



5 August 2009

ASX ANNOUNCEMENT

NON-RENOUNCEABLE ENTITLEMENT ISSUE SHORTFALL

Australian Mines Limited (ASX: AUZ) (**Company**) advises the results of its non-renounceable entitlement issue (**Entitlement Issue**) which closed on 31 July 2009.

The results are as follows:

| | Shares | Options |
|--|---------------|-------------|
| Number of securities available under the Entitlement Issue | 3,197,644,772 | 159,882,239 |
| Number of securities taken up | 1,569,295,910 | 78,464,796 |
| Shortfall securities | 1,628,348,862 | 81,417,443 |

The shortfall shares and options have been notified to the underwriter, Patersons Securities Limited (**Patersons**) in accordance with the underwriting agreement.

As previously advised, the Company has also received firm commitments for a placement of 2,416,500,000 shares at an issue price of 0.1 cent per share together with 1 free attaching option for every 20 shares to be allotted and issued, to sophisticated investor clients of Patersons to raise \$2,416,500 (**Placement**).

It is expected that holding statements for the issue of the Placement securities will be dispatched at the same time as those in relation to the Entitlement Issue.

The Company has received conditional approval for the reinstatement to trading of its securities on ASX following final allotment of the new securities and dispatch of holding statements as follows:

| | |
|---|----------------|
| Dispatch date of new securities and entering into shareholders' security holdings | 11 August 2009 |
| Reinstatement to official quotation on ASX | 12 August 2009 |

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