Flemington Scandium Project PFS Fast-Tracked to Assess Potential Scale-Up to 180 tpa

Highlights

- Flemington Scandium Project Pre-Feasibility Study (PFS) commenced and being fast-tracked.
- PFS expanded to assess the technical and economic potential to scale annual Sc_2O_3 production from 60 tpa to up to 180 tpa in response to any supply shortfalls and growing demand. Concurrently a **drill program will commence** to provide additional material for metallurgical test work and test potential extensions to the existing Resource
- PFS follows delivery of a compelling Scoping Study[1] that demonstrated **strong economics** with significant leverage to market-aligned pricing scenarios:
    - Post-tax **NPV_8 of approximately US$860 million**[1] and **IRR of 74%** at US$3,000/kg Sc_2O_3 (market-aligned pricing scenario)
    - Post-tax NPV_8 of approximately US$270 million[1] and IRR of 32% at US$1,500/kg Sc_2O_3 (mine design price)
    - Initial estimated **capital cost of US$125m**[2] for a 60tpa Sc_2O_3 operation, with estimated cash costs of **US$561/kg Sc_2O_3**
    - **28-year mine life based on a 2.09 Mt production target drawn from Flemington's 6.3 Mt @ 446 ppm Sc.**[3]Mineral Resource**.**
    - Average feed grade of 573ppm Sc over the first 15 years
    - 2.09Mt processed comprising approximately 1.17Mt Measured Mineral Resources, 0.91Mt Indicated Mineral Resources and 0.01Mt Inferred Mineral Resources, representing approximately 55.8%, 43.6% and 0.6% of the production target respectively
- Flemington is strategically located in the heart of a known Scandium hub in NSW and is contiguous with Sunrise Energy Metals' (ASX: SRL) Syerston Scandium Project.
- Flemington boasts one of the highest-grade known primary scandium Mineral Resource globally.
- PFS is anticipated to take 6-9 months to complete.

Australian Mines Limited (ASX: AUZ) ("Australian Mines" or "the Company") is pleased to advise that the Pre-Feasibility Study (PFS) for its high-grade Flemington Scandium Project in NSW, Australia, will be fast-tracked and expanded to include studies assessing the potential to increase

[1] ASX announcement, 8 May 2026
[2] Scoping Study capital and operating cost estimates have an expected accuracy range of ±35%
[3] ASX Announcement 8 January 2025, Flemington Resource Expands Significantly, comprising 6.3Mt @ 446 ppm Sc (300 ppm Sc cut-off), comprising 3.12 Mt Measured, 3.02 Mt Indicated and 0.15 Mt Inferred

annual scandium oxide production from the 60tpa contemplated in the Scoping Study to up to 180tpa. The PFS will be undertaken in parallel with a new drilling program aimed at testing potential extensions to the existing Mineral Resource and providing additional material for metallurgical test work.

AUZ's Managing Director, Andrew Nesbitt, commented: "*Following the successful delivery of the Flemington Scoping Study in April, we are pleased to have commenced the Pre-Feasibility Study and to assess opportunities to further unlock the potential of this high-grade scandium asset. Recent developments in the scandium market, particularly the potential growth in scandium demand associated with Bloom Energy's expanding SOFC deployment, reinforce the strategic importance of developing new, scalable Western scandium supply.*

*In parallel, we will commence a drilling program aimed at testing potential extensions to the existing Mineral Resource and providing additional material for metallurgical test work as part of the PFS.***"**

