

## 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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E: info@aicmines.com.au

A: Suite 3, 130 Hay St,  
Subiaco WA 6008.

Share Register:  
Computershare Investor Services

## Commencement of Jericho Mine Development

**AIC Mines Limited** (ASX: A1M) (“AIC Mines” or the “Company”) is pleased to announce that its Board of Directors has approved the commencement of development for the Jericho Copper Mine via an underground link drive directly from the Eloise decline.

### OVERVIEW

- Recently completed mining studies comparing the two scenarios for accessing the Jericho deposit – an underground link drive from Eloise versus a covered boxcut and portal at Jericho – have clearly shown that an underground link drive is the better choice.
  - Wet-season flood protection
  - Excavation immediately in competent rock
  - Lower mine operating cost
  - Allows for rapid development of any future discoveries along the 3.0km of prospective strike
  - Lower potential impact on environment and local stakeholders
- The link drive will take off from the Eloise decline at 125m below surface and involves a 3.0 kilometre drive. It is expected to be completed over approximately 24 months and to reach first development ore in June 2026.
- At about its halfway point, the link drive will pass within 400m of the Swagman discovery allowing for resource definition drilling to be completed and possible early development of this lens.
- The mining team at Eloise have immediately commenced preparations for the link drive with new ground support installed and geotechnical drilling underway.

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

*“The Eloise to Jericho link drive will have many long-term benefits – access will be considerably easier to maintain during the wet season and also allows rapid drilling and development of any new discoveries along the 3 kilometres of prospective strike. Importantly it can be commenced now with equipment and capacity that we already have at Eloise.”*

## 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

Jericho mining optimisation studies have shown that accessing the Jericho deposit via an underground link drive from the Eloise decline will reduce initial schedule risk and also longer-term operational risks without a material change to the capital or operating costs as compared to a boxcut, portal and overland haulage scenario.

The link drive has a number of advantages over the original boxcut, portal and overland haulage scenario:

- Wet-season flood protection.
- No soft or oxidised rock excavation. Immediately in competent rock.
- Lower mine operating cost due to materials handling optimisation.
- No requirement to change ROM pad for semi-trailer access.
- Allows for rapid development of any future discoveries along the 3.0km of prospective strike – such as the Swagman discovery (see AIC Mines ASX announcement “High-Grade Copper Discovery at Jericho North” dated 19 September 2023).
- Lower potential impact on environment and local stakeholders – such as pastoral landowners, McKinlay Shire Council and the Traditional Owners of the land.

The link drive will take off from the 1065 level on the Eloise decline (125m below surface) and involve a 3.0 kilometre drive plus 600m of development for stockpiles (see Figures 1 and 2) to be completed over approximately 24 months. The drive is expected to reach first development ore in June 2026 and then ramp-up to a full ore-production rate of approximately 600,000tpa subject to timely receipt of environmental approvals including an amendment to the Eloise Environmental Authority and the Jericho Site Specific Environmental Authority.

