Australian Mines Limited
ABN 68 073 914 191

5th May 2005

Australian Stock Exchange
Company Announcements Office
10th Floor
20 Bond Street
SYDNEY NSW 2000

Via Electronic Lodgement **Pages: 1**

Dear Sir

CLARIFICATION

On 3 May 2005 in the Business Markets Section of the West Australian it was reported that AusMines axed its contract miner, Barminco, in the December quarter because of poor performance results. Australian Mines (AusMines) regrets its relationship with Barminco was reported in this way.

Australian Mines wishes to clarify that Barminco was not "axed" but rather Barminco's engagement as contractor was terminated by mutual agreement as a result of an AusMines decision to be an owner miner and not as result of poor performance.

Yours faithfully
Australian Mines Limited

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Brett Young
Company Secretary

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