Establishing Australia’s first Aboriginal Iron Ore Mine

Presented by Fergus Campbell
AAMC’s Strategy & Structure

Strategy

“To develop Australia’s first substantively Aboriginal owned, managed and operated iron ore mine in the central Pilbara region of Western Australia, and to establish a Pilbara based Australian Aboriginal Mining Academy”

Structure

Private Company with 21 Shareholders

A single Aboriginal entity is the largest shareholder @ 25%

Majority Aboriginal beneficial ownership of 51% has now been achieved

Preference for equity funding

Flexibility is very important
History of AAMC

2013
- Exploration
- Maiden Reserves
- Bulk sample approval

2014
- Sales and Purchase Agreements - IOH

2015
- Ministerial approval 4Mtpa
- Iron Ore Sale and Purchase Agreement - Fortescue
- Finalise access road
- Detailed engineering

2016

2017
- Commence Operations
Board and Management of AAMC

DANIEL TUCKER
Chairman
Prime Minister’s Indigenous Advisory Council.
Owner and CEO of Carey Mining Pty Limited.
Board positions in various private and ASX companies and Aboriginal Community Organisations.

FERGUS CAMPBELL
(B ENG MINING)
Executive Director
Over 20 years of management experience in mining businesses.
Lead roles in all phases of mining project delivery.
Has managed a number of significant Australian iron ore operations.
In 2003 first to introduce a surface miner to a Pilbara iron ore project.

DAVID PAULL
(BCOM. MBA (CORNELL), F.FIN)
Non-executive Director
Over 20 years experience in resource business development and industrial minerals marketing
Currently Managing Director of ASX listed Aspire Mining Limited (ASX: AKM)
Bachelor of Commerce from the University of Western Australia
Fellow of the Financial Services Institute of Australia
MBA with distinction from Cornell University New York
In the Heart of the Pilbara Iron Ore industry
Reserves

20.4 million wet tonnes of ore producing
17.6 million of dry tonnes of product

Average strip ratio 0.48 bcm/dt (or 1.09 t/t)

100% above the water table
Average UCS of 13Mpa
Mine Site & Exploration Potential
Video - Exploration Drilling 14 Dec 2013
Production

Iron ore sales
Yr 1 @ 1 Mt/yr then 2Mt/yr to 9.3 yrs

Average annual waste movement
910,000 bcm/yr

Average strip ratio
0.48 bcm/dt

Year 1 strip ratio
0.20 bcm/dt
Product Qualities – Other WA Mines

Notes:
Production rates are proportional to bubble areas

Graph includes 17 WA Projects with a combined nameplate capacity of 417Mtpa
Iron Ore Sale and Purchase Agreement executed with Fortescue

14 September 2015 - a proud day for AAMC
Iron Ore Sale and Purchase Agreement with Fortescue

Aspects of this agreement include:

1. 5 year term
2. Flexibility to transport up to 2Mtpa through Fortescue’s infrastructure via delivery to Fortescue's Port or mine facilities
3. Fortescue’s choice to purchase the iron ore or to sell it on behalf of AAMC
4. The Agreement gives AAMC flexibility to deliver up to 2Mtpa and to adjust production rates to suit market and other conditions
Product Delivery Options
**Costs – Opex & Capex**

A competitive Mine Gate Cost with a very low Capital Intensity

2Mtpa nameplate production

AU$25M capital

Capital Intensity of AU$12.50 per annualised dry tonne
Aboriginal Stakeholder Benefits

1. Service contracts – collaborative and flexible
2. Royalties
3. Aboriginal business participation/investment
4. Australian Aboriginal Mining Academy funded through a royalty stream
5. Preferential employment

“Enabling Pilbara Aboriginal Communities to share in the wealth of the land”
Summary

2013 AAMC established a strategy to develop Australia’s first Aboriginal owned and operated iron ore mine

2014 completed exploration, defined reserves and produced a robust mine plan

2015 secured EPA approval and access to port and rail

2016 realised a majority Aboriginal beneficial ownership

Now targeting project commencement in 2017 subject to finalisation of equity funding arrangements and a suitably supportive commodity price
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## Contact Details

<table>
<thead>
<tr>
<th>Office:</th>
<th>Postal Address:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Suite B3</td>
<td>P.O. Box 1918</td>
</tr>
<tr>
<td>431 – 435 Roberts Road</td>
<td>Subiaco</td>
</tr>
<tr>
<td>Subiaco</td>
<td>Western Australia 6904</td>
</tr>
<tr>
<td>Western Australia 6008</td>
<td></td>
</tr>
<tr>
<td><a href="http://www.aaminingcorp.com.au">www.aaminingcorp.com.au</a></td>
<td></td>
</tr>
<tr>
<td>Phone: +61 8 9287 4556</td>
<td></td>
</tr>
<tr>
<td>Fax: +61 8 9388 1980</td>
<td></td>
</tr>
</tbody>
</table>