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Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

ASX RELEASE

Drilling to recommence at the Flemington Scandium–Nickel–Cobalt Project

Australian Mines Limited (“**Australian Mines**” or “**the Company**”) is pleased to provide an update on activities on its Flemington Scandium–Nickel–Cobalt Project in New South Wales. Phase 1 drilling is now complete, with assays expected in late January, and phase 2 drilling is scheduled to commence in early February 2026. Additionally, SRK Consulting has been engaged to update the Flemington Scoping Study (“Updated Study”).

The drilling program continues to test the large, underexplored geophysical anomaly adjacent to the existing high-grade scandium (“Sc”) resource at Flemington, as outlined in the Company’s ASX announcements of 2 October 2025 and 13 October 2025.

Highlights

- Phase 1 drilling completed at Flemington.
- Assay results expected within the coming weeks (subject to laboratory turnaround times).
- Phase 2 drilling to recommence early February 2026, subject to access, weather and operational conditions.
- SRK Consulting engaged to complete the Updated Study prioritising the production of scandium.



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Updated Study — SRK Engaged

Australian Mines has **engaged SRK Consulting** to complete an Updated Study which will prioritise the production of scandium. The 2017 scoping study indicated:

- A substantial positive NPV and an IRR of 37.3% when using a scandium oxide price of USD1,500,000 per tonne¹, and
- Contemplated an 18-year life processing 100,000t annually, producing 50t of scandium oxide per annum with the potential to extend the life of mine up to 45 years¹, and
- Estimated a capital cost, at the time, of A\$74 million to build processing plant¹, and
- The Updated Study will use the latest Mineral Resource Estimate (JORC code, 2012) ("MRE") of **6.3Mt @ 446ppm Sc** at a 300ppm² cut-off³ compared to **3.1 mt grading at 434 grams per tonne of scandium¹** used previously.

The forecast financial information referred to in this announcement, derived from AUZ's ASX announcement dated 15 March 2017, is historical, subject to material change and should not be relied on as current guidance. AUZ has engaged SRK Consulting to complete an Updated Study.

The Updated Study is intended to refine key technical and commercial inputs and to support the Company's ongoing evaluation and forward planning for Flemington.

Drilling Update

Phase 1—Completed

The Company confirms that **Phase 1 drilling has been completed**. Drill samples have been submitted for laboratory analysis and QA/QC procedures are being applied consistent with industry practice.

Assays—Expected Shortly

Assay results are expected within the coming weeks. The Company will provide a further market update once results have been received, validated and interpreted.

¹ASX Announcement 15 March 2017

²Note: ppm ≈ g/t in solids

³ASX Announcement, 8 January 2025. Please refer to Table 1 under the JORC Code Compliance Statement for the Mineral Resource breakdown at the Flemington Project.



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Phase 2 — Commencing Early February 2026

The Company advises that **Phase 2 drilling is planned to commence early February 2026.**

Next Steps

- Receive, validation and interpretation of **Phase 1 assay results, followed by** an update to the market.
- Commencement of **Phase 2 drilling** and field activities.
- Progression of SRK's **Updated Study**.

Drilling Program Overview

Drilling is targeting the large geophysical anomaly directly adjacent to the established scandium resource footprint. This anomaly has not previously been adequately tested and is considered prospective for additional scandium mineralisation.

The program aims to:

- test the anomaly for potential resource extensions,
- refine the geological model for the Flemington intrusive complex, and
- support ongoing assessment of the Project's alignment with AUZ's proprietary scandium-doped metal hydride hydrogen-storage technology.

Strategic Synergy: Scandium and Metal Hydride Technology

AUZ has achieved recent success with its proprietary scandium-doped metal hydride compositions⁴, which demonstrate strong potential for safe, efficient and low-cost hydrogen storage.

This creates a unique opportunity to align a world-class scandium deposit with a breakthrough energy technology. The potential to establish a vertically integrated supply chain—from mine to metal hydride—represents a significant strategic advantage for AUZ and strengthens supply security for a mineral critical to the global energy transition.

This announcement does not contain new Exploration Results.

⁴ ASX Announcement 12 September 2025, Metal Hydride – Solid State Hydrogen Storage Update.



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AUZ's CEO, Andrew Nesbitt commented "Flemington continues to move forward on multiple fronts. We've completed Phase 1 drilling and expect assays over the coming weeks, while preparing to recommence Phase 2 drilling in early February. At the same time, appointing SRK to update the Scoping Study is about lifting confidence in the project's technical and economic inputs as we assess the best pathway to unlock value for shareholders."

