11 June 2020 **ASX/MEDIA RELEASE**

AERIS RESOURCES LIMITED (ASX:AIS)

Retail Offer Document

Aeris Resources Limited (ASX:AIS) (**Aeris** or the **Company**) is pleased to attach a copy of the Retail Offer Document (**Offer Document**) in relation to the retail component of the 2.02 New Shares for every 1 Share accelerated renounceable entitlement offer (**Entitlement Offer**), which was announced on Thursday, 4 June 2020.

The Offer Document, including personalised entitlement and acceptance forms, will be despatched to eligible shareholders today.

The retail component of the Entitlement Offer (**Retail Entitlement Offer**) opens today, Thursday 11 June 2020 and closes at 5.00pm (Sydney Time) on Monday, 22 June 2020 (**Retail Offer Period**).

Eligible retail shareholders are encouraged to carefully consider the full details of the Retail Entitlement Offer as contained in the Offer Document, including the risk of investment as described in Section 4 of the Offer Document, before making a decision to invest.

If you have any questions about the Retail Entitlement Offer, please contact the Aeris Resources Limited Offer Information line on 1300 975 518 (within Australia) or +61 1300 975 518 (from outside Australia) between 8:30am and 5:30pm (Sydney time) Monday to Friday.

This announcement is authorised for lodgement by:
Andre Labuschagne
Executive Chairman

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable US state securities laws.

Retail Offer Document

Aeris Resources Limited (ACN 147 131 977)

Retail Entitlement Offer to Eligible Retail Shareholders

An accelerated renounceable Entitlement Offer to Eligible Shareholders of 2.02 New Shares for every 1 Share held at an Offer Price of $0.03 per New Share to raise approximately $32.7 million before costs of the Retail Entitlement Offer.

The Joint Lead Managers and Underwriters of the Entitlement Offer are Bell Potter Securities Limited and Euroz Securities Limited. The Entitlement Offer is fully underwritten.

Your Entitlement and Acceptance Form must be received by the Share Registry with your payment by no later than 5.00pm (Sydney time) on Monday, 22 June 2020.

This document is important and it should be read in its entirety. This document is not a prospectus under the *Corporations Act 2001* (Cth).

This document does not contain all of the information that an investor may require in order to make an informed investment decision regarding the New Shares offered by this document. The New Shares offered by this document should be considered speculative.

This document should be read in its entirety. If after reading this document you have any questions about the Offer or the New Shares then you should consult your stockbroker, accountant or other professional advisor

Not for release to US wire services or distribution in the United States

Important information

Key Offer Statistics	
Offer Price	$0.03 per New Share
Ratio	2.02 New Shares for every 1 Share held by Eligible Shareholders as at the Record Date.
Maximum number of New Shares to be issued under the Entitlement Offer[1]	1,089,540,761
Maximum amount to be raised under the Entitlement Offer[1]	$32,686,222.83
Number of Shares on issue following the Entitlement Offer[1,2]	1,873,254,980

[1] Excludes any New Shares which may be issued in the event that any Vested Options are exercised. [2] Including the Placement Shares.

Key dates for investors	
Record Date for determining Retail Entitlements under the Retail Entitlement Offer	7.00pm (Sydney time) on Tuesday, 9 June 2020
Retail Entitlement Offer Document and Entitlement and Acceptance Form despatched	Thursday, 11 June 2020
Retail Entitlement Offer opens	Thursday, 11 June 2020
New Shares issued under the Institutional Entitlement Offer	Monday, 15 June 2020
Retail Entitlement Offer expected to close (Closing Date)	5.00pm (Sydney time) on Monday, 22 June 2020
Announcement of results of Retail Entitlement Offer	Thursday, 25 June 2020
Retail Shortfall Bookbuild	Thursday, 25 June 2020
Announcement of results of Retail Shortfall Bookbuild	Friday, 26 June 2020
Retail Entitlement Offer issue date	Before noon (Sydney time) on Wednesday, 1 July 2020
Commencement of trading of New Shares issued under the Retail Entitlement Offer on ASX	Thursday, 2 July 2020
Expected date for despatch of New Shareholding statements for New Shares issued under the Retail Entitlement Offer	Thursday, 2 July 2020
Retail Premium (if any) despatched	Thursday, 2 July 2020

All dates are subject to change and accordingly are indicative only. The Directors may, in consultation with the Joint Lead Manager(s), vary these dates subject to the Corporations Act and the Listing Rules. Investors are encouraged to submit their Entitlement and Acceptance Forms as soon as possible after the Retail Entitlement Offer opens.

