



AUSTRALIA UNITED MINING LIMITED

(ASX: **AYM**)

31 July 2015

Quarterly Activities Report July 2015

1 EXPLORATION ACTIVITY

1.1 OVERVIEW

Australia United Mining Limited (**AYM** or the **Company**) continued with progressing permitting and preparations from drilling and further mapping and ground geophysical surveys at its NSW exploration projects. The results of the drilling program conducted at the companies Forsayth Project conducted in late 2014 are currently being reviewed with the aim to design a further drilling program to define a JORC compliant Resource. Preparations for initial rounds of drilling at Sofala and Honeybugle prospects are now well advanced.

The company also achieved positive progress with placing the shortfall of shares from the rights issue with several potential overseas investors.

1.2 EXPLORATION ACTIVITIES NEW SOUTH WALES

1.2.1 SOFALA – EL 7423

The Spring Gully prospect at Sofala is a high-sulphidation epithermal deposit, hosted in fine grained sandstones and siltstones which underlie a thrust sheet of andesitic volcanic rocks. The contact between the two rock types dips west at around 30 degrees and the gold grades can be seen to increase closer to the thrust contact, and towards the west where the mineralisation remains open. Mineralisation in this area was the focus of an intensive exploration program during the 90's by Renison Gold Corporation, including a large soil geochemistry and drill program that ultimately focused in on the Spring Gully area where wide intercepts of low-grade mineralisation were encountered (Fig 1).

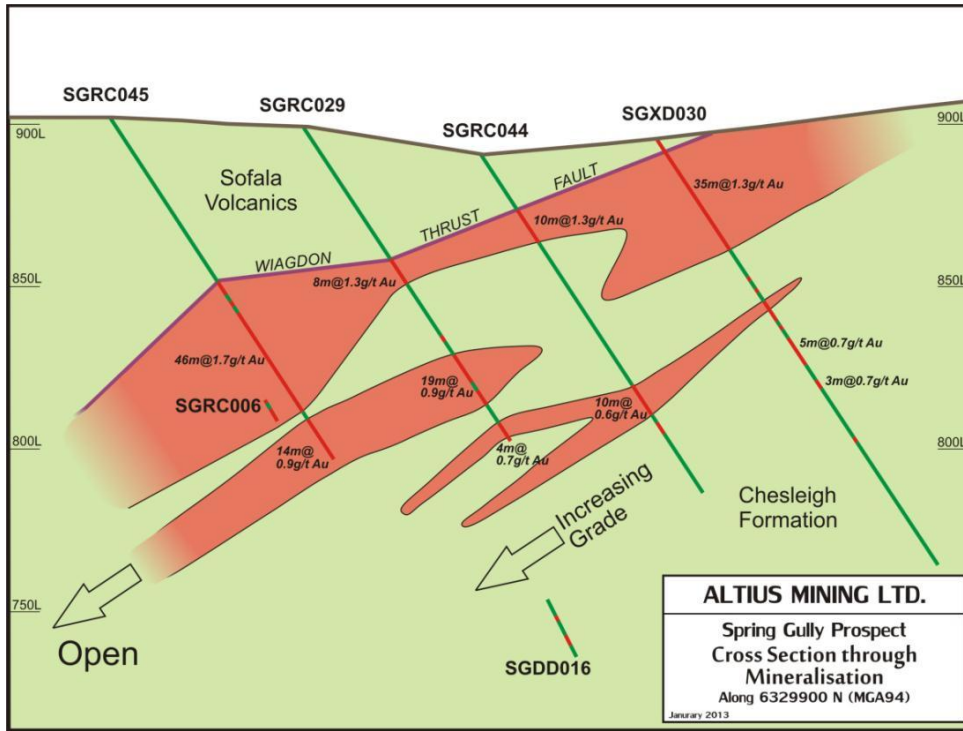


Figure 1: Cross section, with RGC drillholes, through the Spring Gully mineralisation (6329900 North) Note: Australian United Mining has no knowledge of the quality of the data used to produce this cross section.

Located immediately to the west of the Spring Gully deposit is a large magnetic anomaly known as the Wattle Flat Magnetic Zone WFMZ (Fig 2) which has been interpreted as a volcanic centre, which is thought to have a strong association with the gold mineralisation in the area, either directly, by supplying the mineralising fluids, indirectly by supplying the heat to circulate mineralising fluids or a combination of the two.

