PUBLIC DISCLOSURE STATEMENT

AUSTRALIAN MINES

ORGANISATION CERTIFICATION
FY2022-23

Australian Government

Climate Active
Public Disclosure Statement

An Australian Government Initiative

NAME OF CERTIFIED ENTITY	Australian Mines Limited
REPORTING PERIOD	Financial year 1 July 2022 – 30 June 2023 Arrears report
DECLARATION	*To the best of my knowledge, the information provided in this public disclosure statement is true and correct and meets the requirements of the Climate Active Carbon Neutral Standard.*
	Andrew Nesbitt Chief Executive Officer 10 April 2024

Australian Government
Department of Climate Change, Energy, the Environment and Water

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Version March 2023.

1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	615 tCO_2-e
CARBON OFFSETS USED	100% VCUs
RENEWABLE ELECTRICITY	N/A
CARBON ACCOUNT	Prepared by: Pangolin Associates
TECHNICAL ASSESSMENT	Date: February 2023 Maria Arteaga Organisation: Pangolin Associates Next technical assessment due: FY2024-25 report

Contents

2. CERTIFICATION INFORMATION

Description of certification

This inventory has been prepared for the calendar year from 1 July 2022 to 30 June 2023 and covers the Australian business operations of Australian Mines Limited (ABN 68 073 914 191), including Auzrnd Pty Ltd, Flemington Mining Operations Pty Ltd, Sconi Mining Operations Pty Ltd, Advanced Materials Limited, a wholly owned subsidiary of Australian Mines incorporated in UK on 13 December 2019, and a newly registered company EOS Pty Limited, also a wholly owned subsidiary of Australian Mines registered on 30 September 2021.

In December 2023, Australian Mines Limited executed a binding agreement (subject to shareholder approval and acquisition terms) to acquire two, 100% owned, exploration projects in Brazil, namely the Jequie Rare Earth Project (Bahia) and the Resende Lithium Project (Lithium Valley, Minas Gerais). Since these acquisitions were made in December 2023 and both projects are subject to acquisition terms as per ASX Announcement, 6 December 2023, these entities and their operations are not part of Australian Mines' operational boundary for the reporting FY2022-2023.

Australian Mines is not currently undertaking mining operations. At this point in time Australian Mines is currently in the exploration phase and is not engaged in the development phase during the reporting period. The mining operations of Australian Mines will be covered in the emission boundary when the development phase begins.

The operational boundary has been defined based on an operational control test, in accordance with the principles of the National Greenhouse and Energy Reporting Act 2007. This includes the following locations and facilities:

- Level 6, 66 St Georges Terrace, Perth, 6000 WA
- Level 23, 108 Ste Georges Terrace, Perth, 6000 WA
- Level 34, 1 Eagle Street, Brisbane, 4000 QLD

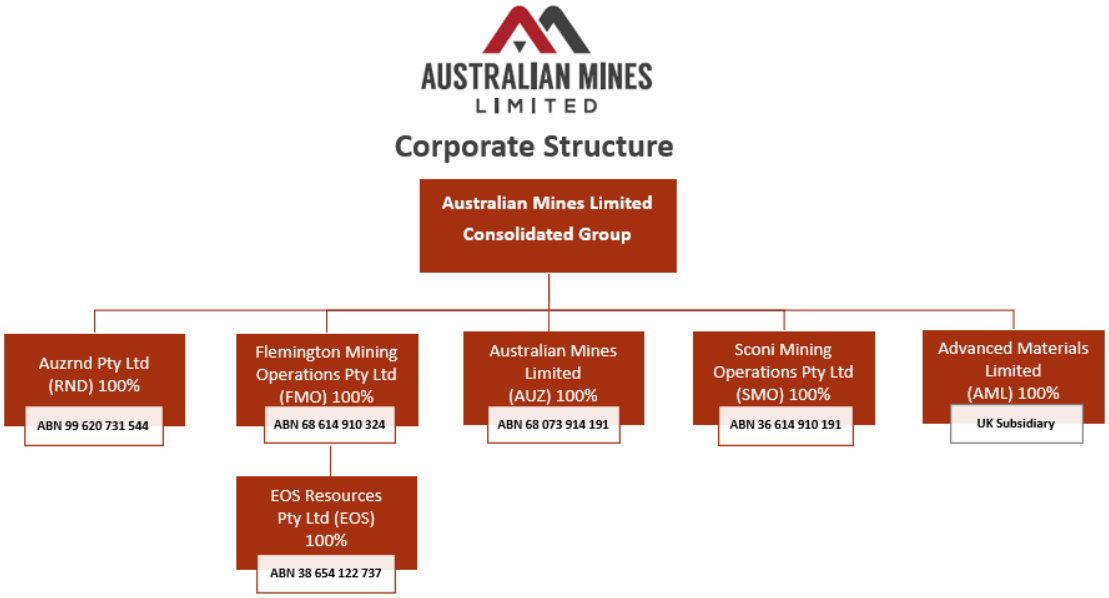
The methods used for collating data, performing calculations and presenting the carbon account are in accordance with the following standards:

