



ABN 45 125 301 206

PROSPECTUS

For a placement of up to 21,465,000 new Options on the basis of one (1) new Option for every one (1) Listed Option held by Optionholders registered at 5.00pm (WST) on 31 March 2014 at an issue price of 0.2 cents per Option to raise approximately \$42,930 (**Offer**).

Each Option has an exercise price of \$0.20 each on or before 5.00 pm (WST) on 31 May 2015.

The Offer is not underwritten.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Options offered by this Prospectus should be considered as speculative.

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1. SUMMARY OF IMPORTANT DATES AND IMPORTANT NOTES

TIMETABLE AND IMPORTANT DATES

Record Date for determining entitlements to Options	5pm (WST) 31 March 2014
Lodgement of Prospectus with ASIC and ASX	4 April 2014
Prospectus dispatched to Optionholders	9 April 2014
Opening Date of Offer	12 April 2014
Closing Date of Offer*	23 April 2014
Expected date for allotment of new Options	28 April 2014

* These dates are indicative only and the Directors may vary them at their discretion.

IMPORTANT NOTES

Optionholders should read this document in its entirety and, if in doubt, should consult their professional advisors.

This Prospectus is dated 4 April 2014 and a copy of this Prospectus was lodged with the ASIC on that date. The ASIC and ASX take no responsibility for the content of this Prospectus or the merits of the investment to which it relates.

The Expiry Date of the Prospectus is the date that is 13 months after the date of this Prospectus (**Expiry Date**). No Options will be allotted or issued on the basis of this Prospectus after the Expiry Date.

Applications for Options offered pursuant to the Offer under this Prospectus can only be submitted on an original Entitlement and Acceptance Form which accompanies this Prospectus.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

No person is authorised to give information or to make any representation in connection with this Prospectus which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

Potential investors should be aware that subscribing for Options in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in section 6 of this Prospectus. These risks together with other general risks applicable to all

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investments in listed securities not specifically referred to, may affect the value of the Options in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Options pursuant to this Prospectus.

In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

Exposure Period

This Prospectus will be circulated during the Exposure Period. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. You should be aware that this examination may result in the identification of deficiencies in this Prospectus and, in those circumstances, any application that has been received may need to be dealt with in accordance with Section 724 of the Corporations Act. Applications for Options under this Prospectus will not be processed by the Company until after the expiry of the Exposure Period. No preference will be conferred on applications lodged prior to the expiry of the Exposure Period.

TRANSACTION SPECIFIC PROSPECTUS

This Prospectus is a transaction specific prospectus for an offer of options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

ELECTRONIC PROSPECTUS

Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

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2. CORPORATE DIRECTORY

DIRECTORS

Luke Atkins (Chairman)
Ric Dawson (Managing Director)
Daniel Tenardi (Non-Executive Director)
Peter Bailey (Non-Executive Director)

AUDITORS*

Moore Stephens
Level 3, 12 St Georges Terrace
Perth, WA 6000

COMPANY SECRETARY

Piers Lewis

SHARE REGISTRY*

Security Transfer Registrars
770 Canning Hwy
Applecross
WA 6153

REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS

3 Bay Road
Claremont, Western Australia 6010
Phone: +618 9389 5557
Facsimile: +618 9389 5510
Email: info@ammg.com.au
Website: www.ammg.com.au

Tel: (618) 9315 2333
Fax: (618) 9315 2233

SOLICITORS

Steinepreis Paganin
Lawyers and Consultants
Level 4
16 Milligan Street
PERTH WA 6000

STOCK EXCHANGE LISTING

The Company is listed on Australian Securities
Exchange
Home Exchange – Perth
ASX Codes: AKA

* These parties are included for information purposes only. They have not been involved in the preparation of this Prospectus.

