

- Seek information about their shareholdings or related administrative matters, including account details, balances, payments;
- Download the forms necessary to initiate changes to the details held on the company's shareholder records:

AMMG's Share Registry contact details are:
Security Transfer Registrars Pty Ltd
770 Canning Highway
Applecross WA 6953
T: (08) 9315 2333
F: (08) 9315 2233
E:
registrar@securitytransfer.com.au
www.securitytransfer.com.au

Change of Address Notification

Any shareholders who have changed their address are asked to provide written advice of the change, quoting the relevant shareholder number to AMMG's share registry - Security Transfer Registrars Pty Ltd.

Subscribe to E-mail Alerts

If you wish to subscribe to be notified by email of AMMG's announcements made to the ASX, as well as to receive notifications of the release of the Company's Annual and Half Year Reports, please subscribe to e-mail alerts via the Company's website. Electronic communication of company information helps to reduce expenditure on printing and mailing as well as contribute positively to the environment.

AUSTRALIA MINERALS & MINING GROUP LTD

was incorporated on 8th May 2007, for the purpose of securing tenements over land that had been subject to historical exploration and where significant geological data was available and / or the land was considered sufficiently prospective due to proximity to existing resources and infrastructure.

The Company has identified eight separate project areas, located in Western Australia and Queensland, which the Directors believe has the potential for the realisation of economic resources of these commodities - iron ore, gypsum, mineral sands, salt, kaolin and coal.

The Company has nine granted tenements and 41 applications for tenements covering in excess of 9,124 square kilometres over the eight project areas.

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COMPETENT PERSONS STATEMENT

Information in this report is based on information compiled by Derek Judkins, who is a Member of the AusIMM and is an employee of AMMG. He has sufficient relevant experience to qualify as a competent person as defined in the 2004 edition of the Australasian Code for Reporting of Mineral Resources and Ore Reserves (JORC code). Derek Judkins consents to the inclusion in this report of this information in the form and context in which it appears.