- Climate Active Standards
- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
- National Greenhouse and Energy Reporting (Measurement) Determination 2008

Where possible, the calculation methodologies and emission factors used in this inventory are derived from the National Greenhouse Accounts (NGA) Factors in accordance with "Method 1" from the National Greenhouse and Energy Reporting (Measurement) Determination 2008.

The greenhouse gases considered within the inventory are those that are commonly reported under the Kyoto Protocol; carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O) and synthetic gases -

hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) sulphur hexafluoride (SF_6) and nitrogen trifluoride (NF_3). These have been expressed as carbon dioxide equivalents (CO_2-e) using relative global warming potentials (GWPs).



Note:
- EOS Resources Pty Limited is a wholly owned subsidiary of Australian Mines Limited, incorporated in Australia on September 30, 2021.
- Advanced Materials Limited is a wholly owned subsidiary of Australian Mines Limited, incorporated in the UK on December 13, 2019.

Organisation description

Australian Mines is an ASX-listed company with a portfolio of, 100% owned, Cobalt, Nickel and Scandium assets across Australia's east coast. The company's primary focus is the development of its flagship Sconi Project, in North Queensland, which is forecast to be one of the most cost competitive cobalt – producing nickel operations in the world.

The Sconi Project is ideally placed to meet surging demand for ethically sourced battery materials, which is being driven by the global shift to cleaner, more sustainable energy solutions. The Sconi Project will primarily supply the electric vehicle and advanced battery storage industries, which are both making an increasingly significant contribution to the reduction of greenhouse gas emissions.

Alongside Sconi, which has an estimated mine life of at least 30 years, Australian Mines has 100% ownership of a Cobalt, Nickel and Scandium project in Flemington and 100% ownership of Broken Hill (Thackaringa), an early-stage pure cobalt exploration project, both of which are in New South Wales.

A key feature of the development plan for the Sconi project is Australian Mines' commitment to deliver social as well as economic benefits to Queensland. Australian Mines is working closely with the Queensland Government and the communities that are local to the project on its plans for investment to upgrade regional infrastructure and services to support the local economy. This infrastructure upgrade planning creates an ideal opportunity for Australian Mines to advance its carbon neutral ambitions and

positively influence key stakeholder groups around emissions reduction.

Making the decision to become carbon neutral is a natural extension of Australian Mines ongoing commitment to building a sustainable business, that incorporates leading Environmental, Social and Governance (ESG) practices. It follows the approval of the Company's membership of the Initiative for Responsible Mining Assurance (IRMA) in March 2020. The IRMA is an independent third-party organisation that verifies and certifies socially and environmentally responsible mining.

3. EMISSIONS BOUNDARY

Inside the emissions boundary

All emission sources listed in the emissions boundary are part of the carbon neutral claim.

Quantified emissions have been assessed as relevant and are quantified in the carbon inventory. This may include emissions that are not identified as arising due to the operations of the certified entity, however are **optionally included**.

Non-quantified emissions have been assessed as relevant and are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. All material emissions are accounted for through an uplift factor. Further detail is available at Appendix C.

Outside the emissions boundary

Excluded emissions are those that have been assessed as not relevant to an organisation's operations and are outside of its emissions boundary or are outside of the scope of the certification. These emissions are not part of the carbon neutral claim. Further detail is available at Appendix D.