Important notice

This Offer Document is dated 11 June 2020.

The Offer made pursuant to this Offer Document is for a rights issue of continuously quoted securities (as defined in the *Corporations Act 2001* (Cth) (***Corporations Act***)) of the Company.

This Offer Document is not a disclosure document for the purposes of chapter 6D of the *Corporations Act*. The Company is offering the securities under this Offer Document without disclosure to investors under chapter 6D of the *Corporations Act* pursuant to section 708AA of the *Corporations Act* (as notionally modified by ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84). Accordingly, the level of disclosure contained in this Offer Document is significantly less than that required under a prospectus and Eligible Shareholders should consider all relevant facts and circumstances, including their knowledge of the Company and disclosures made to the ASX and should consult their professional advisors before deciding whether to accept the Offer.

Securities will only be issued on the basis of this Offer Document in accordance with the terms set out in this Offer Document.

As at the date of this Offer Document, the Company has complied with:

- the provisions of chapter 2M of the *Corporations Act*, as they apply to the Company; and
- section 674 of the *Corporations Act*.

Foreign shareholders

This document does not constitute an offer of New Shares and Entitlements in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person and the New Shares and the Entitlements may not be offered or sold, in any country outside Australia except to the extent permitted below.

The Company has decided that it is unreasonable to make offers under the Retail Entitlement Offer to Retail Shareholders with registered addresses outside of Australia, New Zealand, United Kingdom, Singapore and Hong Kong having regard to the number of Retail Shareholders in those places, the number and value of the New Shares they would be offered and the cost of complying with the legal and regulatory requirements in those places. Accordingly, the Retail Entitlement Offer is not being extended to, and does not qualify for distribution or sale by, and no Entitlements nor New Shares will be issued to Retail Shareholders having registered addresses outside of Australia, New Zealand, United Kingdom, Singapore and Hong Kong.

The Company has not made any investigation as to the regulatory requirements that may prevail in the countries, outside of Australia, New Zealand, United Kingdom, Singapore and Hong Kong, in which the Company's Shareholders may reside. It is the responsibility of overseas Applicants to ensure compliance with all laws of any country relevant to their Acceptance. The Offer may only be accepted by Eligible Retail Shareholders and does not constitute an offer in any place in which or to any person to whom, it would be unlawful to make such an offer. Whilst the Institutional Entitlement Offer will also be made in British Virgin Islands, Ireland, the United States and Bermuda, the Retail Entitlement Offer is not open to Retail Shareholders in those jurisdictions.

The distribution of this Offer Document in jurisdictions outside Australia, New Zealand, United Kingdom, Singapore and Hong Kong may be restricted by law and persons who come into possession of this Offer Document should observe those restrictions. Any failure to comply with restrictions might constitute a violation of applicable securities laws.

New Zealand

The New Shares are not being offered to the retail investors within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand)*.

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013 (New Zealand)*. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the *Financial Services and Markets Act 2000* (UK), as amended (**FSMA**)) has been published or is intended to be published in respect of the New Shares and the Entitlements.

