

28 January 2025

Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

ASX RELEASE

Flemington Exploration to Expand High-Grade Scandium MRE

Further to the ASX Announcement, 8 January 2025, Australian Mines Limited (“**Australian Mines**”, “the **Company**” or “**AUZ**”), is pleased to announce the preparation of a drilling programme at its High-Grade scandium Flemington Project

Highlights

- Currently the Scandium Mineral Resource Estimate (300 ppm scandium cut-off) (“**2025 MRE**”) is **6.3 mt¹** for a scandium grade of **446 ppm**. The resource modelling indicates the potential for significant additional mineralization at lower cut-offs. At a 100 ppm cut-off for scandium the total mineralised inventory stands at **28 mt @ 217 ppm scandium** (inclusive of laterite and saprolite. See Table 1.
- AUZ is preparing a drilling programme for approximately 50 aircore drillholes.
- Two thirds of the drillholes will target the 2025 MRE, approximately a third is designed as infill, while an additional third is intended to test potential lateral extensions to the 2025 MRE. See Figure 1.
- The remaining drillholes are exploratory and will test that part of the Owendale Intrusive Complex unit contained within the Flemington tenements. The Owendale intrusive hosts Rio Tinto’s Burra Scandium project located 4km to the east. See Figure 2.
- AUZ is progressing an Assessable Prospecting Operation (“APO”)² submission to allow for the drilling campaign to commence ASAP.

¹ The 2025 MRE comprises Measured Resources of 3.12mt @ 455 ppm scandium plus Indicated Resources of 3.02mt @ 408ppm plus Inferred Resources of 0.15mt @ 371 ppm scandium. Please refer to Table 1

² The APO is a required submission to the New South Wales Department of Resources to commence drilling

- In addition to Rio Tinto's Burra Project, the Flemington deposit is situated in close proximity to Rimfire Pacific Mining's (ASX: RIM) and Sunrise Energy Metals' (ASX: SRL) scandium projects. See Figure 3.

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	0.00	526	424	662	0.00	526	424	662		

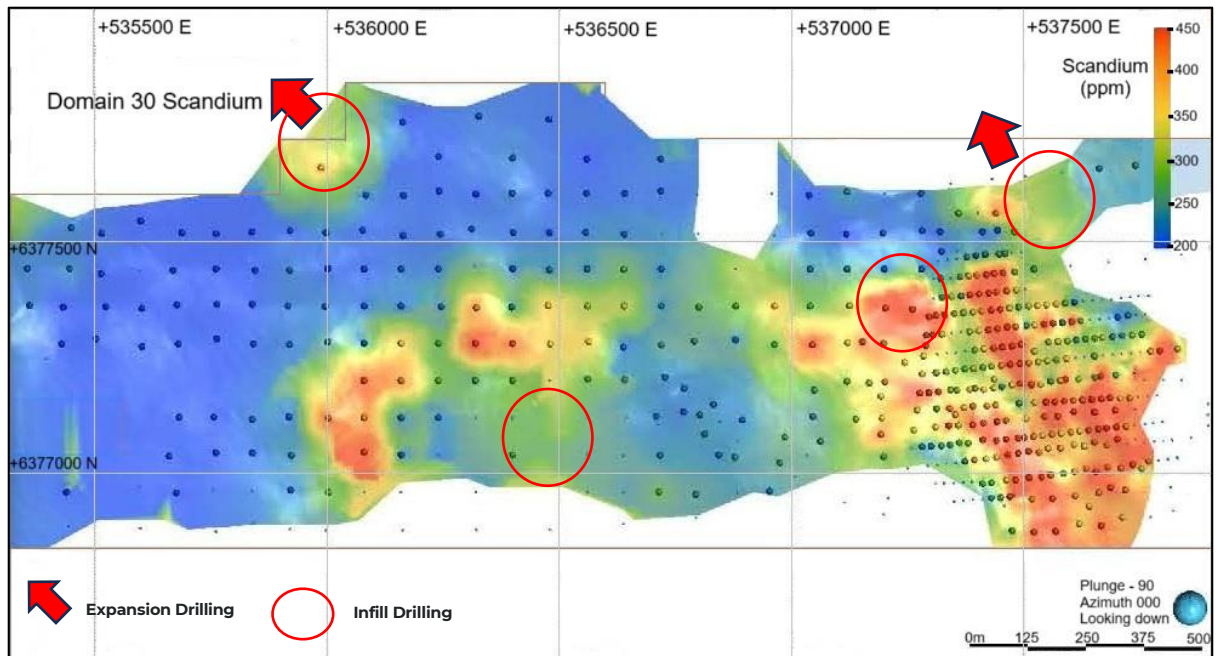


Figure 1: 2025 MRE Infill and expansion drilling areas targeting Scandium and Cobalt³

³Please refer to ASX announcement 8 January 2025. "Domain 30 Scandium" shows the scandium grades contained within the Resource Model with the domain code LCODE = 30 Zone. This is the Cobalt zone which a relatively continuous and uniformly mineralised zone with elevated Co (>300 ppm) and Sc grades (>200 ppm). It is generally typified by a reduction in Fe and an increase in SiO₂.