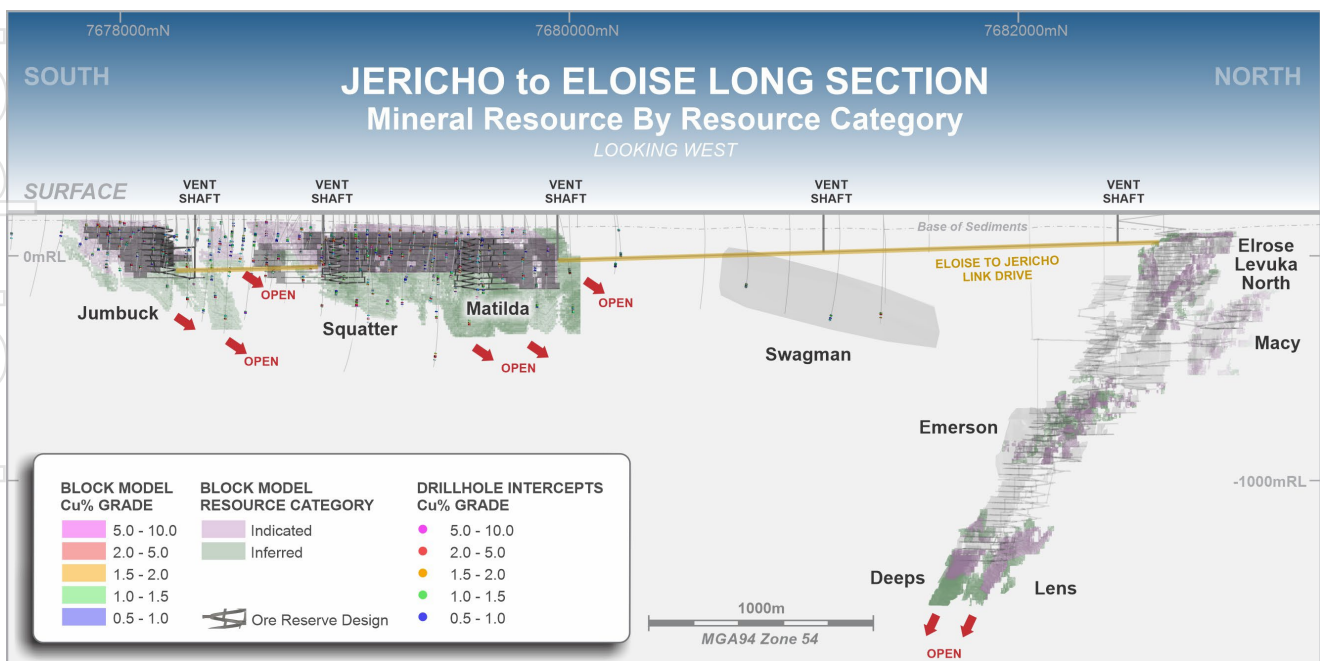


Figure 1. Long Section showing location of Eloise and Jericho mine designs and link drive.

At about its halfway point, the link drive will pass within 400m of the Swagman discovery allowing for resource definition drilling to be completed and possible early development of this lens.

Access to the northern end of the Jericho project first, as compared to central access under the boxcut scenario, means that additional drilling to extend the Mineral Resource to the north is now important (see Figure 3). There is sufficient time to complete this drilling (from surface) ahead of the link drive development.

Geotechnical conditions will be managed with in-front cover drilling. This drilling has commenced. Given the extensive underground mining experience that the Eloise mining time has, AIC Mines does not expect to encounter any ground conditions that it has not successfully dealt with in the past.

Capital costs for Jericho mine development, subject to finalisation of the underground development contract, are estimated at \$35M over 24 months for underground development and \$15M over 24 months for associated ventilation shafts and fans.

AIC Mines has recently completed a tender process for a combined Eloise and Jericho underground mine development work and has awarded preferred tender status to PYBAR Mining Services, the incumbent mine development contractor at Eloise. The contract is expected to be awarded in June 2024. Procurement of the requisite capital equipment has commenced, including new underground refuge chambers and secondary vent fans.

### **Eloise Processing Plant Expansion**

GR Engineering Services are currently on site at Eloise to plan the processing plant expansion including finalising equipment locations, understand interface points between the new plant and existing plant and to assess the electrical upgrade work required for the new equipment. Subject to finalisation of this work, capital costs for the Eloise processing plant expansion, including upgraded crushing circuit and power generation plant, are estimated at \$60M.

The Eloise processing plant expansion and upgrade costs are incurred over 36 months, weighted to FY26 and FY27. Exact timing of the upgrade of specific items is still to be determined. The initial plan to delay upgrade of the crushing circuit and use contract crushing during the mine ramp-up period (saving approximately \$20M in initial capital) is being reconsidered. A decision to upgrade the crushing circuit instead of relying on contract crushing will increase the upfront capital cost but significantly reduce operating costs.

