

HIGHLIGHTS

South West HPA (High Purity Alumina) Project Western Australia

- Process plant study received from engineering consultants;
- Positive operating and capital costs found by the study will help advance AMMG's funding arrangements;
- Highly experienced consultants now engaged to provide commercial HPA samples to advance AMMG's off-take negotiations;
- AMMG will work closely with the consultants to identify areas of possible economic optimisation within its process flow;
- Production of commercial samples to commence shortly to cater to international HPA end-user requests;
- AMMG visited a manufacturing facility in Shanghai to discuss potential supply of HPA plant equipment in the future;
- AMMG is reviewing a number of funding options for its proposed HPA processing plant.

Glenarty Creek Mineral Sands Project

Western Australia

- A number of joint venture and expressions of interest have been received, which the Company is currently progressing.

South West Salt Project

Western Australia

- Early stage discussions commenced with an interested Chinese group;
- Preliminary internal scoping study progressing to establish the parameters around the project's commercial viability.

Bencubbin Magnetite Project

Western Australia

- Discussions continuing with interested parties on potential joint venture and/or investment opportunities.

Constance Range Iron Ore/DSO

Project Queensland

- AMMG has applied for additional ground near BHP historical Deposit K at its Constance Range project.

Corporate

- The Company has rationalised its tenement portfolio through reductions of less prospective tenements resulting in reduced expenditure commitments;
- Field activities and geological work has also been scaled back as AMMG concentrates on marketing and advancing its key projects;
- AMMG remains well funded with circa **\$2.45m** in the Bank **as at 31 December 2013**.

Corporate

Investor Relations

- AMMG sponsored the **3rd Asian Bauxite & Alumina** conference in Singapore;
- Following the conference AMMG participated in the **China Mining 2013 Congress** held in Tianjin from November 2;
- The Company attended the **International Bauxite, Alumina & Aluminium Society (IBAAS)/China Aluminum International Engineering Co (CHALIECO)** conference held in Nanning from November 28.

information

Australia Minerals & Mining Group Ltd

ABN 45 125 301 206

ASX Code: AKA

Listed Options: AKAOB

Financial Information (as at 31 Dec 2013)

Share Price: 0.098

Shares: 107.75m

Market Cap: 10.55m

Cash: \$2.45m

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directors

Luke Atkins - Non-executive Chairman

Ric Dawson - Managing Director

Peter Bailey - Non-executive director

Dan Tenardi - Non-executive director

Piers Lewis - Company Secretary



AMMG sponsored the 3rd Asian Bauxite & Alumina conference in Singapore, November 2013

South West HPA (High Purity Alumina) Project Western Australia

Process Plant Study Update

During the quarter the Company received its high purity alumina (HPA) process plant study from engineering consultants.

The consultants were first appointed by the Company in June 2013 to complete the study, which would aim to make up some of the major technical components of AMMG's Definitive Feasibility Study (DFS).

AMMG is encouraged by the operating (Opex) and capital (Capex) costs indicated by the study, which enables the Company to move forward towards securing a suitable funding arrangement.

AMMG is currently reviewing and pursuing a number of funding proposals and varying finance structures for its proposed HPA commercialisation project.

Optimisation Test Work

During the quarter the Company visited a number of Perth-based processing facilities highly capable of providing processing facilities to produce samples of HPA.

Subsequent to quarter end the Company engaged specialist consultants to commence batch optimisation test work with a view to producing samples of HPA for commercial dispatch. The specialist consultants have substantial industry experience in process plant optimisation and project management.

A number of potential opportunities have been highlighted that could improve the economics of the Company's project through a combined technical and economic assessment of the test work completed to date, as well as similar fundamental inputs to the design basis for the study.

AMMG has received a number of requests for HPA trade samples from some major existing and potential HPA end-users located in Asia, Middle East and Europe. The Company is confident that, provided the successful production of bulk 99.99% (4N) HPA samples, the potential off-take customers will be satisfied with the unique characteristics of AMMG's material.

The completion of HPA sample dispatch to potential customers may facilitate the advancement of a potential off-take contract, which would further support AMMG's pursuit in securing a suitable funding arrangement.

As further developments occur, AMMG may consider conducting a continuous trial process testing program, which could result in the production of greater quantities of HPA.

HPA Commercialisation

During its recent investor road show to China in November 2013, AMMG visited a manufacturing facility in Shanghai. The facility is owned and operated by a highly experienced international engineering group. Discussions were held regarding the facility's capabilities to potentially supply plant equipment for AMMG's proposed HPA project.