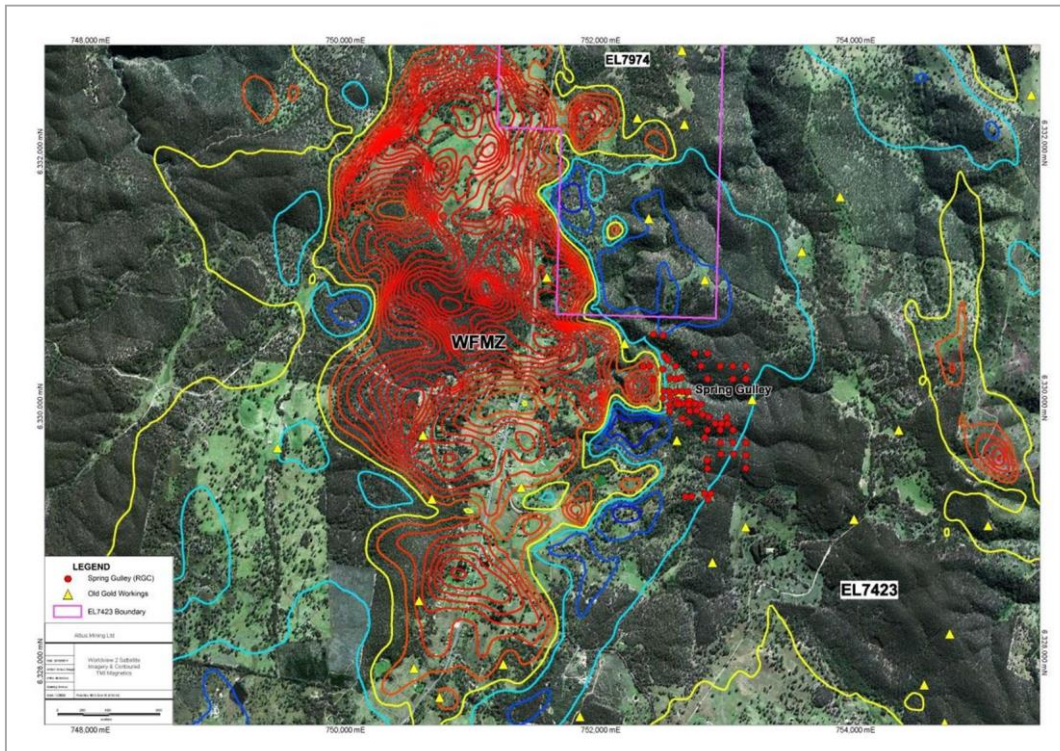


Figure 2: Magnetic contours over a satellite image of the Wattle Flat area.

1.2.2 FORSAYTH – EPM14498

The Company has reduced its regional exploration program in the Forsayth area to conserve funds until additional money from the shortfall placement is received. The Company is targeting to finish a final round of drilling at the Forsayth Project before the end of 2015 in order to develop a JORC compliant resource. It is expected that a JORC compliant resource for the project will allow the commencement of a scoping study to determine the viability of bringing the Ropewalk plant into production.

1.2.3 OTHER NSW TENEMENTS

The Company has increased its exploration focus in NSW with Drilling programs planned for Sofala and Honeybugle, while ground geophysical surveys for Wamboyne and Puggoon are planned for later this year.

2 TENEMENT HOLDINGS

Lease	Tenement Name	Location	Beneficial Percentage Interest
EL7041	Honeybugle	NSW, Australia	100%
EL7045	Wamboyne	NSW, Australia	100%
EL7155	Puggoon	NSW, Australia	100%
EL7423	Sofala	NSW, Australia	100%
EPM14498	Forsayth	QLD, Australia	100%
ML3417	Ropewalk 1	QLD, Australia	100%
ML3418	Ropewalk 2	QLD, Australia	100%

The Company did not acquire any new tenements, and did not increase, decrease or acquire any new percentage interests in any farm-in or farm-out agreement.

2.1 EXPLORATION LICENCE APPLICATIONS

The Company currently has one pending exploration licence applications for Karangi tenement.

3 CORPORATE INFORMATION

The company conducted a rights issue on a 1 for 3 basis during the Quarter at an issue price of \$0.01 per share. A total of 14,446 shares were issued as a result of the issue. The Directors are currently attempting to place the shortfall with potential investors in order to advance the company's exploration activities

Securities currently on issue

Fully paid ordinary shares – 726,337,594

Directors

Mr Xiao Jing Wang	Chairman	2 May 2012 – present
Ms Jia Yu	Non-Executive Director	2 May 2012 – present
Mr Jianbing Zhang	Non-Executive Director	31 July 2013 - present