3. DETAILS OF THE OFFER

3.1 Offer of Options

This Prospectus is for the offer of Options pursuant to a placement of up to 21,465,000 Options on the basis of 1 new Option at an issue price of 0.2 cents each for every 1 Listed Option held by Optionholders at the Record Date, to raise up to approximately \$42,930 (**Offer**).

The Options will be exercisable at \$0.20 each on or before 5.00 pm (WST) on 31 May 2015. Refer to Section 5.1 for the full term of the Options.

All of the Shares issued upon the future exercise of the Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to section 5.2 for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the Offer is set out in Section 4 of this Prospectus. Funds raised will be used to pay the costs of the Offer and for working capital.

3.2 No Minimum Subscription or Oversubscription

There is no minimum number of Options which must be applied for under the Offer before Options will be issued pursuant to this Prospectus. The Company is authorised to issue up to approximately 21,465,000 Options. Oversubscriptions will not be accepted.

3.3 How to Accept the Offer

Acceptance of your Entitlement must be made on the Entitlement and Acceptance Application Form accompanying this Prospectus (and headed *Entitlement and Acceptance Application Form*) in accordance with the instructions set out therein.

As an Optionholder you may participate in the Offer as follows:

- a) If you wish to accept your Entitlement in **full**;
 - i) complete the Entitlement and Acceptance Form, filling in the details in the spaces provided; and
 - ii) attach your cheque for the amount indicated on the Entitlement and Acceptance Form; or
- b) if you only wish to accept **part** of your Entitlement:
 - i) fill in the number of Options you wish to accept in the space provided on the Entitlement and Acceptance Form; and
 - ii) attach your cheque for the appropriate application monies (at \$0.002 per Option); or
- c) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything (in which case you will receive no benefit from your Entitlement).

Your completed Entitlement and Acceptance Form and cheque must reach the Company's share registry no later than 5pm WST on the Closing Date.

The Offer is non-renounceable. Accordingly, a holder of Shares may not sell or transfer all or part of their Entitlement.

3.4 Underwriting

The Offer is not underwritten.

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3.5 Australian Securities Exchange Listing

Application for Official Quotation of the Options offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If the ASX does not grant permission for Official Quotation of the Options within three (3) months after the date of this Prospectus, (or such period as varied by the ASIC), the Company will not issue any Options and will repay all application monies for the Options within the time prescribed under the Corporations Act, without interest.

Upon exercise of the Options by an Optionholder in accordance with their terms, the Company will make application for Official Quotation of the underlying Shares issued upon the exercise of the Options.

The fact that the ASX may grant Official Quotation to the Options or the underlying Shares is not to be taken in any way as an indication of the merits of the Company or the Options now offered for subscription.

3.6 Issue of Options

Options offered pursuant to the Offer will be issued as soon as practicable after the Closing Date. The Company will issue the Options on the basis of an Optionholder's Entitlement. Surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the Closing Date.

Options issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Options issued is less than the number applied for, or where no issue is made, under the Shortfall Offer surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the issue of the Options or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Options under the Offer will be mailed as soon as possible after the Closing Date and for Options issued under the Shortfall Offer as soon as practicable after their issue.

3.7 Application Monies

All applications must be completed in accordance with the detailed instructions contained on the reverse of the Entitlement and Acceptance Form and be accompanied by a cheque or bank cheque drawn and payable on an Australian bank and must be made payable to "**Australia Minerals and Mining Group Ltd – Share Offer Account**" and should be crossed "**Not Negotiable**". Application monies will be held on behalf of applicants until the Options are issued. If any application is rejected in whole or in part, the amount tendered in respect of the Options that have not been issued will be repaid to the unsuccessful Applicant, without interest.

3.8 Shortfall Offer

Any Entitlements not subscribed for under the Offer will form part of the Shortfall. The Directors reserve the right to issue Shortfall Options to unrelated parties of the Company at their absolute discretion.

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The Directors reserve the right to allot to an Applicant a lesser number of Shortfall Options than the number for which the Applicant applies for on their Shortfall Application Form, or to reject an application, or to not proceed with placing some or all of the Shortfall.

