

October 24, 2012

Dear Optionholder

**Re: OPTION EXPIRY**

Notice is hereby given that the final date for exercising the Company's 20 cent, 30 November 2012 listed options (**Options**) is 5.00pm WST on 30 November 2012. The exercise price is \$0.20 per option. Optionholders will be issued with one new fully paid ordinary share (**Ordinary Share**) in Australia Minerals and Mining Group Ltd for each option exercised.

Options not exercised by 5.00pm WST 30 November 2012 will expire. Quotation of the options will cease at the close of trading on Friday 23 November 2012. Failure to exercise the Option will result in the forfeiture of any rights that the Optionholder may have in relation to Ordinary shares.

To convert your Options to Ordinary Shares (**Exercise of Options**) please complete an option exercise form and return to:

Security Transfer Registrars    or deliver to  
PO Box 535  
Applecross WA 6953  
Australia

Security Transfer Registrars  
770 Canning Highway  
Applecross WA 6153  
Australia

Cheques should be made payable to Australia Minerals and Mining Group Ltd. Receipt for payment will not be forwarded.

During the three months preceding the date of this notice the highest sale price and the lowest sale price of Ordinary Shares in Australia Minerals and Mining Group Ltd was \$0.17 on 17 April and 2 May 2012 and \$0.071 on 25 September 2012 respectively. The latest available market sale price on the ASX Limited before the date of this notice was \$0.08 on 22 October 2012.

If you wish to clarify any taxation consequences relation to the exercise of options, please consult your solicitor, accountant or professional advisor.

Yours faithfully

Piers Lewis  
Company Secretary

