

ABOUT AIC MINES

AIC Mines is a growth focused Australian resources company. Its strategy is to build a portfolio of gold and copper 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

BOARD MEMBERS

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

Grant of Jericho Mining Lease

AIC Mines Limited (ASX: A1M) (“AIC Mines” or the “Company”) is pleased to announce that the mining lease for the Jericho Copper Mine has been approved for grant by the Minister for Resources and Critical Minerals Queensland, Mr Scott Stewart and subsequently granted by the Queensland Government, Department of Resources.

OVERVIEW

- The Jericho Mining Lease has been granted by the Queensland Government, Department of Resources.
- This approval allows for surface works at Jericho to commence within a maximum 10ha area and mine development activity to take place with a maximum of 20 people employed on site.
- Jericho mining optimisation studies to reduce initial schedule risk and also longer-term operational risks are currently being finalised. The major component of this work is investigation of direct underground access to Jericho from the Eloise portal via a 3.6 kilometre link drive.

Commenting on the Jericho Mining Lease approval, AIC Mines’ Managing Director Aaron Colleran said:

“AIC Mines acquired the Jericho copper deposit in January last year. To have the Mining Lease granted after only 16 months of ownership is testament to the quality of the project, the work ethic of the AIC Mines team and, importantly, the consistent and well-understood Queensland mining approvals process.”

“Granting of the Jericho Mining Lease is an important milestone on the Jericho development journey. It allows us to advance surface works in preparation for mining, commit to long-lead time items, and confidently advance negotiations with lenders. The project will employ approximately 150 people over a 24-month construction period and then 100 new permanent employees when in production.”

“Development of a new underground mine at Jericho is a game changer for our Eloise copper mine. It provides a pathway to expanding annual production at Eloise to over 20,000t of copper and 10,000oz of gold in concentrate. Mining at Jericho will be lower cost than Eloise as it is much shallower, commencing below only 50m of cover. Expansion of the Eloise processing plant will further reduce operating costs through economies of scale and equipment improvements.”

“The world needs more copper as we build the infrastructure to transition away from fossil fuels. AIC Mines is focused on delivering into that demand. Queensland is a great place to be operating – it has the copper, the mining infrastructure and the skilled labour force to help fill what is expected to be an insatiable global appetite for copper.”

Jericho Copper Mine

The Jericho copper deposit is located 4 kilometres south of the Eloise processing plant and has similar geology, mineralisation and metallurgy to Eloise. Development of the Jericho mine and expansion of the Eloise processing plant will lift production to over 20,000tpa copper and 7,500ozpa gold. It will reduce operating costs through economies of scale and de-risk production by increasing the number of available ore sources. Development of Jericho transforms Eloise into a cornerstone asset.

Jericho Development

The Jericho Mining Lease 100348 has been granted by the Queensland Government, Department of Resources.

The commencement date of the Mining Lease is 1 June 2024. The total area of the Mining Lease is 881.7 Hectares which covers the Jericho Mineral Resource and its expected down-dip extensions as well the down-dip extension of the Eloise Deeps mineralisation (see Figure 1). The Mining Lease is granted for an initial term of 10 years. AIC Mines is required to lodge a Financial Provision Surety of \$159,619 under the project's Standard Environmental Authority prior to commencing development or mining activities.

Grant of the Mining Lease allows for surface works at Jericho to commence within a maximum 10ha area and mine development activity to take place with a maximum of 20 people employed on site.

AIC Mines has recently completed a tender process for Eloise and Jericho underground mine development work and has awarded preferred tender status to PYBAR Mining Services.

Jericho mining optimisation studies to reduce initial schedule risk and also longer-term operational risks are currently being finalised. The major component of this work is investigation of direct underground access to Jericho from the Eloise portal via a 3.6 kilometre link drive.

The next important approvals, relevant to the Jericho mine development, are the Jericho Site Specific Environmental Authority (SSEA) and an amendment to the Eloise Environmental Authority. Discussions are underway with the Queensland Government Department of Environment, Science and Innovation to understand the requirements to achieve these approvals.

AIC Mines is grateful for the support that it has received from local stakeholders in advancing the Jericho Mine, including the McKinlay Shire Council, the Mitakoodi and Mayi People (Traditional Owners) and local landowners (Levuka and Elrose pastoral stations).

Jericho Exploration

The Jericho Mineral Resource remains open along strike and at depth.

Exploration drilling, to test targets along strike of Jericho, commenced in April 2024.

To date, six diamond holes for 2,628m have been completed at the **Swagman** prospect, located 1.8km south of the Jericho resource. The drilling has tested up and down plunge of the Swagman discovery intersection made in September 2023 of 9.8m (6.9m ETW) grading 2.1% Cu from 491m (see Figures 1 and 2 and AIC Mines ASX announcement "High-Grade Copper Discovery at Jericho North" dated 19 September 2023). Assay results are expected mid-June 2024.