The offer of any Shortfall Options is a separate offer made pursuant to this Prospectus and will remain open for up to three (3) months following the Closing Date. The issue price of any Shortfall Options shall be \$0.002 (0.2 cents) per Shortfall Option being the price at which the Entitlement has been offered to Option Holders pursuant to this Prospectus. Applicants wishing to apply under the Shortfall Offer can apply on the Shortfall Application Form attached to or accompanying this Prospectus.

3.9 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing option certificates. The Company will apply to ASX to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Options allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number (**HIN**) and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

3.10 Overseas Optionholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. No action has been taken to register this Prospectus or otherwise to permit an offering of Options in any jurisdiction outside Australia.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Optionholders, the number and value of Options these Optionholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Options will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

Optionholders resident in New Zealand should consult their professional advisors as to whether any government or other consents are required, or other formalities need to be observed, to enable them to exercise their Entitlements under the Offer.

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3.11 Taxation Implications

The Directors do not consider that it is appropriate to give Applicants advice regarding the taxation consequences of applying for Options under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation consequences. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to Applicants. Potential Applicants should, therefore, consult their own professional tax adviser in connection with the taxation implications of the Options offered pursuant to this Prospectus.

3.12 Privacy Act

If you complete an application for Options, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as an Optionholder, facilitate distribution payments and corporate communications to you as an Optionholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Options, the Company may not be able to accept or process your application.

3.13 Enquiries

Any questions concerning the Offer should be directed to the share registry on (+61 8) 9315 2333 or the Company on (+61 8) 9389 5557 or contact your professional adviser.

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4. PURPOSE AND EFFECT OF THE OFFER

4.1 Purpose and Effect of the Offer

The purpose of the Offer is to raise approximately \$42,930. Under the Offer, up to 21,465,000 new Options are available for issue and will be issued if the Offer is fully subscribed. The Options will be issued for 0.2 cents each. Net proceeds from the Offer will be credited to issued capital and debited to cash at bank in the Company's balance sheet.

Expenses of the Offer of approximately \$24,392 will be met from the Company's proceeds of the Offer with any additional amounts above the amount raised from the Offer being met from the Company's working capital. After expenses of the Offer, any residual funds will be allocated to the general working capital of the Company.

4.2 Capital Structure on Completion of the Offer

A table of changes in the capital structure of the Company as a consequence of the Offer is set out below:

	Number of Shares	Number of Listed Options	Number of new Options	Number of Unlisted Options	Number of Performance shares
Balance at the date of this Prospectus	107,758,502	21,465,000*	Nil	12,166,432	8,000,000
To be issued under the Offer	Nil	Nil	21,465,000	Nil	Nil
Total Securities after the Offer	107,758,502	21,465,000	21,465,000	12,166,432	8,000,000

* These Options are exercisable at \$0.20 on or before 31 March 2014 and will expire prior to the Closing Date of the Offer.

Assuming all of the Options are issued, the principal effect of the Offer will be to increase the cash reserves by approximately \$18,538 immediately after completion of the Offer after deducting the estimated expenses of the Offer.

If all of the Options under the Offer are issued and subsequently exercised, and no other securities are issued, the number of ordinary fully paid shares on issue in the Company will be 129,223,502.

5. **RIGHTS AND OBLIGATIONS ATTACHING TO THE SHARES AND OPTIONS**

5.1 **Terms and Conditions of Options**

a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

b) **Exercise Price**

Subject to paragraph j), the amount payable upon exercise of each Option will be \$0.20 (**Exercise Price**).

c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 31 May 2015 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the later of the following:

- i) the Exercise Date; and
- ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

but in any case no later than 20 Business Days after the Exercise Date, the Company will:

- iii) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

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- iv) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- v) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under g)iv) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

h) Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

i) Quotation of Shares issued on exercise

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

j) Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

k) Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

l) Change in exercise price

Except as expressly set out in the terms, an Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

m) Adjustment for bonus issue of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the

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Optionholder would have received if the Optionholder had exercised the Option before the record date for the bonus issue; and

- ii) no change will be made to the Exercise Price.

n) Transferability

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

5.2 Rights Attaching to Shares

Full details of the rights attaching to Shares are set out in the Company's Constitution a copy of which can be inspected, free of charge, at the Company's registered office during normal business hours.