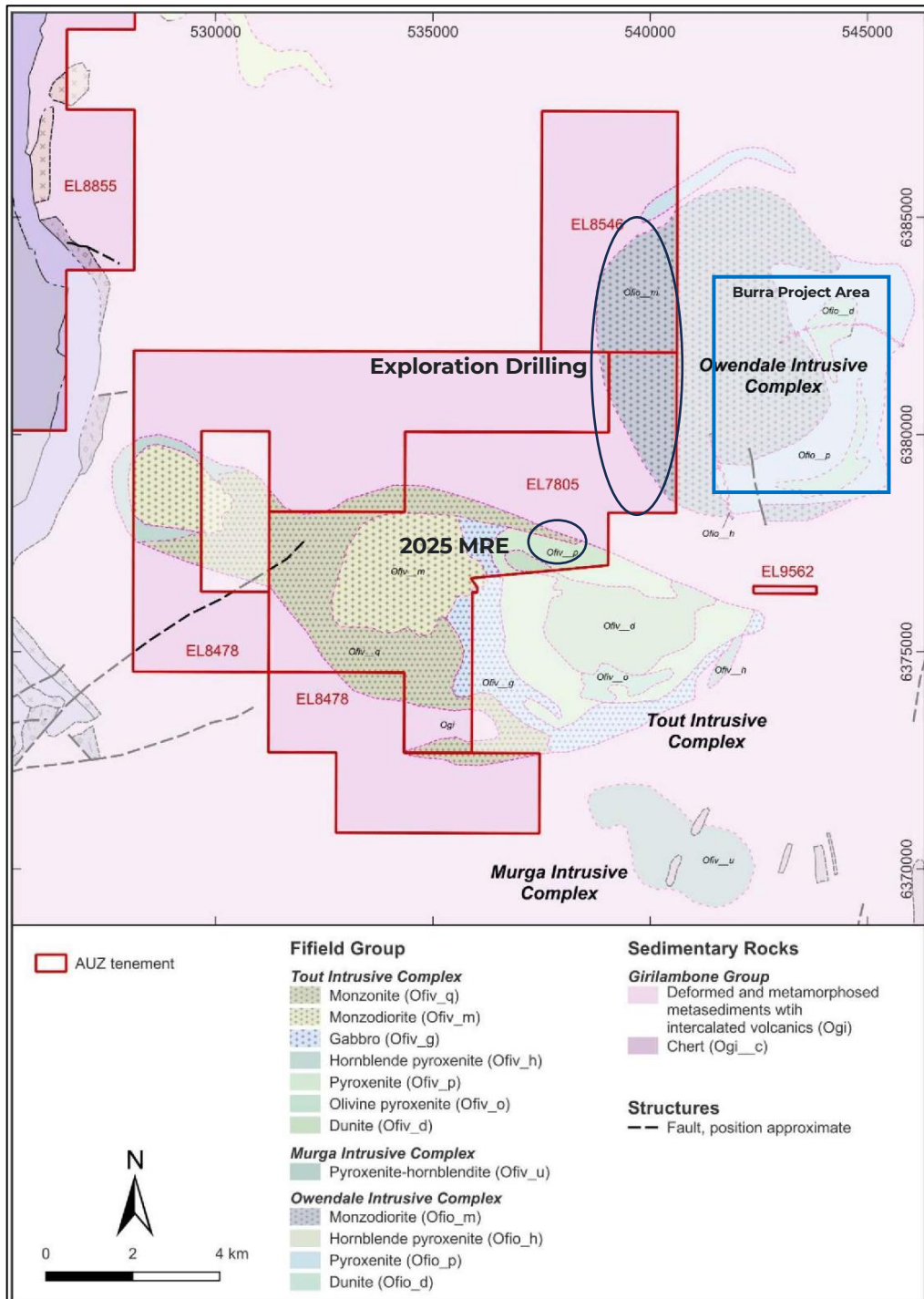


Figure 2⁴: Regional geology map

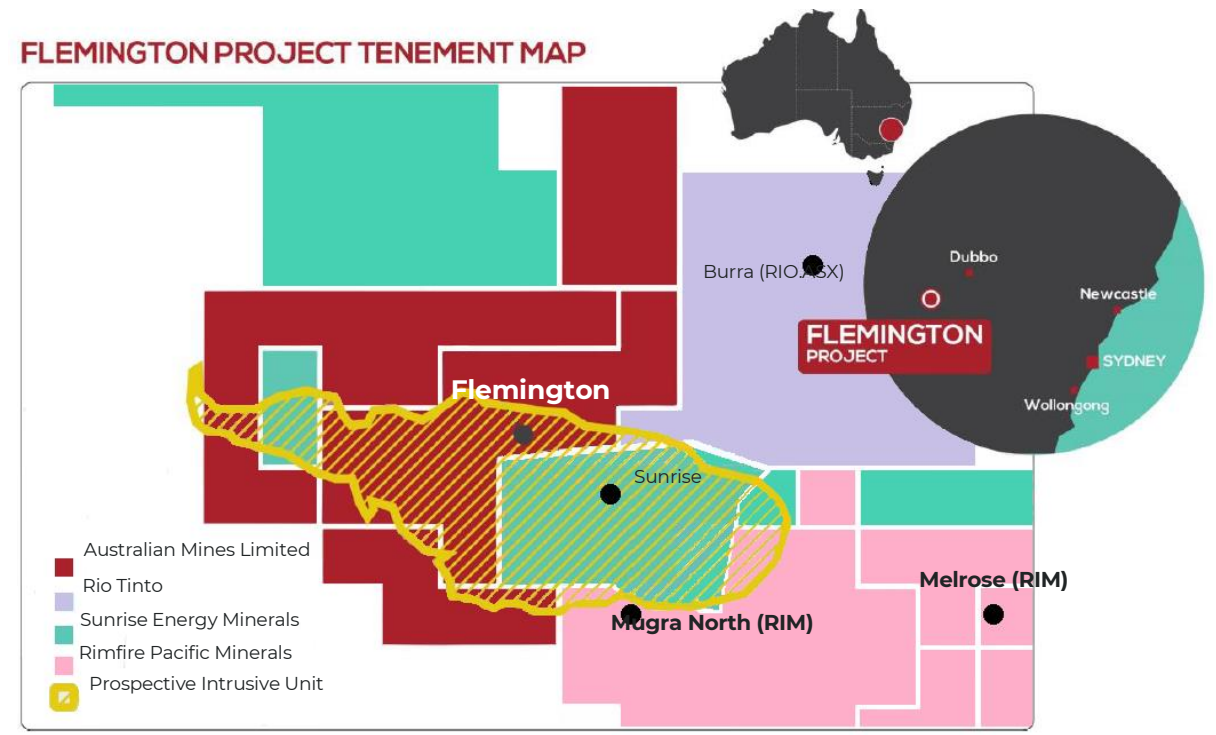


Figure 3: Flemington Location

Scandium

The US Geological Survey estimates that scandium supply and demand has doubled, from 15-25 tonnes in 2021, to 30-40 tonnes in 2023⁵, and according to Mordor Intelligence is expected to have a compound annual growth rate of 14.7% through to 2030⁶. The review and update of the Flemington Scoping Study was prompted by several factors, including: the aforementioned growth forecast; scandium being a critical mineral⁷; 80% of scandium production coming from China⁸; 100% of scandium

⁴ Colquhoun, G P, Hughes, K S, Deyssing, L, Ballard, J C, Folkes, C B, Phillips, G, Troedson, A L and Fitzherbet, J A, 2024. New South Wales Seamless Geology dataset, version 2.4 [Digital Dataset]. Geological Survey of New South Wales, Department of Regional NSW, Maitland.

⁵ <https://theoregongroup.com/investment-insights/the-hunt-for-scandium-has-started/>

⁶ <https://www.mordorintelligence.com/industry-reports/scandium-market>

⁷ Australia's Critical Minerals List and Strategic Materials List | Department of Industry Science and Resources

⁸ <https://theoregongroup.com/investment-insights/the-hunt-for-scandium-has-started/>

is imported by the USA⁹; significant interest in scandium related to the hydrogen economy; and AUZ' s advancements in Solid-State Hydrogen Storage.

Key Potential Uses