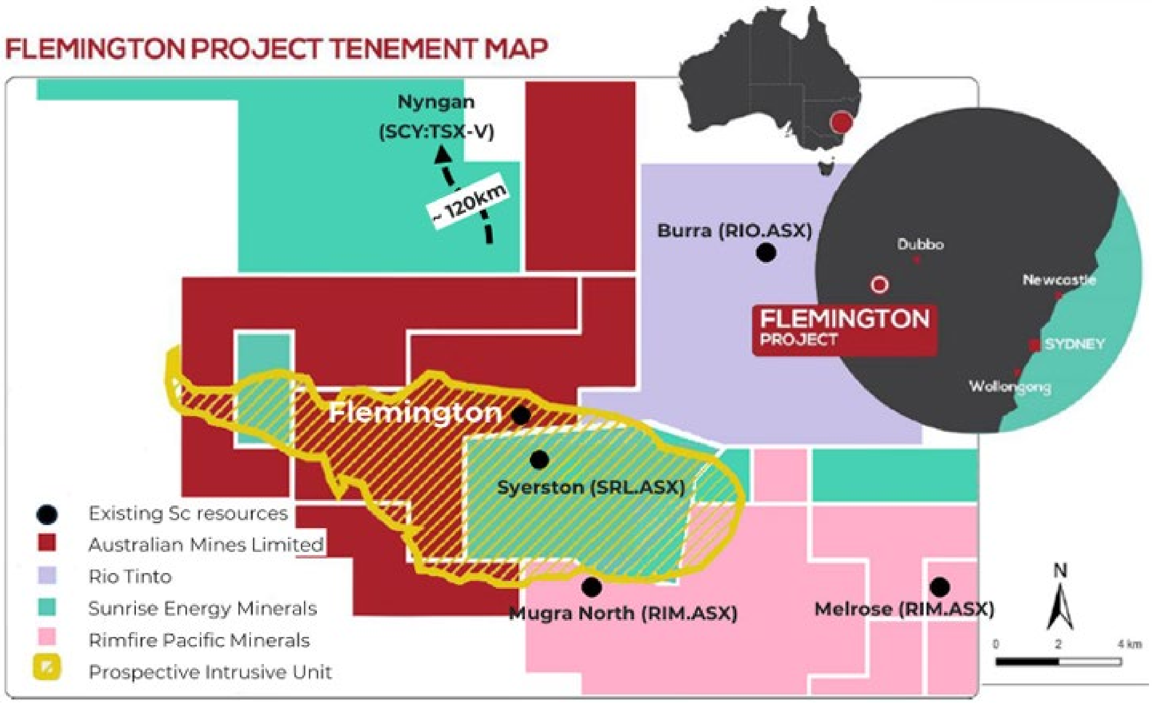

Figure 1 Flemington Scandium Project Location and Tenements

Previously Reported Information

The production target and forecast financial information referred to in this announcement were first reported in the Company's ASX announcement dated 8 May 2026 titled *"Flemington Scoping Study – Amended Announcement"*. The Company confirms that all material assumptions underpinning the production target and the forecast financial information in that announcement continue to apply and have not materially changed.

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The Mineral Resource Estimate referred to in this announcement was first reported in the Company's ASX announcement dated 8 January 2025 titled *"Flemington Resource Expands Significantly"*. The Company confirms that it is not aware of any new information or data that materially affects the information included in that announcement and that all material assumptions and technical parameters underpinning the Mineral Resource Estimate continue to apply and have not materially changed.

Pre-Feasibility Study

The Flemington Pre-Feasibility Study, which will take 6-9 months to complete, will focus on the following key work programs:

- Additional metallurgical test work
- PFS expanded to assess the technical and economic potential to scale annual Sc_2O_3 production from 60 tpa to up to 180 tpa to meet potential growth in demand.[4].
- Environmental baseline studies
- Hydrogeological investigations
- Permitting activities
- Further market and customer engagement

Drilling Program

- Concurrently with the PFS, Australian Mines will undertake a drilling program at Flemington, designed to provide additional material for metallurgical test work and to test potential extensions to the existing Mineral Resource.

[4] The up to 180 tpa production scenario is an assessment case to be evaluated as part of the PFS and does not represent a new production target or forecast financial information at this stage.

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FORWARD LOOKING STATEMENTS

This announcement contains certain forward-looking statements which may be identified by words such as "believes", "estimates", "expects", "intends", "may", "will", "would", "could", or "should" and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on several assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place. Where the Company expresses or implies an expectation or belief as to future events or results, such an expectation or belief is expressed in good faith and believed to have a reasonable basis.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management of the Company. These and other factors could cause actual results to differ materially from those expressed in any forward-looking statements.

The Company cannot and does not give assurances that the results, performance or achievements expressed or implied in the forward-looking statements contained in this announcement will occur and investors are cautioned not to place undue reliance on these forward-looking statements.

ENDS

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Authorised for release by the Board of Directors of Australian Mines

Australian Mines supports the vision of a world where the mining industry respects the human rights and aspirations of affected communities, provides safe, healthy, and supportive workplaces, minimises harm to the environment, and leaves positive legacies.

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