The following is a broad summary of the rights, privileges and restrictions attaching to all Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders.

All Shares issued pursuant to this Prospectus will from the time they are issued, rank pari passu with all the Company's existing Shares.

Voting Rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares (at present there are none), at meetings of shareholders of AMMG:

- a) each shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares, shall have such number of votes as bears the same proportion which the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited).

Rights on Winding Up

Subject to the rights of holders of shares with special rights in a winding up (at present there are none), on a winding up of the Company all assets that may be legally distributed among members will be distributed in proportion to the number of fully paid shares held by them (and a partly paid share is counted as a fraction of a fully paid share equal to the amount paid on it, divided by the total issue price of the share).

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Transfer of Shares

Subject to the Constitution of the Company, the Corporations Act 2001, and any other laws and ASX Settlement Operating Rules and ASX Listing Rules, Shares are freely transferable.

Future Increases in Capital

The allotment and issue of any Shares or Options is under the control of the Directors. Subject to restrictions on the allotment of Shares or Options to Directors or their associates, the ASX Listing Rules, the Constitution of the Company and the Corporations Act 2001, the Directors may allot or otherwise dispose of Shares or Options on such terms and conditions as they see fit.

Variation of Rights

Under the Corporations Act 2001, the Company may, with the sanction of a special resolution passed at a meeting of shareholders vary or abrogate the rights attaching to shares. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of the issue of the shares of that class), whether or not the Company is being wound up may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

Dividend Rights

Subject to the rights of holders of shares issued with special, preferential or qualified rights (at present there are none), the profits of the Company which the Directors determine to distribute by way of dividend are divisible among the Shareholders in proportion to the number of Shares held by them.

6. RISK FACTORS

6.1 Introduction

The business activities of the Company are subject to various risks that may impact on the future performance of the Company. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. There are a number of risk factors that investors should consider and seek independent advice on, before deciding whether or not to invest in Options. Set out below is a summary of the principal risk factors which should be considered before subscribing for Options under this Prospectus. This list is not exhaustive and potential Applicants should examine the contents of this Prospectus and consult their professional advisers before deciding whether to apply for Options.

6.2 Specific Risks to the Company

There are also a number of specific risks associated with the Company which may adversely affect the Company's financial position, prospects and price of its listed securities. In particular, the Company is subject to risks relating to the exploration and development of mineral properties which are not generally associated with other businesses.

Set out below are specific risks that may adversely affect the Company.

Regulatory Risk

The Western Australian Department of Mines and Petroleum (**Department**) from time to time reviews the environmental bonds that are placed on tenements. The Directors are not in a position to state whether a review is imminent or whether the outcome of such a review would be detrimental to the funding needs of the Company.

Economic Risks

Economic factors beyond the control of the Company, such as changes in commodity prices, interest rates, inflation, exchange rates and taxation, may negatively impact on the revenue and profitability of the Company.

Limited Liquidity

Whilst the Company does have a strategy to proceed with an application to list the Options on the ASX, and the Offer is subject to the Options being admitted to quotation, there is no recognised market for buying and selling the Options at this time.

Mineral and Exploration Risk

The business of exploration, project development and mining contains risks by its very nature. To prosper, it depends on the successful exploration and/or acquisition of reserves, design and construction of efficient production/processing facilities, competent operation and managerial performance and proficient marketing of the product. In particular, exploration is a speculative endeavour and certain

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circumstances, cost over runs and other unforeseen events can hamper mining operations.