Inside emissions boundary

Quantified

Accommodation and facilities

Cleaning and chemicals

Climate Active carbo neutral products and services

Construction materials and services

Electricity

Food

ICT Services and Equipment

Machinery and vehicles

Office equipment & supplies

Postage, courier and freight

Products

Professional services

Transport (air)

Transport (land and sea)

Waste

Water

Working from Home

Non-quantified

Refrigerants

Outside emission boundary

Excluded

N/A

4. EMISSIONS REDUCTIONS

Emissions reduction strategy

Australian Mines emissions reduction strategy involves improving operational efficiency, implementing staff training and engagement programs to target reductions in work related emissions, ongoing investment in technological innovation to minimise transport and logistics emissions and reducing waste and energy consumption across the business. The implementation of this strategy will include:

- ✓ setting annual KPIs to measure and report on Australian Mines' energy consumption and emissions reduction targets
- ✓ increase energy efficiency through the installation of energy efficient lighting and appliances as part of the upgrade and replacement programs at our offices and facilities
- ✓ developing a roadmap for a transition to 100% green energy supply, including annual targets for increases in the use of energy from renewable sources
- ✓ encouraging our partners and stakeholders to implement emissions reduction strategies

Australian Mines has a sustainability section on its website stating "Sconi is 100% Australian-owned and, when fully developed, will be of the world's lowest cost producers of sustainable and ethical produced cobalt for the electric vehicle battery sector". Australian Mines is committed to the highest Environmental, Social and Governance (ESG) standards throughout our operations and sustainable and ethical business practices with reference to https://australianmines.com.au/sustainability-and-ethos.

Australian Mines commits to reduce total emissions of its business operations by 20% by 2030 compared to a 2019 baseline. This will be achieved through the following measures:

Scope 1 emissions:

- Continuing to minimise emissions from company-owned vehicle use.

Scope 2 emissions:

- Switching to GreenPower electricity at Australian Mines offices.

Scope 3 emissions:

A. Business travel emissions will be reduced by:

- Selecting 'carbon neutral' for all flights. This initiative was implemented from July 2023 onwards, and therefore a reduction in emissions associated with flights is expected for the FY2024 reporting period, with an expected reduction of at least 5% of total emissions.

- Considering flying economy for all domestic flights within the next 12 months which will reduce emissions by at least 5%.

- Where possible, high preference to carbon neutral accommodation to reduce carbon emission within the next 3 years.

B. Postage, courier and logistics emissions will be reduced by:

- Where possible, using an alternate or electronic sending method within the next 12 months.
- Considering Carbon neutral logistics to reduce carbon emission within the next 3 years.

C. Advertising and marketing services emissions will be reduced by:

- Focusing advertising on the development of Australian Mines' website, where the company's brand and value of the projects will be displayed to investors, concurrently there will be a reduction in the use of local advertising and marketing professional services, this reduction will be larger than the increase in website fees. This shift of advertisement from mixed media to a standalone website should see a reduction in emissions of at least 10% over the next 5 years.
- Reducing international advertising and marketing by 10% within the next 5 years.
- Using a carbon neutral partner when advertising is necessary.

Emissions reduction actions

- Employees have become more aware and actively engaged in reducing emissions across the business.
- Significantly reduced travel-related emissions by utilising virtual communication technologies to replace face to face meetings. This has been the practice since our Climate Active membership in 2020.
- Consolidated office spaces by terminating three office leases in 2022 and 2023 to reduce emissions generated from maintaining multiple offices.
- A hybrid Work from Home set up has been recommended to employees to reduce emissions associated with commuting, as it was identified that many Australian Mines' employees lived significant distances from offices.
- Implemented green office and work from home policies, that include, but are not limited to:
  - ✓ setting double-sided printing as a default on all computers and printers
  - ✓ successfully transitioned to 100% recycled paper
  - ✓ implement off peak computer and office equipment shutdowns (where possible)
- Continuous education and engagement with our people to ensure reduction in emissions generated at work.
- Engagement with a greater number of carbon neutral partners across the business.

5. EMISSIONS SUMMARY

Emissions over time

Australian Mines emissions increased significantly from Year 4 to Year 5. The majority of this increase comes from two sources: flights and professional services. First, the increase in emissions associated with flights for FY2023 is due to a post-COVID rebound that saw reduced number of flights being taken between the FY2020 – FY2022 reporting periods. The flights used in FY2023 are more aligned with the number of flights in FY2019 – i.e. before the pandemic. Second, there was an increase to the professional services used by Australian Mines for the FY2023 reporting period, which has resulted in an increase in associated emissions.