Fig 1. AMMG visits plant manufacturing facility in Shanghai, November 2013

South West HPA (High Purity Alumina) Project Western Australia

Funding

Funding options are currently being reviewed and pursued in anticipation of the proposed HPA processing plant. AMMG is working towards a suitable funding arrangement based on the outcome of its optimisation test work and resulting HPA sample.

Project Background

The Company's 100% owned South West HPA Project area is located within relatively close proximity to existing infrastructure, including Kwinana, Esperance and Albany ports.

AMMG developed its innovative acid-based processing technology in collaboration with consulting processing chemists TSW Analytical Pty Ltd.

The processing technology is a low energy intensive process that uses low temperatures at atmospheric pressures; it produces saleable by-products and the key reagents are recyclable.

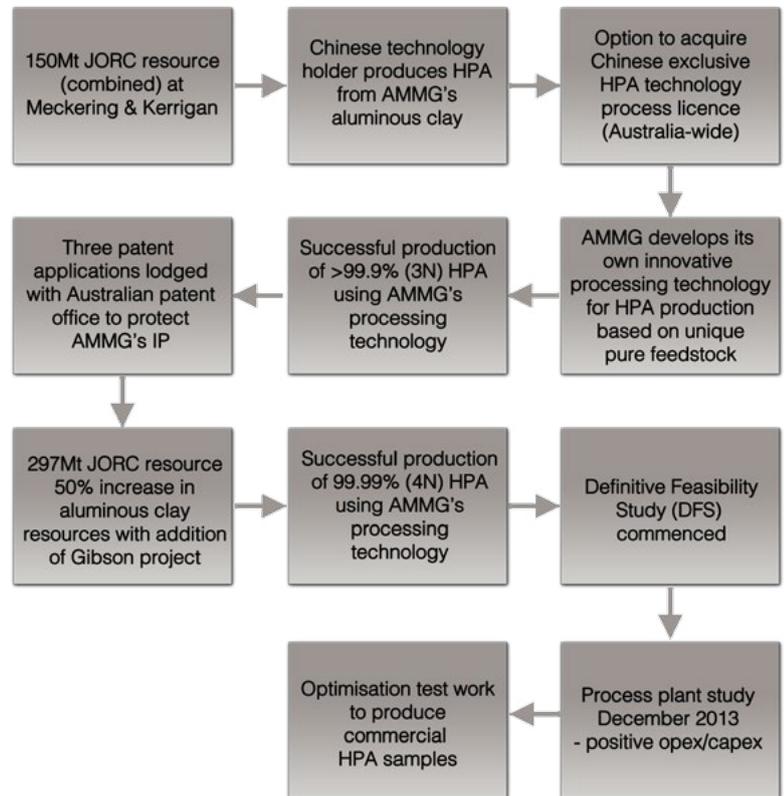


Fig 2. AMMG's HPA project pathway

The aluminous clay (kaolin) feedstock is unique in that it contains extremely low levels of impurities such as iron and titanium. The final HPA product is a premium high-value product that is used in high-performance electronic applications, such as tablet screens and LED's.

AMMG previously announced (21 May 2013) the successful production of 99.99% (4N) HPA using its processing technology. AMMG is confident that it will be able to produce higher 5N or 6N purity levels, subject to further successful development of the process.

The Company lodged three patent applications to protect the intellectual property of its processing technology (patent numbers 2013900637, 2013900636, 20139000639).

AMMG's process is favoured by the unique mineralogy of its aluminous clay material, which contains extremely low levels of impurities, such as iron and titanium. The Company's aluminous clay deposits are hosted by the Yilgarn Craton, which is one of the oldest weathered cratons on earth. The ancient weathering has left the aluminous clay as a primary or in-situ resource; it is whitish in colour and extends from the surface to a reported depth of 42 metres.

AMMG is currently targeting potential investors and off-take customers for its 99.99% (4N) HPA, which is a high-value low-volume end product used in a number of applications such as high-performance electronics and LED's. It is priced at US\$30/kg to US\$300/kg, which is dependent on the level of purity and particle size.

Glenarty Creek Mineral Sands Project Western Australia

During the quarter the Company received a number of expressions of interest from potential joint venture parties for the development of its Glenarty Creek Mineral Sands Project. The Company is continuing discussions with these parties and reviewing proposals submitted by third party interest. Further advancements with regards to a potential joint venture arrangement will be announced as they occur.