Environmental Impact Constraints

The Company's exploration programs will, in general, be subject to approval by governmental authorities. Development of any of the Company's properties will be dependent on the project meeting environmental guidelines and, where required, being approved by governmental authorities.

Operating Risks

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits; failure to achieve predicted grades in exploration and mining; operational and technical difficulties encountered in mining; difficulties in commissioning and operating plant and equipment; mechanical failure or plant breakdown; unanticipated metallurgical problems which may affect extraction costs; adverse weather conditions; industrial and environmental accidents; industrial disputes; and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

Resource Estimates

Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. At this stage the project held by Australia Minerals & Mining Group Ltd does not contain any resource estimates. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.

Title Risks and Native Title

Interests in tenements in Australia are governed by the respective State legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments. It is also possible that, in relation to tenement which the Company has an interest in or will in the future acquire such an interest; there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected. The Directors will closely monitor the potential effect of native title claims involving tenements in which the Company has or may have an interest.

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Additional Requirements for Capital

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the capital raising. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programs as the case may be.

Reliance on Key Management

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

6.3 General Risks

Securities Investment

Securities listed on the stock market, have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the Options and Shares regardless of the Company's performance.

The Options allotted under this Prospectus carry no guarantee whatsoever in respect of profitability, dividends, return of capital, or the price at which the securities may trade on the ASX.

Economic Conditions

Economic conditions, both domestic and global, may affect the performance of the Company. Factors such as currency fluctuation, inflation, interest rates, supply and demand and industrial disruption have an impact on operating costs, and share market prices. The Company's future possible revenue and share price can be affected by these factors all of which are beyond the control of the Company and the Directors. In addition, the Company's ability to raise additional capital, should it be required, may be affected.

6.4 Investment Speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Options offered under this Prospectus.

Therefore, the Options to be issued pursuant to this Prospectus carry no guarantee with respect to the market value of those securities.

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Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Options under this Prospectus.

7. ADDITIONAL INFORMATION

7.1 Continuous Disclosure Obligations

The Company is a "disclosing entity" (as defined in Section 111AC of the Corporations Act) for the purposes of Section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities. The Shares that will be issued on conversion of the Options issued pursuant to this Prospectus are in the same class of Shares that have been quoted on the Official List of the ASX during the 3 months prior to the issue of this Prospectus.

This Prospectus is a "transaction specific prospectus". In general terms "transaction specific prospectuses" are only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available Information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- a) it is subject to regular reporting and disclosure obligations;
- b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in Section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- c) to the extent they are available, it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:

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- i) the annual financial report most recently lodged with the ASIC by the Company; and
- ii) any half-year financial report lodged with the ASIC by the Company after the lodgement of that annual report and before the lodgement of this Prospectus with the ASIC; and
- iii) any continuous disclosure documents used to notify ASX of information relating to the Company in the period from lodgement of the financial statements referred to in paragraph (i) above until the issue of the Prospectus in accordance with the Listing Rules as referred to in Section 674(1) of the Corporations Act.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

The Company has lodged the following announcements with ASX since lodgement of the Company's 2013 Annual Report on 12 September 2013:

Date	Description of Announcement
20/09/2013	Notice of Annual General Meeting/Proxy Form
23/09/2013	AMMG Newsletter September 2013
16/10/2013	Quarterly Activities Report
22/10/2013	Results of Meeting
24/10/2013	Quarterly Cashflow Report
30/10/2013	Investor Presentation Bauxite & Alumina Singapore conference
4/11/2013	Investor Presentation at China Mining 2013 Congress Tianjin
3/12/2013	Appendix 3B
3/12/2013	Cleansing Statement
16/12/2013	AMMG Newsletter December 2013
18/12/2013	High Purity Alumina (HPA) Process Plant Study Update
20/01/2014	Investor Presentation Vancouver Resource Conference 2014
21/01/2014	Investor Presentation VRIC 2014 - Amended
23/01/2014	Consultants Appointed to Produce High Purity Alumina Samples
29/01/2014	Investor Presentation AME BC Mineral Exploration Round Up
30/01/2014	Quarterly Activities Report
30/01/2014	Quarterly Cashflow Report
28/02/2014	Option Expiry
28/02/2014	Option placement
3/03/2014	Investor Presentation - PDAC Investors Exchange 2014
4/03/2014	Half Yearly Report and Accounts
5/03/2014	Notice of General Meeting/Proxy Form
25/03/2014	Heads of Agreement with METS for Mineral Sands Joint Venture

