



29 February 2012

Company Announcements Office
Australian Securities Exchange

Notice under section 708A(12C)(e) of the *Corporations Act 2001* (Cth) for the purposes of ASIC Class Order [CO 10/322] On-sale for convertible notes issued to wholesale investors

This notice is given by Australian American Mining Corporation Limited ABN 99 073 155 781 (the "**Company**") under section 708A(12C)(e) of the *Corporations Act 2001* (Cth) (the "**Act**") (as inserted by ASIC Class Order [CO 10/322] *On-sale for convertible notes issued to wholesale investors*).

On 29 February 2012, the Company issued AUD\$600,000 unsecured convertible security (the "**Convertible Security**") to the Australian Special Opportunity Fund LP (**Investor**), in accordance with the terms of its Security Purchase Agreement with the Investor, which was announced to the market on 29 February 2012.

1. Effect of Offer on AIW

The Issue of the Convertible Security will result in an increase in the indebtedness of the Company by an amount of \$AUD600,000. The indebtedness created by the issue of the Convertible Security will be reduced to the extent that the Convertible Security is converted to ordinary shares as, and if, the Investor exercises their right of conversion. On conversion, the Company's equity capital will increase by a corresponding amount.

2. Rights and liabilities attaching to the Convertible Security

The rights and liabilities attaching to the Convertible Security are the same rights and liabilities as set out in the announcement lodged with the Australian Securities Exchange (**ASX**) on 29 February 2012.

3. Rights and liabilities attaching to shares issued on conversion of the Convertible Security

In the event the Convertible Security is converted, the Company will issue the Investor fully paid ordinary shares in the Company.

The effect of the issue of ordinary shares on conversion of the Convertible Security would be to increase the number of ordinary shares on issue and decrease the indebtedness of the Company under the Convertible Security. Shares issued on conversion of the Convertible Security will have the same rights and liabilities as those attaching to the other fully paid ordinary shares of the Company.



4. Compliance with continuous disclosure

As a disclosing entity, the Company is subject to regular reporting and disclosure obligations. Copies of documents lodged with the Australian Securities and Investments Commission (**ASIC**) in relation to the Company may be obtained from, or inspected, at an ASIC office.

As at the date of this notice, the Company has complied with:

- (a) the provisions of Chapter 2M of the Act, as they apply to the Company; and
- (b) section 674 of the Act, as it applies to Company.

The Company will provide a copy of any of the following documents free of charge, to any person on request:

- (a) its annual financial report most recently lodged with ASIC;
- (b) any half-year financial report lodged with ASIC after the lodgement of that annual financial report and before the lodgement of this notice; and
- (c) a copy of any continuous disclosure notices given after the lodgement of that annual financial report and before lodgement of this notice.

5. Information excluded from continuous disclosure notices

The Company is not aware of any information that:

- (a) has been excluded from a continuous disclosure notice in accordance with the Listing Rules; and
- (b) is information that investors and their professional advisers would reasonable require for the purposes of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (ii) the rights and liabilities attaching to the Convertible Security being issued.

Yours faithfully

Australian-American Mining Corporation Limited ABN 99 073 155 781

Jim Malone
Executive Chairman