AMMG's 100% owned project is located in a known mineral sands region in the south-west region of Western Australia; it is bisected by the Brockman Highway and has a direct route to the Bunbury port via BHP-constructed sealed road.

The project is situated on the Scott Coastal Plain, which contains granulite derived heavy mineral (HM) accumulations within Cainozoic sediments that are deposited in a fluvial environment.

AMMG delineated a JORC (2004) inferred resource at its Rover Range Deposit of 701Mt at 3.8% heavy mineral (HM) containing 2.6% ilmenite, using a lower cut-off of 2% ilmenite. Nearby Miller's Mill Deposit contains a JORC (2004) inferred resource of 106Mt at 3.6% HM containing 2.8% ilmenite, using a lower cut-off of 2.5% ilmenite over the entire thickness of the resource.

During the recent China investor road show, AMMG met with a number of potential ilmenite off-take partners. AMMG has provided high level project data and discussions continue with these interested overseas parties.

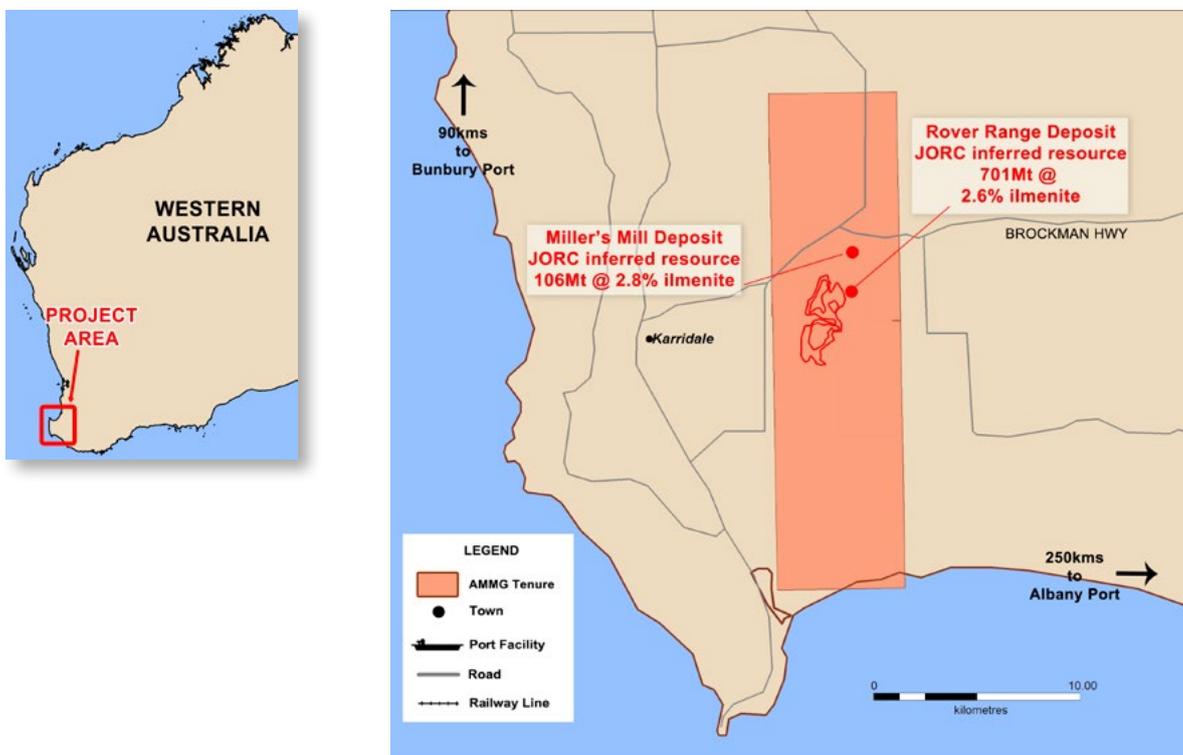


Fig 3. Maps showing location of AMMG's Glenarty Creek Mineral Sands Project, Western Australia

Constance Range Iron Ore/DSO Project Queensland

During the quarter the Company applied for an additional exploration licence near BHP-historical Deposit K (see Figure 5 below) at its 100% owned Constance Range Iron Ore/DSO Project in north-west Queensland. The project is made up of five granted tenements and three applications totalling approximately 645km².

