



20 March 2019

ASX/MEDIA RELEASE

**AERIS RESOURCES LIMITED
(ASX: AIS)**

RESPONSE TO MEDIA ARTICLE

Aeris Resources Limited (**Aeris** or **Company**) notes the recent Australian Financial Review article (**Media Article**) stating that Aeris is in discussions with Glencore in relation to a potential acquisition of the CSA mine.

The Board of Aeris advises that it is in discussions with Glencore regarding a potential acquisition of CSA.

In response to the Media Article, Aeris advises as follows:

- Aeris has made an offer to acquire the CSA mine from Glencore. Late stage negotiations around the offer and associated documents are ongoing but are yet to be finalised.
- Broadly, the current offer by Aeris comprises \$US575m in mix of cash (approximately US\$525m) and Aeris shares (approximately US\$50m) plus a royalty payable to Glencore.
- Funding for the offer has not been finalised. It is proposed that the acquisition be funded through a combination of debt (between US\$250m and US\$300m), an equity capital raising (between US\$185m and US\$240m) and a silver stream (between US\$35m to US\$40m). The final sizing of, and participants in, the relevant components of the raising are yet to be finalised. However, Aeris is in late stage discussions with major shareholder Special Portfolio Opportunity V Limited, a subsidiary of a fund managed by PAG, Orion Mine Finance and others. The equity component of the raising is being managed by RBC Capital Markets and Macquarie Capital.

Whilst Aeris provides this information to ensure that Aeris shareholders are informed as to the current status of discussions around the offer, it is important to note that there is no guarantee that the potential acquisition will proceed.

Additionally, in the event that a formal agreement for the potential acquisition is entered into, it will likely be subject to a number of conditions including required shareholder approval.

Accordingly, given that there is no certainty that a transaction will proceed, Aeris advises that shareholders should be cautious in trading on media speculation. The Company will update the market if and when any formal agreement is entered into in relation to the proposed acquisition.

ENDS

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