### **Next Steps**

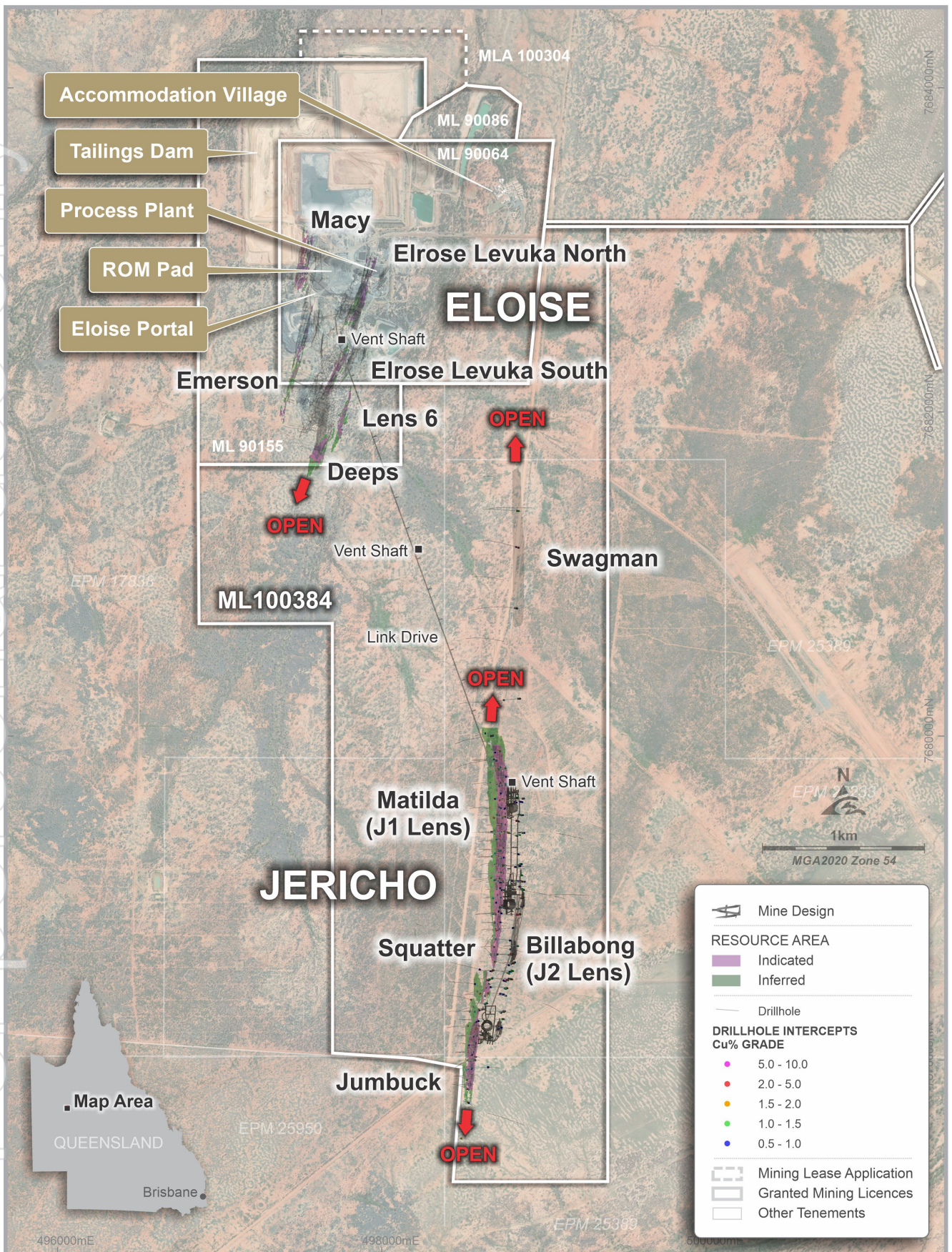
AIC Mines is progressing both equity and debt funding for the Jericho project (i.e. Jericho mine development and Eloise processing plant expansion). Cash on hand and Eloise operating cashflow provides for commencement of activities that are currently time-critical.