The recent application covers the northern limb of the Deposit K anticline. Historic mapping shows the Train Range Ironstone member, which is the source of iron mineralisation at Constance Range, outcropping within the application area.

AMMG is currently focused on marketing this project given the level of interest received from Chinese parties as well as potential investment opportunities from some Australian-based third parties.

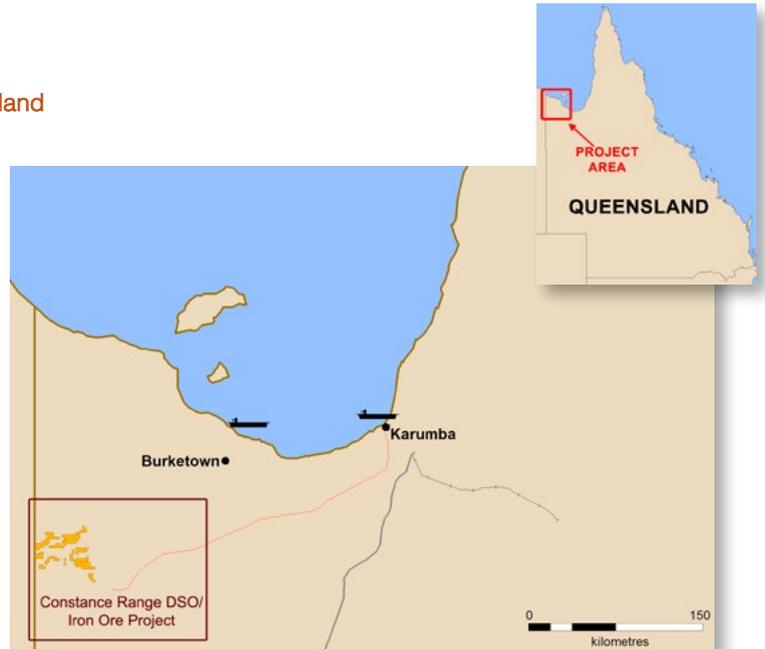


Fig 4. Map showing location of AMMG's Constance Range Iron Ore/DSO Project, Queensland

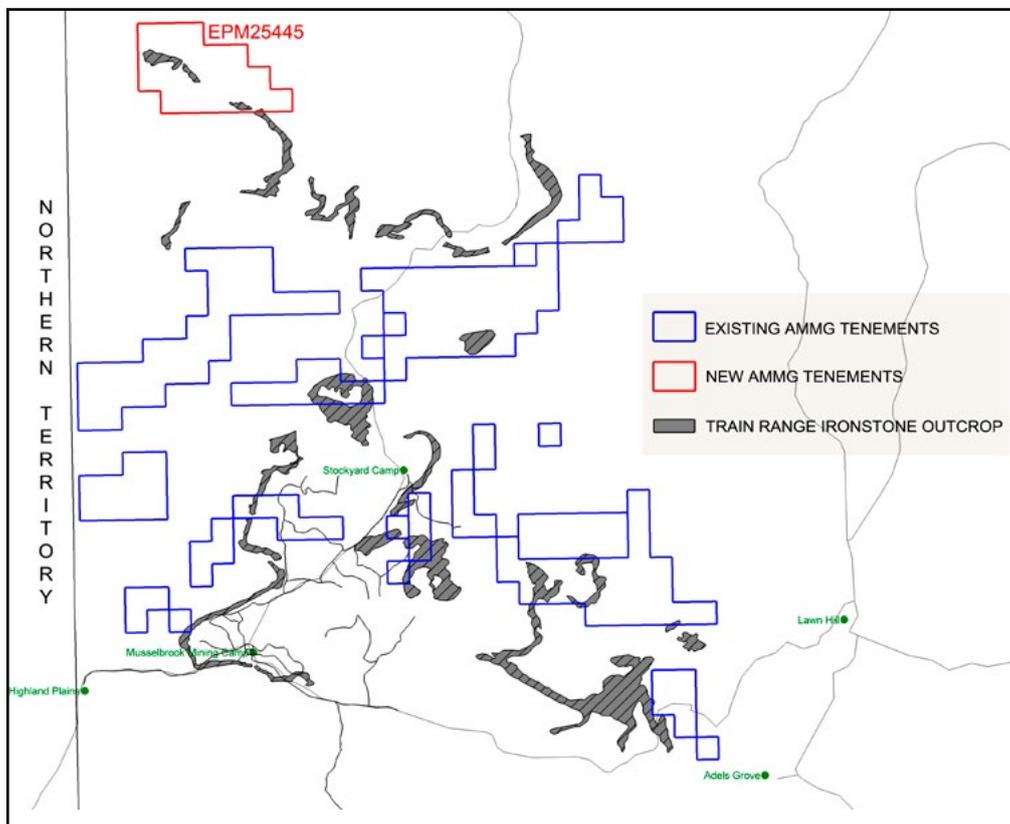


Fig 5. Map showing AMMG's newly acquired tenement applications at its Constance Range Iron Ore/DSO Project, Queensland