The New Shares and the Entitlements may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to fewer than 150 persons who are existing shareholders of the Company. This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares and the Entitlements has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the *Financial Services and Markets Act 2000 (Financial Promotions) Order 2005* (**FPO**), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

Singapore

This document and any other materials relating to the New Shares and the Entitlements have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares and Entitlements may not be issued, circulated or distributed, nor may these securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are an existing holder of the Company's shares. In the event that you are not such a shareholder, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares and the Entitlements being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares and Entitlements. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Hong Kong

WARNING: The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

How to accept Entitlement to New Shares

Entitlements to New Shares can be accepted by Eligible Retail Shareholders in full or in part by completing and returning the Entitlement and Acceptance Form which is accompanying this Offer Document or making payment of Acceptance Money by BPAY® in accordance with the instructions set out in this Offer Document and on the Entitlement and Acceptance Form.

This Offer Document is available in electronic form on the internet at www.aerisresources.com.au. If you wish to obtain a free copy of this Offer Document, please contact the Company on +61 7 3034 6200.

Enquiries

If you are an Eligible Retail Shareholder and have any questions in relation to the Offer, please contact your stockbroker or professional adviser. If you have questions in relation to the Shares upon which your Entitlement has been calculated, or how to complete the Entitlement and Acceptance Form, take up your Entitlement, please call the Share Registry on:

- 1300 975 518 for callers within Australia; or
- + 61 1300 975 518 for overseas callers.

Deciding to accept the Offer

No person named in this Offer Document, nor any other person, guarantees the performance of Aeris, the repayment of capital or the payment of a return on the New Shares.

Please read this Offer Document carefully before you make a decision to invest. An investment in the Company has a number of specific risks which you should consider before making a decision to invest. These risks are set out in more detail in the investor presentation in section 4 of this Offer Document. This Offer Document is an important document and you should read it in full before deciding whether to invest pursuant to the Retail Entitlement Offer. You should also have regard to other publicly available information about the Company, including ASX announcements, which can be found at the Company's website: www.aerisresources.com.au.

Terms used

A number of terms and abbreviations used in this Offer Document have defined meanings, which are explained in the definitions and glossary in section 7.

Money as expressed in this Offer Document is in Australian dollars unless otherwise indicated.

Forward looking statements

Some of the information contained in this Offer Document constitutes forward-looking statements that are subject to various risks and uncertainties. Forward-looking statements include those containing such words as 'anticipate', 'estimate', 'should', 'will', 'expects', 'plans' or similar expressions. These statements discuss future objectives or expectations concerning results of operations or financial conditions or provide other forward-looking information. The Company's actual results, performance or achievements could be significantly different from the results or objectives expressed in, or implied by, those forward-looking statements. This Offer Document details some important factors that could cause the Company's actual results to differ from the forward-looking statements made in this Offer Document.

No representations

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Offer Document. Any information or representation in connection with the Retail Entitlement Offer not contained in this Offer Document may not be relied on as having been authorised by the Company or its officers. This Offer Document does not provide investment advice or advice on the taxation consequences of accepting the Retail Entitlement Offer. The Retail Entitlement Offer and the information in this Offer Document, do not take into account your investment objectives, financial situation and particular needs (including financial and tax issues) as an investor.

Taxation consequences for Applicants

There will be tax implications associated with participating in the Retail Entitlement Offer and receiving New Shares. Section 5 of this Offer Document provides a general guide to the Australian income tax, goods and services tax and stamp duty implications of the Retail Entitlement Offer for certain Eligible Retail Shareholders who are Australian tax residents holding Shares on capital account. The guide does not take into account the individual circumstances of particular Eligible Retail Shareholders and does not constitute tax advice. Aeris recommends that you consult your professional tax adviser in connection with the Retail Entitlement Offer.

This Offer Document refers to the potential payment of a Retail Premium to certain investors. Aeris may be required to withhold Australian tax to any Retail Premium that is paid to those investors under applicable laws. References to the payment of the Retail Premium in this Offer Document should be read as payments net of any applicable withholding taxes. Eligible Retail Shareholders who are not Australian tax residents and who have not previously provided a Tax File Number or Australian Business Number to Aeris may wish to do so prior to the close of the Retail Entitlement Offer to ensure that any withholding tax is not deducted from any Retail Premium.

Past performance

The past Share price or performance of the Company provides no guarantee or guidance as to future Share price performance.

