

ASX Announcement / Media Release

13 July 2010

AMMG COMMENCES DRILLING AT LAKE MACLEOD GYPSUM PROJECT

Australia Minerals & Mining Group Ltd (AMMG) (ASX: AKA) is pleased to announce it has commenced drilling at its 100% owned Lake MacLeod gypsum project, located approximately 80kms north of Carnarvon in Western Australia.

The Exploration Licence covers an area that has had historical drilling and the company has reports indicating the presence of substantial high grade gypsum deposits within the ground held. The purpose of this proposed verification drilling program is to bring the previous work up to the standard of a JORC inferred resource. The drilling program is being carried out by MES Pty Ltd using augur drilling and is expected to take approximately 2 weeks to complete, subject to weather conditions.

AMMG's Lake MacLeod gypsum project comprises an 875 km² area under granted and application status located in close proximity to Rio Tinto's existing salt operations. In addition to defining a JORC compliant resource, the company's priority at Lake MacLeod will be to negotiate an off-take agreement with interested parties.

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Competent Persons Statement

Technical information in this report is based on information compiled by Mr. William Witham B.Sc. Geology (Hons), AMMG Consultant Geologist and a member of the Australian Institute of Geoscientists. Mr. Witham 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. Witham consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

Australian Minerals & Mining Group (AMMG) - Background

AMMG is a dynamic exploration group focused on realising shareholder value by developing a diversified suite of mineral projects to take advantage of emerging markets.

AMMG was incorporated on 8th May 2007 for the purpose of securing tenements over land that had been subject to historical exploration and where significant geological data was available and / or the land was considered sufficiently prospective due to proximity to existing resources and infrastructure.

AMMG listed on the ASX on 27 January 2010 after closing its \$5 million IPO early and oversubscribed, raising \$7.5 million.

The Company has identified nine separate project areas, located in Western Australia and Queensland, which the Directors believe may have the potential for the realisation of economic resources of these commodities - iron ore, gypsum, mineral sands, salt, kaolin, bentonite and gold.

The Company has tenements under granted and application status covering in excess of 6,000 km² over the nine project areas.

The company aims to identify sufficient resources of bulk mineral commodities to develop its diversified projects either internally or with suitable strategic Joint Venture partners leveraging off its strong international networks and the robust growth fundamentals in China.

For further information please visit our website www.ammg.com.au

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