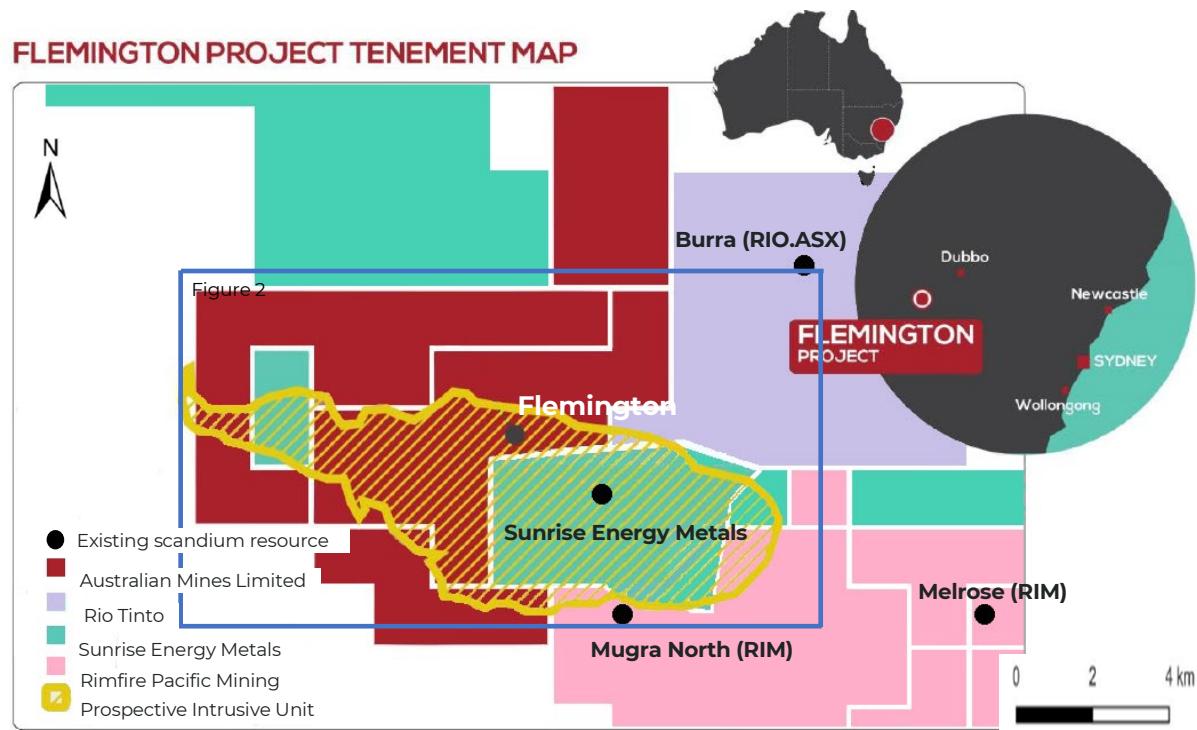


Figure 1: Flemington Location



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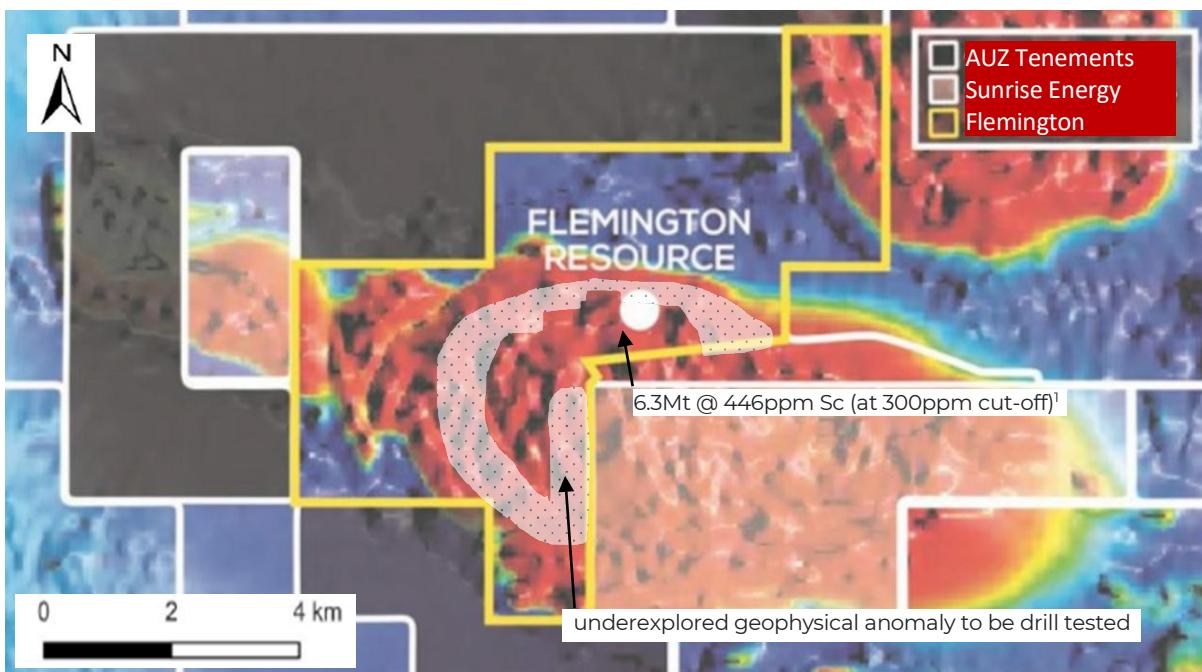


