

Australian Mines Strengthens Board as Next Phase of Growth Begins

Australian Mines Limited (ASX: **AUZ**) ("**Australian Mines**" or "**the Company**") is pleased to announce a series of Board and corporate initiatives designed to support the Company's next phase of growth across its portfolio of gold and critical minerals assets.

The Company is pleased to announce the appointment of Mr Andrew Nesbitt as Managing Director, together with the appointment of Mr Cristian Moreno and Mr Michael McNeilly as Non-Executive Directors, effective immediately.

The Company also advises that Mr Michael Elias has resigned as a Director of Australian Mines, effective immediately. The Board thanks Mr Elias for his contribution to the Company and wishes him well in his future endeavours. The Board changes come at an important stage for the Company as it continues to advance the Boa Vista Gold Project in Brazil and the Flemington Scandium Project in New South Wales.

Appointment of Managing Director

Mr Nesbitt has led Australian Mines as Chief Executive Officer and has now been appointed Managing Director, reflecting his ongoing leadership of the Company and his role in advancing Australian Mines' project portfolio.

Mr Nesbitt brings nearly 30 years of international mining, capital markets and corporate leadership experience to the Board. His background spans technical, operational, feasibility study, financing and investment roles, including senior positions with Australian Mines, Resource Mining Corporation, RiverFort, Craton Capital, SRK Consulting, De Beers and Gold Fields.

Appointment of Mr Cristian Moreno

Mr Moreno is a mining executive with extensive experience across mineral exploration, project generation, capital markets, mergers and acquisitions, and corporate strategy.

Most recently, Mr Moreno led Torque Metals Limited, where he delivered exploration success, resource growth and strategic acquisitions that transformed the company and culminated in a successful transaction with the former leadership team of Spartan Resources, creating significant value for shareholders.

Mr Moreno's career spans more than a decade across the mining, exploration and energy sectors, including senior technical and leadership roles in Australia and worldwide. He holds degrees in Engineering and Applied Geology, with a focus on Structural Geology, a Master of Science in Geophysics from Curtin University and a Master of Business Administration in Finance from The University of Western Australia. He has also completed postgraduate studies in Statistics and Data

Science at KU Leuven and is currently undertaking a Master of Mining and Energy Law at The University of Western Australia.

Appointment of Mr Michael McNeilly

Mr McNeilly is the Chief Executive Officer of natural resources investing company Strata Investment Holdings plc and brings extensive capital markets, corporate finance and listed-company experience across the global natural resources sector.

In late 2019, while serving as a director of MOD Resources Limited, Mr McNeilly played an active role in the Sandfire Resources NL recommended scheme offer of A\$167 million.

Mr McNeilly has previously served as a Non-Executive Director of Greatland Gold plc and Arkle Resources plc. He is currently Non-Executive Chairman of Iondrive Limited and a Non-Executive Director of Cobre Limited and Rapid Critical Metals Limited.

Mr McNeilly commenced his career in corporate finance, with a focus on equity capital markets in London. He holds a BA in Economics from the American University of Paris and is fluent in French.

Board Capability Aligned with Boa Vista and Flemington

Australian Mines considers the Board appointments to be strongly aligned with the Company's strategic priorities.

At Boa Vista, the Company is focused on advancing exploration across a highly prospective gold project in Brazil, following recent drilling success and the identification of multiple targets across the broader project area.

At Flemington, the Company continues to advance one of Australia's high-grade scandium development opportunities, with the project positioned to benefit from growing interest in critical minerals, high-performance alloys, clean technologies and strategic supply chains.

The Board appointments bring additional executive, technical, exploration, capital markets and corporate transaction experience to support Australian Mines as it works to advance and unlock value across both projects.

Proposed 1-for-5 Share Consolidation

Australian Mines advises that it intends to seek shareholder approval for a consolidation of the Company's issued capital on a 1-for-5 basis.

If approved, every five existing fully paid ordinary shares will be consolidated into one fully paid ordinary share. The consolidation will reduce the number of shares on issue while proportionately increasing the implied share price, subject to normal market movements. The consolidation will not, of itself, change the underlying value of the Company or shareholders' proportionate interests, other than for the treatment of fractional entitlements.

The Board considers that the proposed consolidation will provide Australian Mines with a more appropriate capital structure as the Company advances its key assets, including Boa Vista and Flemington, and continues to engage with existing and prospective investors.

Further details of the proposed consolidation, including the treatment of fractional entitlements, the effect on options and other securities, and the proposed timetable, will be provided in the Notice of Meeting to be released to shareholders.

Sign-on Equity Incentives – New Directors

The Company will issue 12,500,000 unlisted options to each of Mr McNeilly and Mr Moreno. These options are exercisable at A\$0.03 pre-consolidation and expire on 30 July 2029. If the proposed 1-for-5 share consolidation is approved and implemented, these options will be adjusted to 2,500,000 options per director, exercisable at A\$0.15 per share on a post-consolidation basis.

As these options are granted under a formal agreement as a condition of their appointment to the Board, they are being issued utilising the Company's existing placement capacity under ASX Listing Rule 7.1. Pursuant to ASX Listing Rule 10.12 Exception 12, prior shareholder approval is not required for this specific issuance. The Company will seek ratification of this issue at its next general meeting.