Donnelly Graphite Project Western Australia

During the quarter AMMG conducted a site reconnaissance at its 100% owned Donnelly Graphite Project, which included evaluating the project's accessibility and geological environment. A high level marketing study was also conducted.

AMMG is focused on promoting the project amongst the global graphite industry. During its investor road show to China in November 2013, an international graphite company requested high level data on AMMG's graphite project. Discussions are continuing and further updates will be announced as they develop.

The project is located approximately 95kms from the port of Bunbury in the lower south-west region of Western Australia. Existing infrastructure such as the South West Highway and other sealed roads provide the tenement with direct access to the Bunbury port.



Fig 6. Site reconnaissance at Donnelly Graphite Project, December 2013

Bencubbin Magnetite Project Western Australia

Several expressions of interest for the Bencubbin project were received during the quarter from a number of significant local and international groups, which the Company is currently progressing.

The Bencubbin project is situated in the Yilgarn Craton of Western Australia and is located approximately 220kms from Perth. The tenement is bisected by existing rail and the area is private freehold land. Encouraging metallurgical test results indicated a 'coarse' liberation of magnetite at a grind size of 150 microns at the Bencubbin project.

South West Salt Project Western Australia

During the quarter the Company commenced an internal preliminary scoping study on its (100% owned and joint ventured) South West Salt Project, which is located approximately 450km east of Perth. The scoping study aims to establish the parameters around the project's commercial viability, including an assessment of today's salt economy through various salt markets.



Fig 7. AMMG's South West Salt Project is bisected by existing rail

Early stage discussions and data exchanges are progressing with an interested Chinese party.

The Company's 100% owned and joint ventured South West Salt Project is located at Lake Deborah approximately 450km east of Perth. It is within close proximity to infrastructure such as an existing operational railway bisecting the project area. The project also adjoins a highly successful 60-year plus salt operation, which supplies both local and overseas markets.

Corporate

During the quarter the Company rationalised its tenement portfolio through reductions of a number of less prospective tenements, which resulted in reduced expenditure commitments.

The Company is shifting its focus from exploration to marketing and further developing its current priority projects, namely its South West HPA project. This focus on marketing the key projects will form an alternative avenue to ongoing funding.

AMMG's **Annual General Meeting** (AGM) was held at 11.00am (WST) on Tuesday, 22nd October 2013 at the Company's head office, 3 Bay Road, Claremont. All resolutions were passed on a show of hands.

Working Capital

AMMG remains well funded with current cash reserves of \$2.45m as at 31 December 2013.

Corporate - Investor Relations

During the quarter AMMG sponsored the **3rd Asian Bauxite & Alumina** conference. Held over two days from October 30th in Singapore, the conference attracted major international bauxite and alumina industry players.

AMMG managing director, Ric Dawson gave a detailed presentation on the South West HPA project, highlighting the key benefits that the aluminous clay/kaolin to HPA process proposes for the industry.

AMMG then travelled to China to participate in the **China Mining 2013 Congress** held in Tianjin from November 2.

Expressions of interest were received for a number of AMMG's diversified suite of mineral projects from potential investors and/or joint venture partners. Discussions and data exchanges are continuing with these newly established parties.

Following the conference, AMMG conducted an investor road show to other parts of China, including Shanghai and Beijing. AMMG also attended the International Bauxite, Alumina & Aluminium Society (IBAAS)/China Aluminum International Engineering Co (CHALIECO) conference in Nanning from November 28, 2013.

Upcoming Conferences

Subsequent to quarter end, AMMG participated in the **Vancouver Resource Investment Conference (VRIC)** in January 2014. AMMG will be attending the upcoming **Prospectors & Developers Association of Canada (PDAC)** conference in Toronto in early March at booth number 3322.

