

ASX ANNOUNCEMENT

10 October 2023



ABOUT AIC MINES

AIC Mines is a growth focused Australian resources company. Its strategy is to build a portfolio of copper and gold assets in Australia through exploration, development and acquisition.

AIC Mines owns the Eloise Copper Mine, a high-grade operating underground mine located SE of Cloncurry in North Queensland.

AIC Mines is also advancing a portfolio of exploration projects that are prospective for copper and gold.

CAPITAL STRUCTURE

Shares on Issue: 462,470,632

CORPORATE DIRECTORY

Josef El-Raghy

Non-Executive Chairman

Aaron Colleran

Managing Director & CEO

Linda Hale

Non-Executive Director

Brett Montgomery

Non-Executive Director

Jon Young

Non-Executive Director

Audrey Ferguson

Company Secretary

CORPORATE DETAILS

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Share Register:

Computershare Investor Services

Drilling Commences at Eloise Regional Copper Prospects

AIC Mines Limited (ASX: A1M) ("AIC Mines" or the "Company") is pleased to announce that diamond drilling has commenced at two of its advanced copper exploration targets 20 kilometres west of the Company's flagship asset, the Eloise Copper Mine.

Overview

- Approximately 3,000m of diamond drilling is planned at the Sandy Creek Copper-Gold Prospect and the Artemis Polymetallic Prospect.
- At Sandy Creek, approximately 1,300m of drilling will target resource growth through wide spaced step-out holes along strike and down plunge of the known mineralisation.
- Drilling at the nearby Artemis Prospect will test for extensions to the copper-zinc mineralisation along strike to the north, south and down dip. The objective of this drilling is to complete a maiden resource estimate for the deposit.
- Both prospects are well within trucking distance of the Eloise processing plant and are part of the Company's strategy to extend the life of the Eloise mine through a hub and spoke approach to regional development.

Commenting on the drilling program, AIC Mines' Managing Director, Aaron Colleran said:

"We hold about 2,000 square kilometres of prospective tenements surrounding the Eloise processing plant that we are exploring through a "hub and spoke" lens. The area generally has very good geophysical coverage but has seen relatively sporadic drilling. Sandy Creek is a great example – located only 20 kilometres west of Eloise – it hosts a historic near-surface resource of 2Mt grading 1.32% Cu and 0.30g/t Au that is open down plunge but hasn't seen any drilling since 2012."

Eloise Regional Project (AIC Mines 100%)

The Eloise Regional Project consists of approximately 2,000km² of contiguous tenure immediately surrounding the Eloise mine (see Figure 1). The highly endowed project contains a pipeline of targets from early-stage prospects along the same trend as Jericho (e.g. **Bagdad to St Louis**) to advanced exploration prospects (e.g. **Artemis**) to known resources at **Sandy Creek**.

The Sandy Creek and Artemis prospects are located approximately 20 kilometres west of Eloise.

Sandy Creek contains a historic resource of 2Mt grading 1.32% Cu and 0.30g/t Au (see Demetallica Limited's Prospectus dated 8 April 2022 for further details and the Competent Person's Statement relating to the Mineral Resource). The mineralisation commences at surface and extends to a depth of approximately 200m, as defined by limited drilling. It remains open along strike and down dip.

The polymetallic Artemis prospect (located 200m west of Sandy Creek) is defined by several close spaced holes. Mineralisation at Artemis is open along strike and down dip (see Figure 2).

The current depth of these deposits is considered shallow for the style of mineralisation. Similar deposits (i.e. **Eloise**) extend to over 1km depth.