Cancellation of previously issued incentives

Conditional upon shareholder approval of the proposed Director Incentive Securities, Mr Ramsden and Mr Marinelli have voluntarily agreed to forfeit all Plan Shares issued to them under the Company's Loan Share Plan. Separately, and conditional upon shareholder approval of the proposed Director Incentive Securities, Mr Nesbitt has voluntarily agreed to forfeit all equity incentives previously issued to him.

Following shareholder approval of the proposed Director Incentive Securities, **the Company does not intend to issue any further securities under the Loan Share Plan.** Subject to reaching agreement with any remaining participants, **the Company intends to terminate the Loan Share Plan.**

The Board believes this decision demonstrates its commitment to aligning with shareholders, ensuring that future executive remuneration arrangements are considered in the context of the Company's future strategic direction.

Proposed Director Incentives

Australian Mines also advises that it intends to seek shareholder approval for the issue of further director incentive securities designed to align the interests of directors with shareholders and support the Company's next phase of growth.

Subject to shareholder approval, compliance with the ASX Listing Rules and completion of the proposed 1-for-5 share consolidation, the Company proposes to issue 24,000,000 Performance

Rights¹ and 10,000,000 options² to Directors of the Company. The proposed issue comprises Performance Rights allocations to all Directors, and option allocations to the Managing Director and the Company's existing Non-Executive Directors, including the Non-Executive Chairman.

Each Non-Executive Director, including the Non-Executive Chairman, on a post-consolidation basis will be allocated Performance Rights as follows:

- 500,000 Performance Rights with a performance hurdle of A\$0.15 per share;
- 500,000 Performance Rights vesting upon the Company announcing a JORC-compliant Mineral Resource estimate of at least 0.5 million ounces of gold;
- 1,000,000 Performance Rights with a performance hurdle of A\$0.30 per share;
- 2,000,000 Performance Rights vesting upon the Company announcing a JORC-compliant Mineral Resource estimate of at least 1.0 million ounces of gold.

Additionally, the existing Non-Executive Directors (Mr Ramsden and Mr Marinelli) will each be allocated:

- 2,500,000 options exercisable at A\$0.15 per share on a post-consolidation basis and to be issued on terms to be detailed in the Notice of Meeting. (Note: Options for the New Directors, Mr Moreno and Mr McNeilly, are addressed in the Sign-on section above).

Subject to shareholder approval and completion of the proposed 1-for-5 share consolidation, the Company proposes to issue to the Managing Director, on a post-consolidation basis:

- 1,000,000 Performance Rights with a performance hurdle of A\$0.15 per share;
- 1,000,000 Performance Rights vesting upon the Company announcing a JORC-compliant Mineral Resource estimate of at least 0.5 million ounces of gold;
- 2,000,000 Performance Rights with a performance hurdle of A\$0.30 per share;
- 4,000,000 Performance Rights vesting upon the Company announcing a JORC-compliant Mineral Resource estimate of at least 1.0 million ounces of gold.
- 5,000,000 options exercisable at A\$0.15 per share on a post-consolidation basis and to be issued on terms to be detailed in the Notice of Meeting.

The proposed Managing Director incentive package reflects the greater executive responsibility, time commitment and accountability associated with the role, including responsibility for advancing the Company's Boa Vista and Flemington projects, capital markets engagement, corporate strategy and operational execution.

The Company confirms that, other than the proposed Director Incentive Securities described in this announcement, there are no material changes to the terms of Mr Nesbitt's existing executive

¹ The Performance Rights numbers are quoted on a post-consolidation basis.

² The option numbers are quoted on a post-consolidation basis.

employment arrangements with the Company as a result of his appointment as Managing Director.

The proposed incentive securities are intended to provide strong alignment between directors and shareholders by linking potential future benefits to share price appreciation, key value-creation milestones and continued delivery of the Company's strategic objectives.

Further details of the proposed director incentive securities, including full terms and conditions, vesting conditions, performance hurdles, expiry dates, resource milestone conditions and the effect of the proposed share consolidation, will be included in the Notice of Meeting to be released to shareholders.

Australian Mines' Chairman, Michael Ramsden, commented:

"We are pleased to confirm the appointment of Andrew Nesbitt as Managing Director and to welcome Cristian Moreno and Michael McNeilly to the Board of Australian Mines.

"Andrew has led Australian Mines as Chief Executive Officer and has played a key role in repositioning the Company's portfolio, including the advancement of the Boa Vista Gold Project in Brazil and the Flemington Scandium-Nickel-Cobalt Project in New South Wales.

"Cristian brings strong technical, exploration, project generation and corporate development capability, while Michael brings significant natural resources investment, capital markets and listed-company experience.

"These appointments strengthen the Board at an important stage for Australian Mines as the Company continues to advance Boa Vista and Flemington.

"The proposed 1-for-5 share consolidation is intended to provide the Company with a more appropriate capital structure and support Australian Mines' ongoing engagement with the investment market.

"The proposed director incentives are intended to align the Board with shareholders as the Company focuses on delivery across its project portfolio, with a particular emphasis on share price appreciation and key project milestones, including the potential definition of a significant gold resource at Boa Vista.

"On behalf of the Board, I would also like to thank Michael Elias for his contribution to Australian Mines and wish him well in his future endeavours."

This announcement has been authorised for release by the Board of Australian Mines Limited.

For more information, please contact:

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