The drill rig is now completing holes around the planned Jericho underground infrastructure to gather geotechnical information.

Exploration drilling is also planned at **Jericho South**. The projected J1 and J2 Lens positions and a potential J3 Lens position are evident in ground-based electromagnetic surveys up to one kilometre south of the Jericho resource (see Figures 1 and 2). Approximately 850m of drilling is planned to test these positions.

Further drilling at Jericho, particularly on the J2 Lens, will test strike and plunge extensions of the known high-grade shoots later in the year.

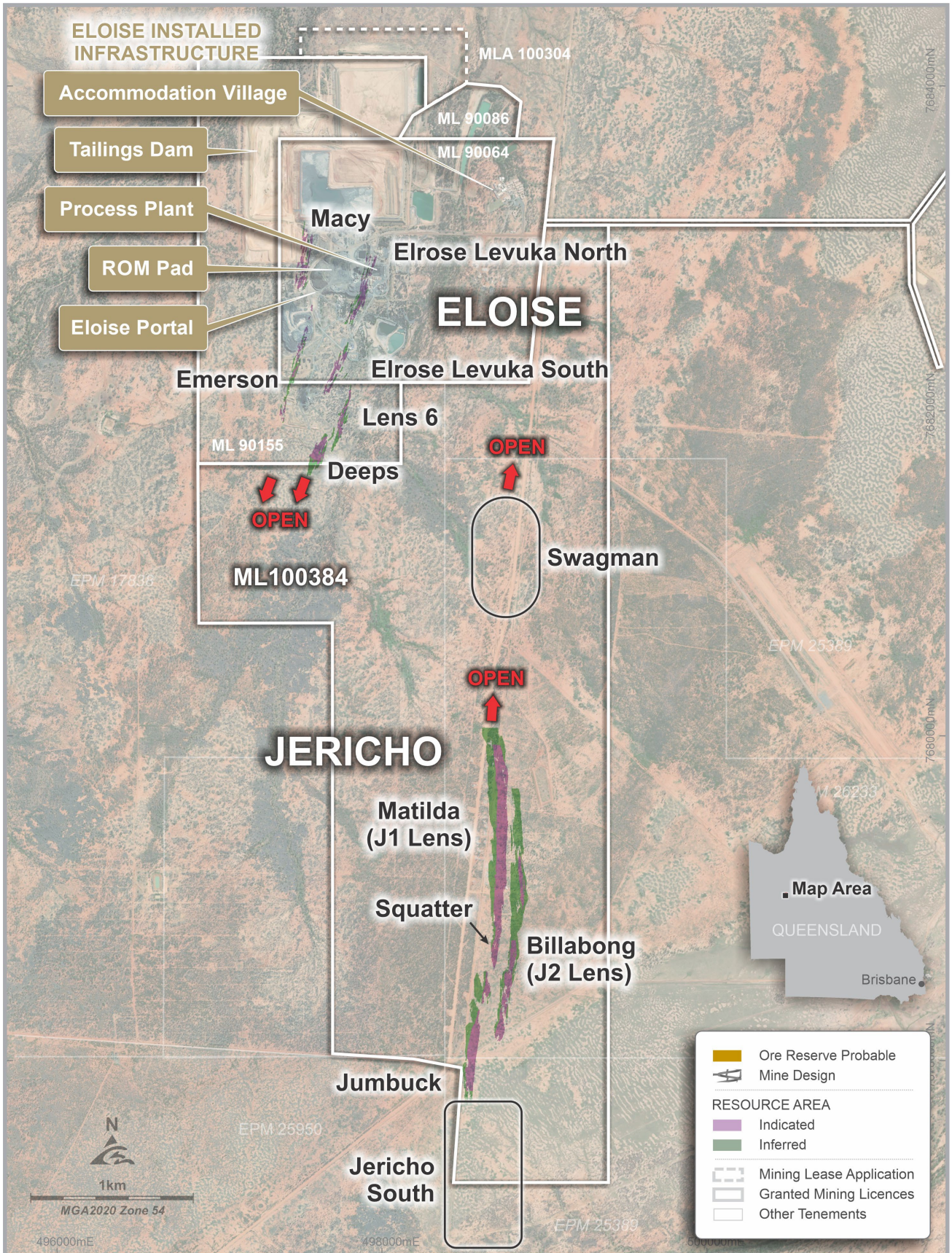


Figure 1. Plan showing location Eloise and Jericho Mining Leases, Eloise surface infrastructure and Eloise and Jericho Mineral Resources.

