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ASX Code: AKA

84 million shares at 30/6/10

Market Cap

A\$11 million at 30/6/10

Cash

A\$7.92 million at 30/6/10

CORPORATE DIRECTORY

DIRECTORS:

Luke Atkins

- Executive Chairman

Daniel Tenardi

- Non-Executive Director

David Brook

- Non-Executive Director

Christopher Forrester

- Non-Executive Director

COMPANY SECRETARY & CFO:

Sam Middlemas

June 2010 Quarterly Report

EXECUTIVE SUMMARY

- Additional prospective holdings added in Constance Range, Queensland targeting iron ore; and South West, Western Australia targeting iron ore, kaolin and salt.
- Tenement area (granted and under application) increased to approximately 6,460 km² of prospective ground across eight project areas.
- A further 5 tenement applications made in the quarter, bringing the total to 33 across Western Australia and Queensland (4 granted, and 29 in application).
- Strong cash position (A\$ 7.92 million) to fund exploration and development program.
- Completion during April of non-renounceable rights issue of one Option for every two Shares, raising \$420,000.
- Through an application, new kaolin project at Meckering WA added to projects portfolio.
- Through applications, new iron ore projects at Kukerin WA and Pingaring WA added to project portfolio.
- Metallurgical Testing of Constance Range iron ore commences.

ABOUT AUSTRALIA MINERALS & MINING GROUP LIMITED

Australia Minerals & Mining Group (**ASX: AKA**) ("**AMMG**" or "**the Company**") was incorporated on 8 May 2007 for the purpose of securing by application, exploration licenses over land that has 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.

To date the Company has identified eight separate project areas, located in Western Australia and Queensland, which the Directors believe may, following necessary advancement and development, have the potential for the realisation of economic resources including - iron ore, gypsum, mineral sands, kaolin, salt and gold.

The Company currently has four granted tenements and 29 applications for tenements covering approximately 6,460 km² over the eight project areas. These include tenements subject to joint venture where the Company has the right, following grant, to acquire 100% ownership.

EXECUTIVE OVERVIEW

Strategy

AMMG continues to evaluate the pre-existing exploration data available for its tenements and review the historical data of potential joint venture partners on ground in close proximity to the Company's project areas with a view to pursuing potential joint venture opportunities.

The Company is also working to identify potential strategic investors and potential end users of mineral commodities which the Company is targeting with a view to growing the Company to the mutual benefit of the parties concerned.

AMMG is focused on pursuing investment opportunities that leverage off the Company's management, expertise and local knowledge and which is in a form that is acceptable to all stakeholders.

With the granting of a number of Exploration Licenses, the Company is moving forward with its exploration program to collect samples, investigate potential beneficiation and processing techniques and pursue potential marketing opportunities.

Projects

The projects the Company are focused on include the following targeting :

- Iron Ore - Constance Range, Northern Queensland
- Gypsum - Lake MacLeod, North West, Western Australia
- Iron Ore - Pilbara, Western Australia
- Iron Ore -South West, Western Australia
- Mineral Sands - Scott River, South West, Western Australia
- Kaolin - South West, Western Australia
- Salt - South West, Western Australia

The Company's projects have been carefully evaluated and selected based primarily on access to existing historical geological exploration activity and reporting. Other considerations included proximity to existing infrastructure, ease of extraction, and leverage to growth markets.

In a number of project areas, the Company has commenced preliminary discussions with potential joint venture partners, is in the process of gathering and evaluating historical data to assess potential resources and has undertaken field trips to Constance Range for iron ore sampling and analysis and the South West for kaolin sampling and analysis.

Initial exploration priorities lie in the Lake Macleod gypsum project where drilling has now commenced post 30 June 2010, and the Constance Range iron ore project in Northern Queensland. Further consideration is also being given to the recently applied for Meckering WA Kaolin project which has had significant geological work carried out in the past.

In addition to expediting exploration and assessment of existing project areas, the Company moved during the quarter to acquire further prospective holdings targeting kaolin and salt.



Figure 1 - AMMG Project Locations

Lake Macleod Gypsum Project

The Lake Macleod project consists of four tenement applications over previously drilled gypsum deposits in the Lake MacLeod area, North West, Western Australia. A further fifth application exploration license [E09/1572] in the Lake Macleod area has now been granted and drilling commenced in early July 2010. The Exploration License [E09/1572] lies to the immediate east of Rio Tinto's salt operations on Lake MacLeod and contains 3 historical exploration target areas covering approximately 180km².