Emissions since base year		
		Total tCO_2-e
Base year/Year 1:	2018-19	458.97
Year 2:	2019–20	338.31
Year 3:	2020–21	110.53
Year 4:	2021-22	156.04[1]
Year 5:	2022-23	614.10[2]

Significant changes in emissions

Emission source	Previous year emissions (t CO_2-e)	Current year emissions (t CO_2-e)	Reason for change
Long business class flights (>3,700km)	14.9	68.8	Following COVID travel restrictions Australian Mines now can travel overseas to facilitate discussions of its main project with possible investors. Additionally, field explorations and tenement rehabilitations were conducted during this reporting period that require site visits. These site visits were not possible during the COVID pandemic.

Use of Climate Active carbon neutral products, services, buildings or precincts

This assessment and Climate Active submission was prepared with the assistance of Pangolin Associates and these services are carbon neutral.

Certified brand	Service used
Pangolin Associates	Consulting
Reflex	Paper

[1] Electricity emissions calculated using a market-based approach.
[2] Electricity emissions calculated using a location-based approach.

Emissions summary

The electricity summary is available in the Appendix B. Electricity emissions were calculated using a location-based approach.

Emission category	Sum of scope 1 (tCO_2-e)	Sum of scope 2 (tCO_2-e)	Sum of scope 3 (tCO_2-e)	Sum of total emissions (t CO_2-e)
Accommodation and facilities	0.00	0.00	5.68	5.68
Cleaning and chemicals	0.00	0.00	0.43	0.43
Climate Active carbon neutral products and services	0.00	0.00	0.00	0.00
Construction materials and services	0.00	0.00	0.34	0.34
Electricity	0.00	5.56	11.75	17.31
Food	0.00	0.00	1.73	1.73
ICT services and equipment	0.00	0.00	8.85	8.85
Machinery and vehicles	0.00	0.00	4.02	4.02
Office equipment and supplies	0.00	0.00	3.10	3.10
Postage, courier and freight	0.00	0.00	13.79	13.79
Products	0.00	0.00	0.00	0.00
Professional services	0.00	0.00	451.88	451.88
Transport (air)	0.00	0.00	100.22	100.22
Transport (land and sea)	0.00	0.00	3.29	3.29
Waste	0.00	0.00	0.49	0.49
Water	0.00	0.00	0.26	0.26
Working from home	0.00	0.00	2.70	2.70
Total emissions	**0.00**	**5.56**	**608.54**	**614.10**

Uplift factors

N/A

6. CARBON OFFSETS

Offsets retirement approach

This certification has taken an in-arrears offsetting approach. The total emissions to offset are 614.1 tCO_2-e. The total number of eligible offsets used in this report is 615. Of the total eligible offsets used, 0 were previously banked and 615 were newly purchased and retired. Zero are remaining and have been banked for future use.

Co-benefits

Parabati Hydroelectric Project Stage III – Himachal Pradesh, India

NHPC Limited's Parbati Hydroelectric Project, Stage III is Greenfield Hydro Power Project located on river Sainj and Jiwa nallah a tributary of Beas River near village Bihali, Kullu district of Himachal Pradesh state of India. It is a run-of-the-river scheme whose design discharge includes the diversion of the tail race releases of Parbati Stage-II Power house as well as inflows from river Sainj and Jiwa nallah. The purpose of the project activity is to generate electrical power using hydel energy, through the operation of run of the river hydro turbines. The hydel energy generated from the hydel power plant is evacuated to the State Grid System which is part of NEWNE Grid. Generating power through hydel plant is a clean technology as no Carbon intensive fossil fuel is burnt during the process. A hydel turbine produces power by harnessing the available potential energy. Thus, there are no GHG emissions associated with the functioning of the hydro turbines. This in result replaces anthropogenic emissions of greenhouse gases (GHGs) estimated to be approximately 1,912,324 tCO_2-e per year, thereon displacing 1,975,950 MWh/year amount of electricity from the gird.