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

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7.2 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- a) the formation or promotion of the Company;
- b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer of securities pursuant to this Prospectus; or
- c) the Offer of securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner, either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the firm in connection with the formation or promotion of the Company or Offer of securities pursuant to this Prospectus.

The Directors' relevant interests (either held directly, held by entities controlled by them or held by entities of which they are directors) in securities of the Company at the date of this Prospectus is set out below.¹

Name	Shares	Listed Options	Unlisted Options	Performance Shares ²
Luke Atkins	6,443,055	-	6,000,000	-
Ric Dawson	200,000	-	-	8,000,000
Daniel Tenardi	7,000,000	-	-	-
Peter Bailey	189,949	-	3,000,000 ³	-

Notes:

- 1. Mr Dawson holds 2,000,000 B Class Performance Shares, 3,000,000 C Class Performance Shares and 3,000,000 D Class Performance Shares
- 2. Mr Bailey will be issued 3,000,000 unlisted options, which vest after performance milestones are met, after a resolution was passed at the Company's Annual General Meeting held on 19 November 2012.

7.3 Remuneration

The Constitution of the Company provides that the non-executive Directors may be paid for their services as Directors a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting (currently set at \$200,000), to be divided among the non-executive Directors as determined by the Directors and in default of agreement, then in equal shares.

The Company has paid to the Directors a total of \$651,397 for the year end 30 June 2013. For the period from 1 July 2013 to the date of this Prospectus \$ 383,175 has been

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paid or is payable by the Company by way of remuneration for services provided by all Directors (executive, non-executive and alternate), companies associated with those Directors or their associates in their capacity as directors, employees, consultants or advisers (and including superannuation payments and security based remuneration).

Directors, companies associated with the Directors or their associates are also reimbursed for all reasonable expenses properly incurred in the course of conducting their duties which include, but are not in any way limited to, out of pocket expenses, travelling expenses, disbursements made on behalf of the Company and other miscellaneous expenses.

The below table details Director remuneration:

Name	Remuneration for 30 June 2013 Financial year	Estimated Remuneration for 30 June 2014 Financial year
Luke Atkins	\$264,921	\$266,192
Ric Dawson	\$266,072	\$259,583
Daniel Tenardi	\$40,000	\$20,000
Peter Bailey	\$40,000	\$20,000
Jamie Coote*	\$37,071	-
Total	\$648,064	\$565,775

Notes:

* Jamie Coote resigned on 10 June 2013.

7.4 Interests and Consents of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, no expert, underwriter, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner, nor any company with which any of those persons is or was associated, has or had within two (2) years before the lodgement of this Prospectus with the ASIC, any interest in:

- a) the formation or promotion of the Company; or
- b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer of securities pursuant to this Prospectus; or
- c) the Offer of securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any expert, underwriter, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with

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the preparation or distribution of this Prospectus, or to any firm in which any of those persons is or was a partner, or to any company with which any of those persons is or was associated, for services rendered by that person, or by the firm or the company, in connection with the formation or promotion of the Company or the Offer of securities pursuant to this Prospectus.

Pursuant to Section 716 of the Corporations Act, Steinepreis Paganin has given, and has not withdrawn its consent to being named as Solicitors to the Company in the Corporate Directory of this Prospectus in the form and context in which it is named, Steinepreis Paganin has not caused or authorised the issue of this Prospectus, does not make or purport to make any statement in this Prospectus and takes no responsibility for any part of this Prospectus.