AMMG's priorities at Lake MacLeod are to endeavor to upgrade the existing non-JORC compliant resources described in historical reports to JORC status, obtain further samples for metallurgical analysis and marketing purposes and undertake studies with the aim of gaining access to existing or new transport infrastructure.

Constance Range Iron Ore Project

The Company's priority in the Constance Range area was to obtain samples for metallurgical testing. Field sampling was conducted at Constance Range during the quarter.

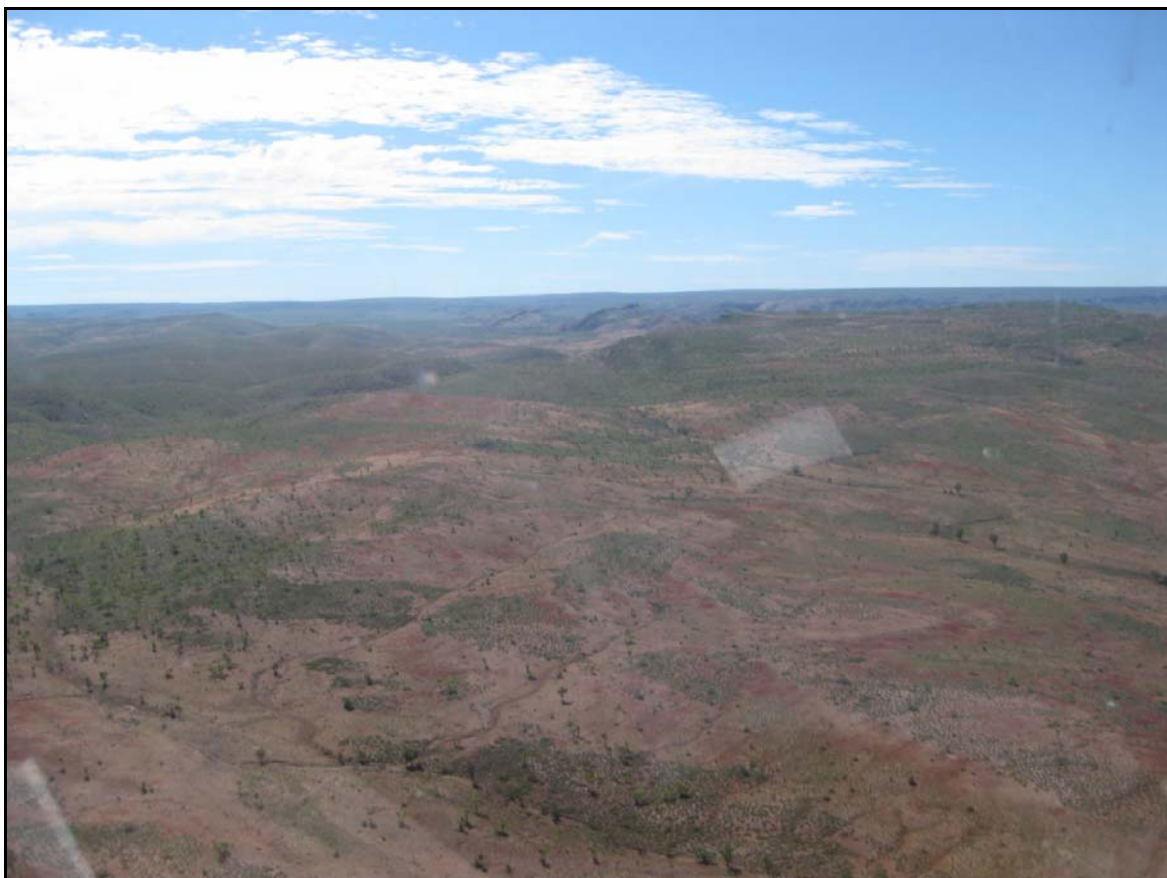


Figure 2 - Constance Range Iron Project Area – Qld (May 2010 Field Trip)

The Company has one granted tenement (EPM16620) and anticipates the grant of further tenements during the next quarter. The Company has applied for a further two tenements in the area since listing, bringing the total area under application and granted status to over 650km². A Native title agreement has been negotiated and further agreements are subject to negotiation.

Pilbara Iron Ore Project

The Company continues to work towards negotiation with native title groups for removal of the objections to the five Exploration License applications as listed in the IPO Prospectus. A further application has been made since listing.