Socio-economic well-being:
Project activity has generated direct and indirect employment for skilled and unskilled manpower during construction phase as well as during operational stage and thus helped in controlling migration from the region and alleviation of poverty.
The project activity’s contribution of power supply towards the NEWNE grid is helping in the upliftment of the social life of the people by ensuring a sustainable and reliable source of power for the region.
The Project activity has improved the infrastructural facilities like water availability, road, and medical facilities etc in the region.

Environmental well-being:
The project activity generates clean and green power thus causing negligible emissions of greenhouse gases. By building and operating the Hydro power project, much pollution is avoided. In the absence of the project activity, equivalent power would have been generated based on the fossil fuels resulting in more GHG emissions into the atmosphere.

The project activity has reduced the dependence on fossil fuels for power generation thus conserving the natural reserves. The project has led to greenhouse gas emission reductions and hence contributed to mitigating climate change.

Eligible offsets retirement summary

Offsets retired for Climate Active certification											
Project description	**Type of offset units**	**Registry**	**Date retired**	**Serial number (and hyperlink to registry transaction record)**	**Vintage**	**Stapled quantity**	**Eligible quantity retired (tCO_2-e)**	**Eligible quantity used for previous reporting periods**	**Eligible quantity banked for future reporting periods**	**Eligible quantity used for this reporting period**	**Percentage of total (%)**
Parbati Hydroelectric Project Stage III	VCU	Verra	18/12/2023	9572-109995247-109995861-VCS-VCU-1491-VER-IN-1-1425-29122014-29032015-0	2015	-	615	0	0	615	100%
									Total eligible offsets retired and used for this report	**615**	
									Total eligible offsets retired this report and banked for use in future reports	**0**	

Type of offset units	Eligible quantity (used for this reporting period)	Percentage of total
Verified Carbon Units (VCUs)	615	100%

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

N/A

APPENDIX A: ADDITIONAL INFORMATION

N/A

APPENDIX B: ELECTRICITY SUMMARY

There are two international best-practice methods for calculating electricity emissions – the location-based method and the market-based method. Reporting electricity emissions under both methods is called dual reporting.

Dual reporting of electricity emissions is useful, as it provides different perspectives of the emissions associated with a business's electricity usage.

Location-based method:

The location-based method provides a picture of a business's electricity emissions in the context of its location, and the emissions intensity of the electricity grid it relies on. It reflects the average emissions intensity of the electricity grid in the location (State) in which energy consumption occurs. The location-based method does not allow for any claims of renewable electricity from grid-imported electricity usage.

Market-based method:

The market-based method provides a picture of a business's electricity emissions in the context of its renewable energy investments. It reflects the emissions intensity of different electricity products, markets and investments. It uses a residual mix factor (RMF) to allow for unique claims on the zero emissions attribute of renewables without double-counting.

For this certification, electricity emissions have been set by using the **location-based approach**.

Market Based Approach Summary

Market Based Approach	Activity Data (kWh)	Emissions (kg CO_2-e)	Renewable Percentage of total
Behind the meter consumption of electricity generated	0	0	0%
Total non-grid electricity	**0**	**0**	**0%**
LGC Purchased and retired (kWh) (including PPAs)	0	0	0%
GreenPower	0	0	0%
Climate Active precinct/building (voluntary renewables)	0	0	0%
Precinct/Building (LRET)	0	0	0%
Precinct/Building jurisdictional renewables (LGCs surrendered)	0	0	0%
Electricity products (voluntary renewables)	0	0	0%
Electricity products (LRET)	0	0	0%
Electricity products jurisdictional renewables (LGCs surrendered)	0	0	0%
Jurisdictional renewables (LGCs surrendered)	0	0	0%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	0	0	0%
Large Scale Renewable Energy Target (applied to grid electricity only)	5,856	0	19%
Residual Electricity	25,294	24,155	0%
Total renewable electricity (grid + non grid)	**5,856**	**0**	**19%**
Total grid electricity	**31,150**	**24,155**	**19%**
Total electricity (grid + non grid)	**31,150**	**24,155**	**19%**
Percentage of residual electricity consumption under operational control	28%		
Residual electricity consumption under operational control	**7,135**	**6,814**	
Scope 2	6,301	6,018	
Scope 3 (includes T&D emissions from consumption under operational control)	834	796	
Residual electricity consumption not under operational control	**18,158**	**17,341**	
Scope 3	18,158	17,341	

