

Australian Mines Ltd

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Australian Mines raises \$5 million to advance Australian cobalt projects

Australian Mines Ltd (ASX:AUZ) has raised \$5 million through a share placement to sophisticated and institutional investors.

The placement comprised 172,413,793 fully paid ordinary shares issued at 2.9 cents a share.

Funds raised are expected to go towards optimisation of the ongoing bankable feasibility study (BFS) of the company's Sconi Cobalt-Nickel-Scandium Project in northern Queensland.

The proceeds will also be used to complete resource expansion drilling at Australian Mines' Flemington Cobalt-Nickel-Scandium Project in central New South Wales.

Australian Mines managing director Benjamin Bell said the fundraising demonstrated the appetite for exposure to the battery materials sector by the investment community continued to be buoyant.

Bell said: "We continue to see positive outlook for battery and technology metals, with independent market analysis forecasting a 15-fold increase in cobalt demand over the next decade".

Bell also noted the emphasis by both battery manufacturers and auto-makers for ethically-sourced material.

He added: "I am very pleased that sophisticated and institutional investors continue to offer support for Australian Mines' strategy to become a future global player in the battery chemicals space and recognise the long-term value and potential of our projects."

READ: Australian Mines continues off-take negotiations with SK Innovation

Sconi's BFS was released last November and estimated an average annual revenue of \$512 million average annual EBITDA of \$295 million and a post-tax net present value of \$697 million at an 8% discount.

The company is optimising the November BFS to incorporate the larger mineral resource defined in a successful resource expansion drilling program.

Resource drilling at the Flemington project is ongoing and has only tested 1% of its prospective geology to date.

Australian Mines believes there is significant potential to materially expand

Price: 0.029

Market Cap: \$99.9 m

1 Year Share Price Graph



Share Information

Code: AUZ

Listing: ASX

52 week High Low
0.064 0.017

Sector: Mining

Website: www.australianmines.com.au

Company Synopsis:

Australian Mines Limited (ASX:AUZ) is listed on the Australian Securities Exchange.

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Flemington's cobalt resource.

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