Contact

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Technical information in this report is based on information compiled by Mr. Michael O'Mara B.Sc. Geology, AMMG Chief Geologist and a member of the Australian Institute of Geologists. Mr. O'Mara has sufficient exploration experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC 2004"). Mr. O'Mara consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

Schedule of Tenements

AMMG wishes to provide the following information in relation to additional information required by Listing Rule 5.3.3. Exploration tenements held at the end of the December 2013 quarter and their location:

Tenement ID	Location	Project	Grant Date	Interest at beginning of quarter	Interest at end of quarter
E70/4341	WA, Australia	Beenup	16/01/2013	100%	100%
E70/4501	WA, Australia	Bobalong	Application	100%	100%
EPM16620	QLD, Australia	Constance Range	4/11/2008	100%	100%
EPM17919	QLD, Australia	Constance Range	28/02/2011	100%	100%
EPM17920	QLD, Australia	Constance Range	Application	100%	100%
EPM18375	QLD, Australia	Constance Range	27/04/2012	100%	100%
EPM18710	QLD, Australia	Constance Range	31/07/2012	100%	100%
EPM19772	QLD, Australia	Constance Range	Application	100%	100%
EPM19773	QLD, Australia	Constance Range	11/02/2013	100%	100%
EPM25445	QLD, Australia	Constance Range	Application	0%	100%
E70/4548	WA, Australia	Donnelly Graphite	Application	0%	100%
E45/4067	WA, Australia	East Pilbara	Application	100%	100%
E63/1664	WA, Australia	Gibson	Application	100%	100%
E70/4569	WA, Australia	Glenarty Ck	Application	0%	100%
E70/3927	WA, Australia	Green Range	15/06/2011	100%	100%
E70/4398	WA, Australia	Green Range	15/04/2013	100%	100%
E70/4502	WA, Australia	Green Range	Application	100%	100%
E70/4445	WA, Australia	Kerrigan	Application	100%	100%
E70/4503	WA, Australia	Kerrigan	Application	100%	100%
E77/1746	WA, Australia	Lake Deborah	21/09/2010	100%	100%
E77/1747	WA, Australia	Lake Deborah	21/09/2010	100%	100%
E77/1748	WA, Australia	Lake Deborah	21/09/2010	100%	100%
E77/1770	WA, Australia	Lake Deborah	8/11/2010	100%	100%
E77/2112	WA, Australia	Lake Deborah	Application	100%	100%
E77/2113	WA, Australia	Lake Deborah	Application	100%	100%
E08/2506	WA, Australia	Lake Macleod	Application	100%	100%
E04/2201	WA, Australia	Canning Coal	13/08/2013	100%	100%
EPM17331	QLD, Australia	Maytown	Application	100%	100%
EPM18030	QLD, Australia	Maytown	Application	100%	100%
E70/3923	WA, Australia	Meckering	26/11/2010	100%	100%
E70/4499	WA, Australia	Meckering	Application	100%	100%
E70/4500	WA, Australia	Meckering	Application	100%	100%
E70/4531	WA, Australia	Meckering	Application	100%	100%
E70/4532	WA, Australia	Meckering	Application	100%	100%
E70/4533	WA, Australia	Meckering	Application	100%	100%
E70/4534	WA, Australia	Meckering	Application	100%	100%
E70/4131	WA, Australia	Pingaring	31/05/2012	100%	100%
E70/2640	WA, Australia	Southdown Extension	22/02/2005	100%	100%
E70/4238	WA, Australia	Southdown Extension	15/12/2011	100%	100%
E70/4239	WA, Australia	Southdown Extension	16/12/2011	100%	100%
E70/4240	WA, Australia	Southdown Extension	16/12/2011	100%	100%
E70/4241	WA, Australia	Southdown Extension	16/12/2011	100%	100%
E70/4242	WA, Australia	Southdown Extension	16/12/2011	100%	100%

About AMMG

AMMG was established in 2007 and listed on the ASX in January 2010 for the purpose of securing exploration ground over areas that have typically been subject to historical exploration and where significant geological data was available and/or the land was considered sufficiently prospective.

Areas with existing or potential access to infrastructure were also targeted.

To date, the Company has identified and is focused on advancing a diversified suite of mineral project areas located in Western Australia and Queensland.

The directors believe these projects have the potential for the realisation of economic resources of these commodities currently targeted: aluminous clay (kaolin), magnetite, coal, nickel, graphite, salt, mineral sands and gypsum.

As at quarter end, the Company had 21 granted tenements and 21 tenement applications (in Western Australia and Queensland) totalling approximately 8,120km².