Total renewables (grid and non-grid)	**18.80%**
Mandatory	**18.80%**
Voluntary	**0.00%**
Behind the meter	**0.00%**
Residual scope 2 emissions (t CO_2-e)	**6.02**
Residual scope 3 emissions (t CO_2-e)	**18.14**
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**6.02**
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**18.14**
Total emissions liability (t CO_2-e)	**24.16**

Figures may not sum due to rounding. Renewable percentage can be above 100%

Location-based approach summary

Location-based approach	Activity Data (kWh) total	Under operational control			Not under operational control	
Percentage of grid electricity consumption under operational control	**35%**	**(kWh)**	**Scope 2 Emissions (kg CO_2-e)**	**Scope 3 Emissions (kg CO_2-e)**	**(kWh)**	**Scope 3 Emissions (kg CO_2-e)**
QLD	536	186	136	28	350	308
WA	30,614	10,636	5,424	425	19,978	10,988
Grid electricity (scope 2 and 3)	**31,150**	**10,822**	**5,560**	**453**	**20,328**	**11,296**
QLD	0	0	0	0		
WA	0	0	0	0		
Non-grid electricity (behind the meter)	**0**	**0**	**0**	**0**		
Total electricity (grid + non grid)	**31,150**					

Residual scope 2 emissions (t CO_2-e)	**5.56**
Residual scope 3 emissions (t CO_2-e)	**11.75**
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**5.56**
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**11.75**
Total emissions liability	**17.31**

Operations in Climate Active buildings and precincts

Operations in Climate Active buildings and precincts	Electricity consumed in Climate Active certified building/precinct (kWh)	Emissions (kg CO_2-e)
N/A	**0**	**0**

Climate Active carbon neutral electricity is not renewable electricity. These electricity emissions have been offset by another Climate Active member through their building or precinct certification. This electricity consumption is also included in the market based and location-based summary tables. Any electricity that has been sourced as renewable electricity by the building/precinct under the market-based method is outlined as such in the market based summary table.

Climate Active carbon neutral electricity products

Climate Active carbon neutral product used	Electricity claimed from Climate Active electricity products (kWh)	Emissions (kg CO_2-e)
N/A	**0**	**0**

Climate Active carbon neutral electricity is not renewable electricity. These electricity emissions have been offset by another Climate Active member through their electricity product certification. This electricity consumption is also included in the market based and location-based summary tables. Any electricity that has been sourced as renewable electricity by the electricity product under the market-based method is outlined as such in the market-based summary table.

APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

The following emissions sources have been assessed as relevant, are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. They have been non-quantified due to one of the following reasons:

1. **Immaterial** <1% for individual items and no more than 5% collectively
2. **Cost effective** Quantification is not cost effective relative to the size of the emission but uplift applied.
3. **Data unavailable** Data is unavailable but uplift applied. A data management plan must be put in place to provide data within 5 years.
4. **Maintenance** Initial emissions non-quantified but repairs and replacements quantified.

Relevant non-quantified emission sources	Justification reason
Refrigerants	Immaterial

Data management plan for non-quantified sources

There are no non-quantified sources in the emission boundary that require a data management plan.

Refrigerants, as they relate to synthetic GHGs, were not quantified as an emission source in Australian Mines' organisation boundary for FY2022 – 23 due to the immateriality (<1%) of their contribution to the overall emission profile.

APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

Excluded emission sources

The below emission sources have been assessed as not relevant to this organisation's operations and are outside of its emissions boundary. These emissions are not part of the carbon neutral claim. Emission sources considered for relevance must be included within the certification boundary if they meet two of the five relevance criteria. Those which only meet one condition of the relevance test can be excluded from the certification boundary.

Emissions tested for relevance are detailed below against each of the following criteria:

1. **Size** The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions.

2. **Influence** The responsible entity has the potential to influence the reduction of emissions from a particular source.

3. **Risk** The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.

4. **Stakeholders** Key stakeholders deem the emissions from a particular source are relevant.

5. **Outsourcing** The emissions are from outsourced activities previously undertaken within the organisation's boundary, or from outsourced activities typically undertaken within the boundary for comparable organisations.

N/A – no emission sources have been excluded from the boundary of this certification in this reporting period.

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