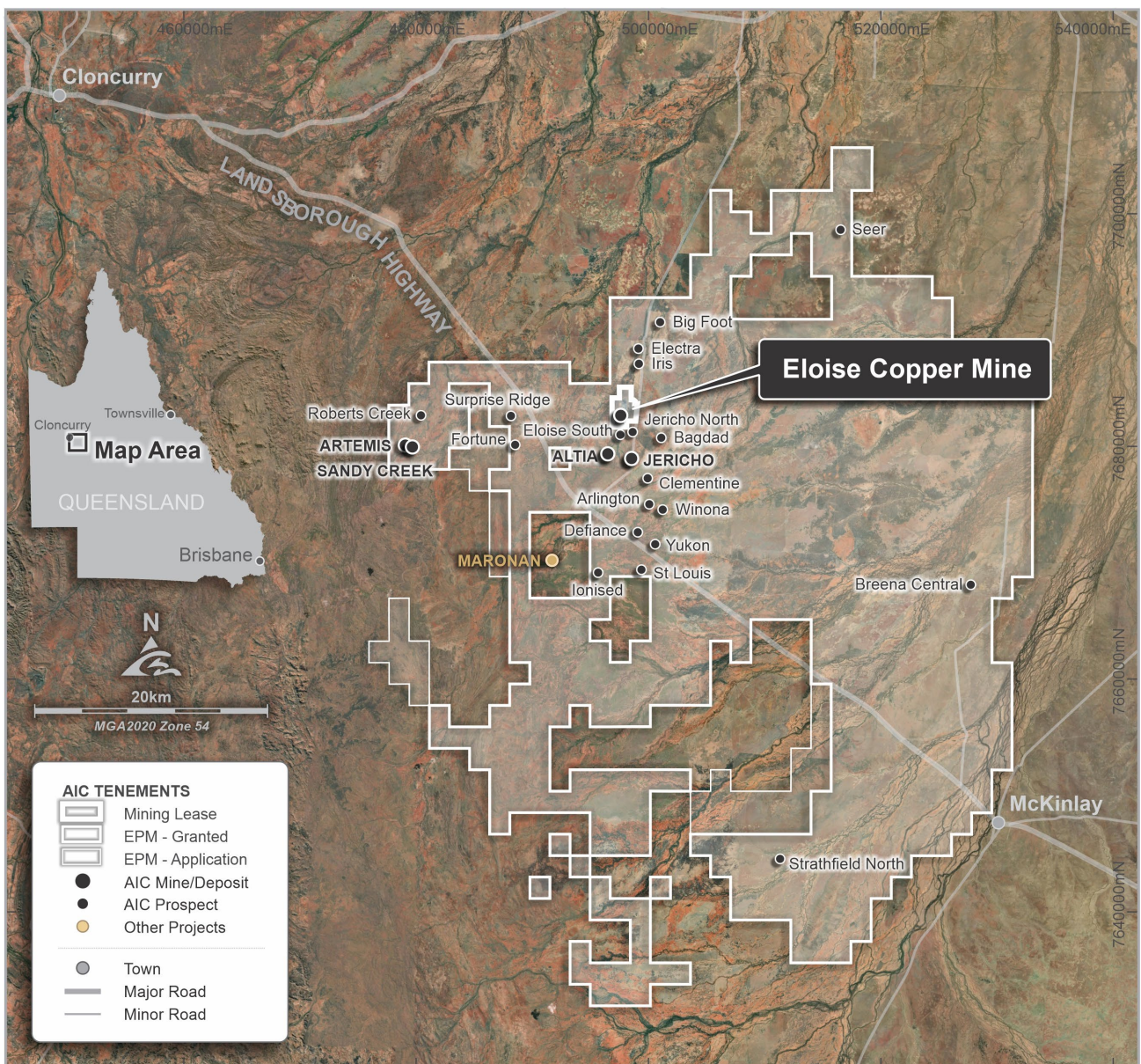


Figure 1. Eloise regional exploration tenure showing identified prospects

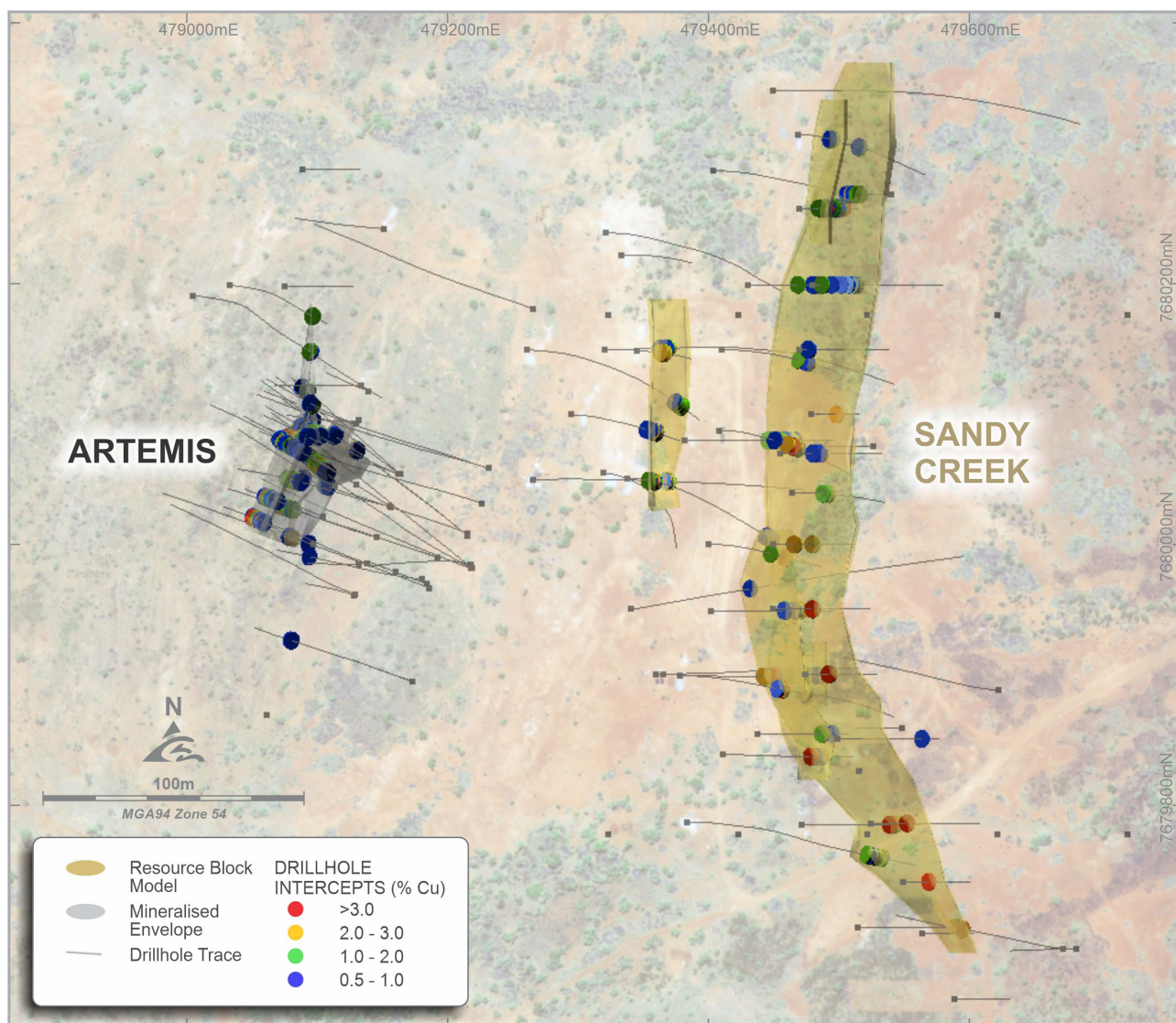


Figure 2. Plan view showing mineral envelopes of the Sandy Creek and Artemis prospects

Drilling Program

At Sandy Creek, four diamond holes for 1,300m (see Figure 3) will target:

- The down dip extension of the resource.
- A wide gap in the drilling at the top of the resource. The hole will also continue at depth to test a geophysical anomaly (conductor).
- Two holes stepping out 150m to the south, to test the interpreted down plunge extension of a potentially higher-grade shoot.

At Artemis, four diamond holes for 1,700m (see Figure 4) will target:

- An untested coincident ground electromagnetic (GEM) conductor and gravity anomaly which lies to the south of the known mineralisation.
- The down-dip extension of the system.
- A 150m step-out hole along strike to the north.
- A step-out hole testing beneath historical hole SCD06 which intersected 5.0m grading 11.5g/t Au and 0.51% Cu from 149m (see Demetallica Limited's Prospectus dated 8 April 2022 for details).

This program will be the first drilling at Sandy Creek since 2012 and at Artemis since 2014.