Scott River Mineral Sands Project

AMMG has one granted tenement in Scott River (E70/3198) covering approximately 90km² and includes a number of areas previously reported by BHP as containing mineral sands, including ilmenite and zircon. A further two applications have been made post 30 June 2010, which also surround the Beenup mining lease held by BHP Billiton. The applications cover and effect a combination of freehold and crown land. In respect of freehold land, access for exploration would necessarily be subject to land access agreements.

South West Kaolin Project

In line with its strategy of exploring potential near term production opportunities, AMMG moved to increase its exposure to kaolin during the quarter.

AMMG has one granted Exploration License and four applications targeting kaolin in South West, Western Australia. The kaolin project extends across four project areas—Meckering, Mt Kokeby, Gabbin and Mt Mallet.

During the quarter, the company applied for an Exploration Licence at Meckering WA, which covers the Kelly and Jacobs Well kaolin projects previously held by Swan River Kaolin and which had expired. The project area was explored by CRA (Rio Tinto) after they surveyed the local area in 1990. Swan River Kaolin is reported to have carried out extensive exploration. The Company plans to review the existing published exploration data.

The applications cover a combination of crown and freehold land, access for exploration on freehold land and would necessarily be subject to land access agreements. Initial landowner discussions in relation to negotiating access on the Meckering project area have commenced.

The Company's initial priority is focusing on securing the necessary land access arrangements and approvals to obtain bulk samples from all three project areas for initial metallurgical testing.



Figure 3 - Meckering Kaolin Trial Mining Pit of former tenement holder Minerals Corporation Ltd – 110kms from Perth WA (Area under AMMG ELA 70/3923)

South West WA Iron Ore Project

AMMG made three Exploration License applications during the quarter around Koolyanobbing, Western Australia, focusing on prospective iron (Banded Iron Formations, BIFs). Other Exploration License applications are located at Pingaring, Kukerin, Bencubbin, Mt Manning, and Illaara.

The exploration targets are magnetite, and potentially hematite/goethite, contained within Archaean quartz/magnetite/BIF units.

The applications cover a combination of crown and freehold land, therefore access to freehold land would necessarily be subject to land access agreement with the landowner.

South West Salt Project

The Company has a positive view on the growing strength of the export and domestic salt markets, and is looking to extend its project footprint to potential opportunities in salt. The Company has Exploration License applications around the Wheatbelt area of South West Western Australia.

Current priorities include gathering and evaluating the available data on the world salt industry and historical exploration undertaken in the areas, to assess the

potential of the salt projects, and the merits of further exploration and continued discussions during the quarter with prospective tenement holders with a view to exploring potential joint venture opportunities.

CORPORATE

Cash position – well funded

The Company remains well funded with \$7.92 million cash at Bank at 30 June 2010.

Successful Non-renounceable Entitlement Issue

During April, the Company successfully completed a one-for-two non-renounceable entitlement issue of Options, pursuant to the Company's prospectus dated 25 March 2010.

86% of the 41,987,501 options available under the Entitlement Issue were taken up and the board agreed to place the remaining 6,031,259 Options with clients of CPS Securities, ensuring 100% of the Offer was taken up.

The \$420,000 in funds raised will be applied to exploration and working capital.

The securities are currently trading on a deferred settlement basis with the ASX code (AKAO).

Securities were dispatched in May 2010, and normal trading commenced in May 2010.

The Options issued under the Rights Issue will have an exercise price of 20 cents any time prior to the expiry date of 30 October 2011.

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Technical information in this report is based on information compiled by Mr. William Witham B.Sc. Geology (Hons), AMMG Group 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.

New Mineral Exploration Licence Applications in the June Qtr

EL Number	Location	Target Commodity	Date Applied For
E 16/397	Mount Manning WA	Iron	14/04/2010
E 04/2027	Calwynyardah WA	Bentonite	03/05/2010
E 70/3923	Meckering WA	Kaolin	22/06/2010
E 70/3909	Pingaring WA	Iron	04/06/2010
E 70/3913	Kukerin WA	Iron	14/06/2010
EPM 18710	Constance Range Qld	Iron	31/05/2010

New Mineral Exploration Licence Applications made Post 30 June 2010

E 70/3935	Scott River WA	Mineral Sands	02/07/2010
E 70/3936	Scott River WA	Mineral Sands	02/07/2010