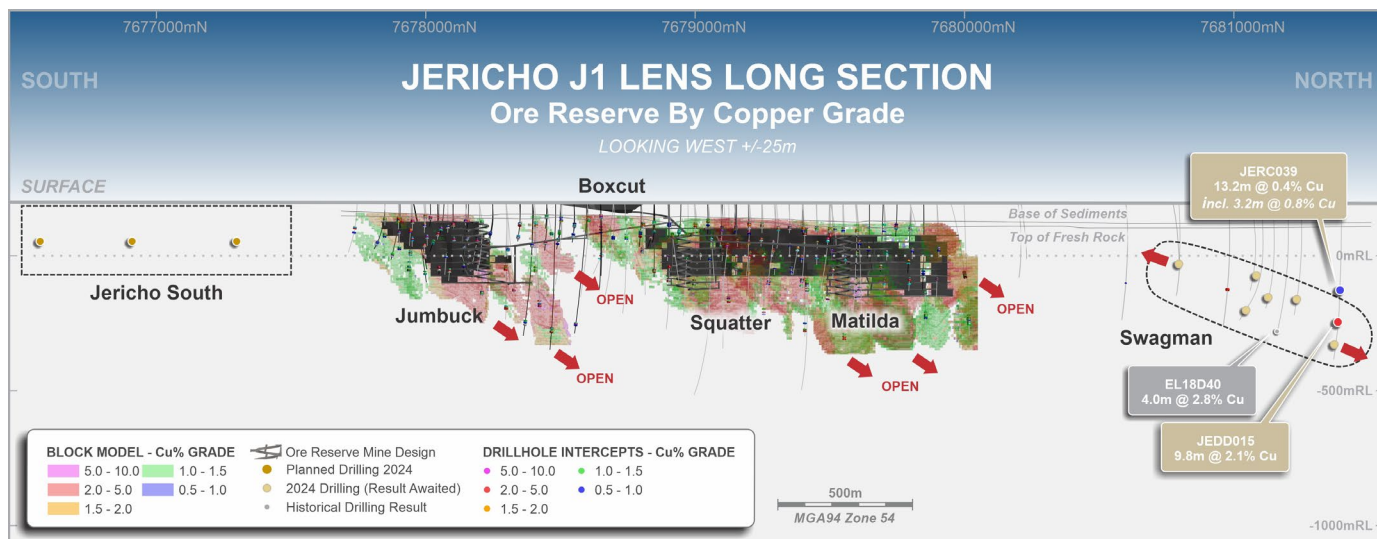


Figure 2. Long Section (looking west) showing location of J2 Lens Ore Reserves with Swagman and Jericho South targets.

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 and Mineral Resource Information Extracted from ASX Announcements

This announcement contains information extracted from earlier 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”). These announcements are listed below.

Further details, including 2012 JORC Code reporting tables where applicable, can be found in the following announcements lodged on the ASX by AIC Mines Limited:

- High-Grade Copper Discovery at Jericho North 19 September 2023
- Significant Increase in Jericho Ore Reserve 28 March 2024

Competent Person’s Statement – Jericho Exploration and Drilling Results

The information in this announcement that relates to the Jericho exploration and drilling results is based on information, and fairly represents information and supporting documentation compiled by Mike Taylor who is a member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they have undertaken to qualify as a Competent Person as defined in the JORC Code. Mr. Taylor is a full-time employee of AIC Mines Ltd. Mr. Taylor consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

About the Eloise Copper Mine and the Jericho Copper Deposit

Eloise is a high-grade operating underground mine located 60 kilometres southeast of Cloncurry in North Queensland. It commenced production in 1996 and has since produced approximately 350,000t of copper and 175,000oz of gold. AIC Mines is targeting annual production of approximately 12,500t of copper and 6,500oz of gold in concentrate.

Current operations consist of an underground mine accessed via decline. The upper levels of the mine (above 1,190m below surface) are extracted by longhole open stoping and the lower levels are extracted by sublevel caving and longhole open stoping. Eloise is an owner-miner operation with a mining contractor used for underground development and production drilling.

Eloise ore is processed through a conventional processing circuit consisting of three stage crushing, grinding, sulphide flotation and concentrate filtration. Metallurgically the ore is very consistent as the ore mineralogy at Eloise is almost exclusively chalcopyrite. Processing achieves high copper recoveries (generally 94% - 95%) and produces a clean concentrate. The concentrate has significant by-product credits from gold and silver.

Jericho is located 4 kilometres south of the Eloise Copper Mine. Development of Jericho transforms Eloise into a true cornerstone asset for AIC Mines. It will increase production, reduce operating costs through economies of scale, increase the project life and de-risk production by increasing the number of available ore sources.

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.