Figure 2: Flemington Drilling Target Area (Hatched Shading), showing the underexplored geophysical anomaly to be tested, adjacent to the existing scandium resource.

For more information, please contact:

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Authorised for release by the Board of Directors of Australian Mines Limited

Australian Mines Limited 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.

Forward-Looking Statements

This announcement contains forward-looking statements regarding planned exploration, studies, and development activities. These statements are based on current expectations and assumptions and are subject to risks and uncertainties which may cause actual results to differ materially. AUZ does not undertake to update or revise any forward-looking statements, except as required by law.



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JORC Code Compliance Statement – Flemington

Flemington currently hosts a JORC 2012 Mineral Resource of 6.3Mt @ 446ppm scandium (Sc) at a 300ppm cut-off⁵, within a broader 28Mt @ 217ppm Sc at a 100ppm cut-off⁵. These totals, comprising Measured, Indicated and Inferred resources, are extracted from the Company's previously released resource statement and position Flemington as one of the highest-grade scandium deposits globally.

The information in this ASX announcement that relates to Mineral Resources for the Flemington Project is extracted from the ASX announcement dated 8 January 2025. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original announcement, and that all material assumptions and technical parameters underpinning the Mineral Resource estimates, including the categorisation into Measured, Indicated and Inferred, continue to apply and have not materially changed.

Table 1: Grade-tonnage summaries for material within the resource area. The red block depicts the 2025 MRE

Zone	Cut-off		Measured area				Indicated area				Inferred area				Total area		
	Sc (ppm)	Tonne Mt	Sc (ppm)	Co (ppm)	Ni (ppm)	Tonne Mt	Sc (ppm)	Co (ppm)	Ni (ppm)	Tonne Mt	Sc (ppm)	Co (ppm)	Ni (ppm)	Tonne Mt	Sc (ppm)	Co (ppm)	Ni (ppm)
Laterite	100	6.57	313	451	1,283	8.20	270	401	1,126	1.87	170	335	598	16.64	276	413	1,129
	200	4.54	391	580	1,592	4.64	374	512	1,252	0.46	286	600	998	9.64	378	548	1,400
	300	3.12	455	658	1,569	3.02	441	544	1,147	0.15	371	588	906	6.30	446	601	1,350
	400	1.90	524	780	1,545	1.68	515	555	1,051	0.03	481	237	706	3.61	519	671	1,308
	500	0.99	594	931	1,550	0.79	593	563	1,040	0.01	575	203	738	1.79	593	766	1,321
Saprolite	100	2.40	117	126	835	6.13	131	97	531	2.83	141	98	486	11.36	131	103	584
	200	0.00	233	198	1,133	0.08	263	216	532	0.29	298	240	642	0.38	290	234	624
	300	0.00	320	244	395	0.02	333	283	566	0.12	366	296	661	0.14	362	295	650
	400	0.00	0	0	0	0.00	424	319	492	0.03	431	359	671	0.03	431	358	667
	500	0.00	0	0	0	0.00	0	0	0.00	526	424	662	0.00	526	424	662	

Competent Person Statement - Flemington

The Flemington Mineral Resource, originally released on the 8 January 2025, is based on and fairly represents information and supporting documentation prepared by Rodney Brown, who is a full-time employee of SRK Consulting. Mr. Brown is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience of relevance to the style of mineralisation and types of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Brown consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

⁵ ASX Announcement, 8 January 2025. Please refer to Table 1 under the JORC Code Compliance Statement for the Mineral Resource breakdown at the Flemington Project.