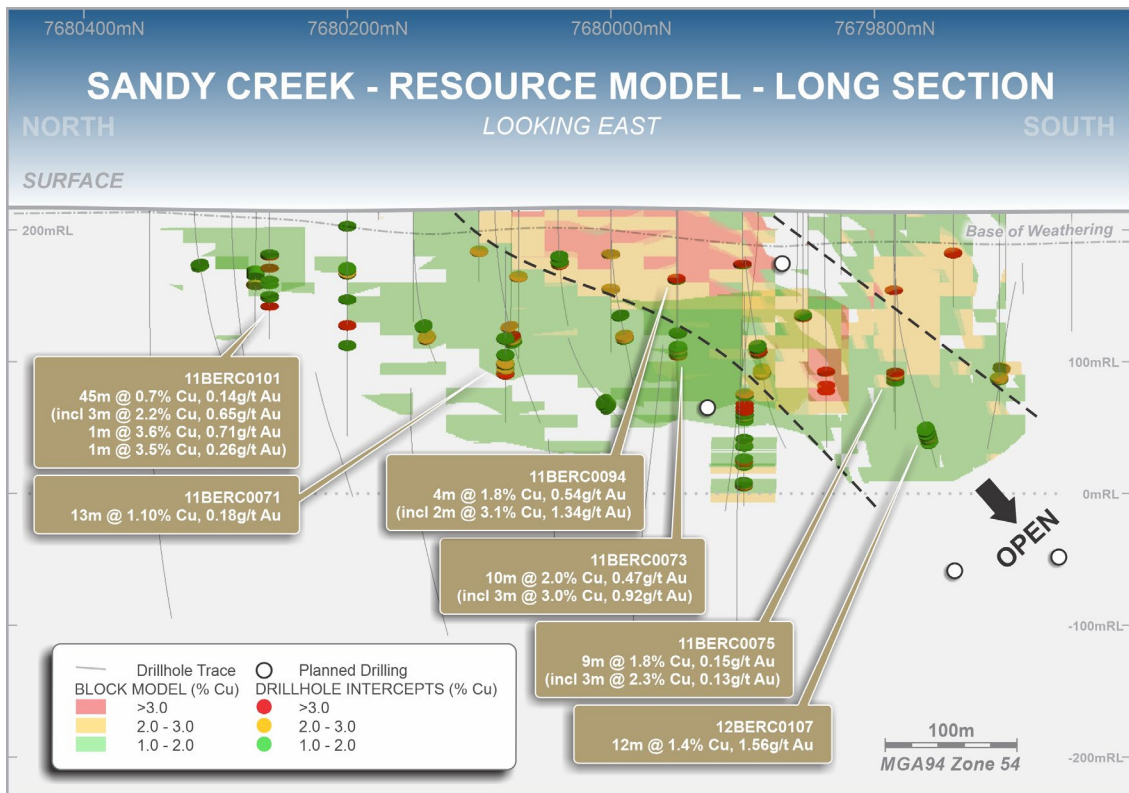


Figure 3. Sandy Creek long section showing planned drilling pierce points

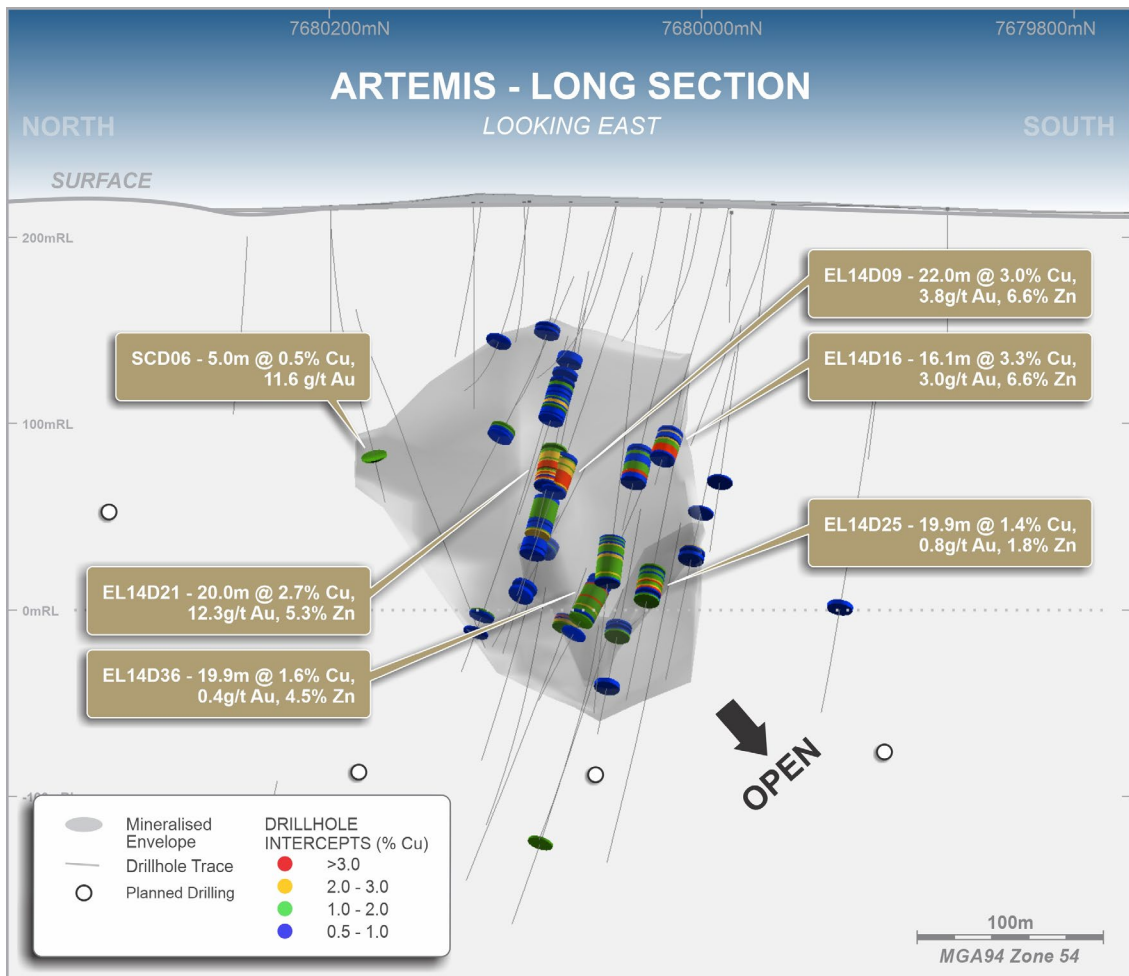


Figure 4. Artemis long section showing planned drilling pierce points

Authorisation

This announcement has been approved for issue by, and enquiries regarding this announcement may be directed to Aaron Colleran, Managing Director, via info@aicmines.com.au

Exploration Information Extracted from ASX Announcements

This report contains information extracted from ASX market announcements reported in accordance with the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (“2012 JORC Code”).

Further details, including 2012 JORC Code reporting tables where applicable, can be found in the following announcement lodged on the ASX by Demetallica Limited (ASX code DRM):

- Demetallica Limited Prospectus 8 April 2022

Forward-Looking Statements

This Announcement includes “forward-looking statements” as that term within the meaning of securities laws of applicable jurisdictions. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond AIC Mines’ control. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this announcement, including, without limitation, those regarding AIC Mines’ future expectations. Readers can identify forward-looking statements by terminology such as “aim,” “anticipate,” “assume,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “risk,” “should,” “will” or “would” and other similar expressions. Risks, uncertainties and other factors may cause AIC Mines’ actual results, performance, or achievements to differ materially from those expressed or implied by the forward-looking statements (and from past results, performance or achievements). These factors include, but are not limited to, the failure to complete the project in the time frame and within estimated costs currently planned; the failure of AIC Mines’ suppliers, service providers and partners to fulfil their obligations under supply and other agreements; unforeseen geological, physical or meteorological conditions, natural disasters or cyclones; changes in the regulatory environment, industrial disputes, labour shortages, political and other factors; the inability to obtain additional financing, if required, on commercially suitable terms; and global and regional economic conditions. Readers are cautioned not to place undue reliance on forward-looking statements. Although AIC Mines believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.