7.5 Legal Proceedings

There is no material litigation, arbitration or proceedings pending against or involving the Company as at the date of this Prospectus.

7.6 Estimated Expenses of Offer

In the event that the Offer is fully subscribed, the estimated expenses of the Offer are as follows:

	\$
ASIC fees	2,225
Listing fees	11,125
Miscellaneous expenses	5,000
Printing and other expenses	2,500
Legal fees	2,000
Total	\$22,850

7.7 Market Price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest and lowest market sale prices of the Company's Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest: \$0.105 on 11 March 2014; and
Lowest: \$0.080 on 18 March 2014.

The latest available closing sale price of the Company's Shares on ASX prior to the lodgement of this Prospectus with the ASIC was \$0.09 on 3 April 2014.

7.8 Electronic Prospectus

Pursuant to Class Order 00/044, the ASIC has exempted compliance with certain provisions of the Corporations Act 2001 to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the

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ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Entitlement and Acceptance Form, if you have not, please phone the Company on (08) 9389 5557 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

The Company reserves the right not to accept an Entitlement and Acceptance Form from a person if it has reason to believe that when that person was given access to the electronic Entitlement and Acceptance Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

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8. AUTHORITY OF DIRECTORS

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

Each of the Directors of Australia Minerals & Mining Group Ltd has consented to the lodgement of this Prospectus with the ASIC in accordance with Section 720 of the Corporations Act.

Dated the 4th day of April 2014

SIGNED FOR AND ON BEHALF OF
Australia Minerals & Mining Group Ltd
Ric Dawson
Managing Director

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9. DEFINITIONS

Applicant means an Optionholder or other party who applies for Options pursuant to the Offer or the Shortfall Offer.

ASIC means the Australian Securities and Investments Commission.

ASX means the Australian Securities Exchange or ASX Limited (ACN 008 624 691).

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHES.

Board means the board of Directors unless the context indicates otherwise.

Business Day means a day on which trading takes place on the stock market of ASX.

Closing Date means the date on which the Offer is closed, being 5pm (WST) on 23 April 2014 (unless extended by the Directors).

Company means Australia Minerals and Mining Group Ltd (ABN 45 125 301 206).

Constitution means the Company's Constitution as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth),

Directors means the directors of the Company at the date of this Prospectus.

Dollar or "\$" means Australian dollars.

Entitlement means the maximum number of Options to which an Optionholder is entitled to apply for (as shown on the Entitlement and Acceptance Form) under the Offer.

Entitlement and Acceptance Form means the personalised entitlement and acceptance form either attached to or accompanying this Prospectus.

Exposure Period means the period of 7 days after the date of lodgement of this Prospectus, which period may be extended by the ASIC by not more than 7 days pursuant to Section 727(3) of the Corporations Act.

Listed Option means an Option issued by the Company exercisable at 20c each on or before 31 March 2014 and trading on ASX under ASX code "AKAOB".

Listing Rules or ASX Listing Rules means the Listing Rules of the ASX.

Offer means the Offer of Options pursuant to this Prospectus, further details of which are set out in Section 4 of this Prospectus.

Official List means the official list of ASX.

Option means an option issued under this Prospectus exercisable at 20c on or before 31 May 2015 to acquire a Share.

Optionholder means a holder of Listed Options.

Prospectus means this prospectus.

Quotation and **Official Quotation** means official quotation on ASX.

Record Date means 5pm (WST) on 31 March 2014.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

Shortfall means all Options not issued to Optionholders pursuant to their respective Entitlements.

Shortfall Application Form means the shortfall application form attached to or accompanying this Prospectus.

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Shortfall Offer means the offer of Options comprising the Shortfall as referred to in Section 3.8 of this Prospectus.

WST means Western Standard Time.