- **Hydrogen Economy:** Scandium plays an essential role in solid oxide fuel cells (SOFCs), a highly efficient clean energy technology used in power generation aiming to reduce carbon footprints.
- **Aluminium-Scandium Alloys:** lightweight, strong, and highly resistant to corrosion which reduces the weight of vehicles, airplanes and spacecraft and rocket cones to improve fuel efficiency and reduce emission for increased sustainability.
- **Electronics:** Scandium is also used in electronics, to improve the performance of semiconductors and advanced communications technologies like 5G.

AUZ confirms that all material assumptions and technical parameters underpinning the mineral resources referred to in this announcement continue to apply and have not materially changed.

COMPETENT PERSONS STATEMENT

The information in this report is based on and fairly represents information and supporting documentation reviewed by Mick Elias, who is a Director of Australian Mines Ltd. Mr. Elias is a Fellow of the Australasian Institute of Mining and Metallurgy and has sufficient experience of relevance to the styles of mineralisation and types of deposits 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. Elias consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

ENDS

For more information, please contact:

Andrew Nesbitt
Chief Executive Officer
Australian Mines Limited
+61 7 3184 9184
investorrelations@australianmines.com.au

⁹ [North America fortifies scandium supply - Metal Tech News](#)



Authorised for release by the Board of Directors of Australian Mines