### **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](mailto:info@aicmines.com.au)



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**Figure 2. Plan showing location of Eloise and Jericho Mining Leases, Eloise surface infrastructure, Eloise to Jericho link drive and Eloise and Jericho Mineral Resources.**



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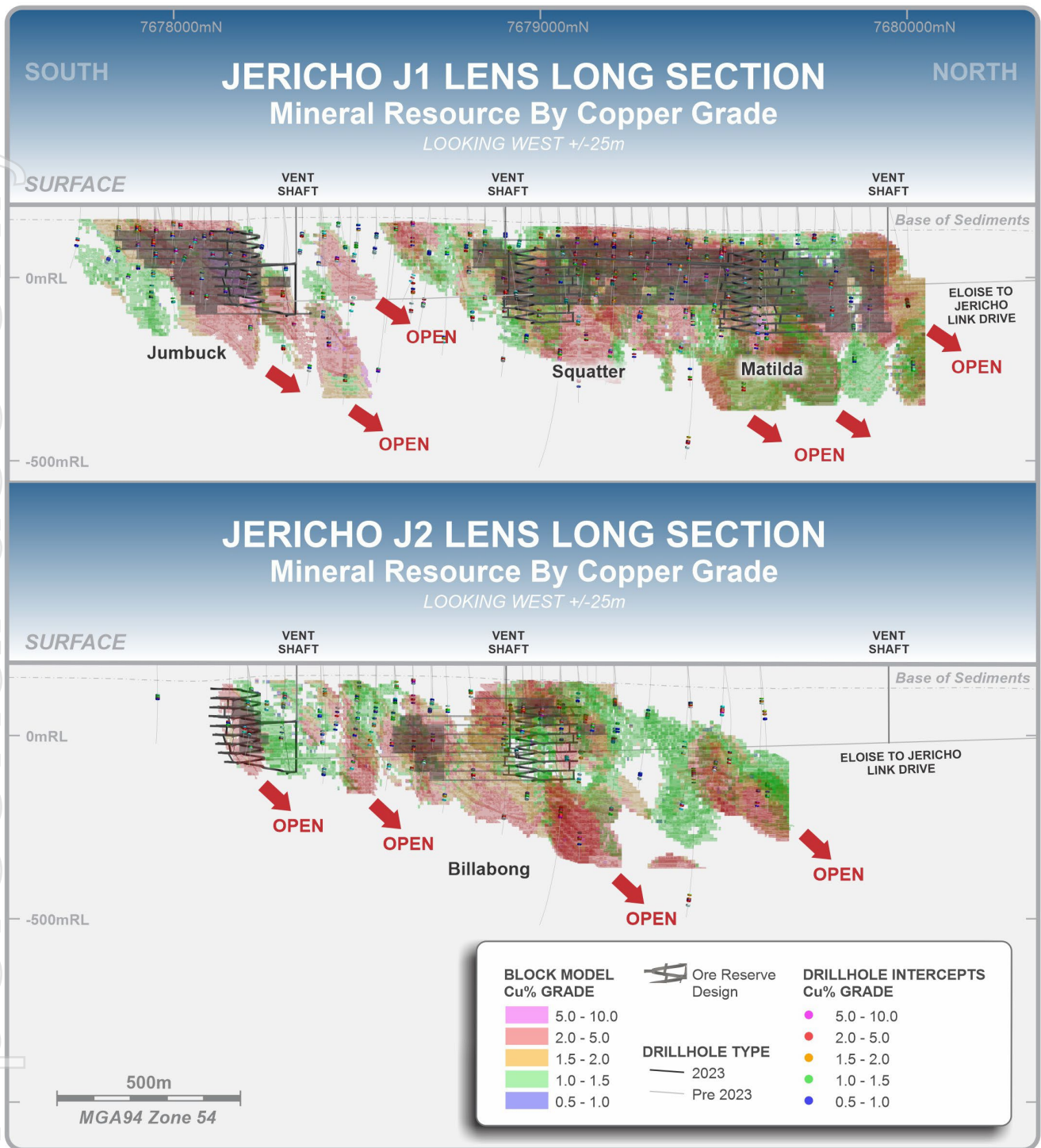


Figure 3. Long Section showing the location of Jericho Mineral Resources and Eloise to Jericho link drive.

## Exploration, Mineral Resource and Ore Reserve Information Extracted from ASX Announcements

This announcement contains information and diagrams 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 Mineral Resource | 30 January 2024   |
| • Significant Increase in Jericho Ore Reserve      | 28 March 2024     |

### 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 5,000oz 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.