Competent person statement

The information contained in this Offer Document that relates to Mineral Resource estimates is based on information compiled by Mr Brad Cox a competent person who is a member of the Australasian Institute of Mining and Metallurgy (MAusIMM No. 220544).

Mr Cox is a full time employee of the Company.

Mr Cox has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration in this Offer Document, and the activity being undertaken to qualify as a Competent Person as defined by the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Cox has reviewed the Offer Document and consents to the inclusion in this Offer Document of the matters based on his information in the form and context in which it appears.

The information contained in this Offer Document that relates to Ore Reserve estimates is based on information compiled by Mr Ian Sheppard a competent person who is a member of the Australasian Institute of Mining and Metallurgy (MAusIMM No. 105998).

Mr Sheppard is a full time employee of the Company.

Mr Sheppard has disclosed to the Company the full nature of the relationship between himself and the Company, including any issue that could be perceived by investors as a conflict of interest. Specifically, Mr Sheppard has rights to 22,418,546 share options that were issued on 15 December 2015 that will vest over five years from the issue date and may be converted to shares over time when various conditions are met (18,495,300 are currently vested).

Mr Sheppard has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration in this Offer Document, and the activity being undertaken to qualify as a Competent Person as defined by the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Sheppard has reviewed the Offer Document and consents to the inclusion in this Offer Document of the matters based on his information in the form and context in which it appears.

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Chairman's letter

11 June 2020

Dear Shareholders,

It is my pleasure to introduce this Offer Document and invite you to take up your Entitlement of New Shares in Aeris Resources Limited (**Entitlement Offer**). On 4 June 2020 the Company announced its intention to undertake an accelerated renounceable entitlement offer of 2.02 New Shares for every 1 Share held on the Record Date at an Offer Price of $0.03 per New Share, to raise up to approximately $41,016,000 before the costs of this Issue. This Offer Price represents a 31.66% discount to the 10 day volume-weighted average price of Shares (being $0.0439) as at 1 June and a 12.5% discount to the theoretical ex-rights issue price (**TERP**)[1] (being $0.034).

Acquisition of the Cracow Mine

As announced to the ASX on 4 June 2020, the Company announced it has entered into binding agreements in respect of its proposed acquisition of a 100% interest in the Cracow mine (the **Cracow Mine** or the **Asset**) from Evolution Mining Limited (ASX:EVN) ACN 084 669 036 (**Evolution** or the **Vendor**) (the **Acquisition**).

The Acquisition will be effected by way of acquisition of all of the shares held by Evolution in Lion Mining Pty Ltd ACN 000 697 183 (**Lion Mining**), being a wholly-owned subsidiary of Evolution, by Aeris Regional Holdings Pty Ltd ACN 632 279 344 (**Aeris Regional**), a wholly-owned subsidiary of Aeris.

Further details about the Acquisition are included in the Investor Presentation for the Acquisition and Entitlement Offer released to the ASX on 4 June 2020 (**Investor Presentation**). A copy of the Investor Presentation is also included in section 4 of this Offer Document.

Details of the Placement and Entitlement Offer

This Entitlement Offer is to be undertaken in conjunction with a placement to institutional investors for New Shares at the Offer Price, raising approximately $7.3 million (**Placement**). A total of approximately $40.0 million will be raised between the Placement and the Entitlement Offer.

The Entitlement Offer comprises an accelerated institutional component to which as announced on 4 June 2020, raised approximately $22.7 million (**Institutional Entitlement Offer**), and a retail component to raise approximately $10 million (**Retail Entitlement Offer**). This offer document (**Offer Document**) relates to the Retail Entitlement Offer only.

Under the Retail Entitlement Offer, Eligible Retail Shareholders are entitled to subscribe for 2.02 New Shares for every 1 Share held on the Record Date at an Offer Price of $0.03 per New Share. This is the same price which was offered to institutional investors who participated in the Institutional Entitlement Offer and Placement.

A personalised Entitlement and Acceptance Form is attached to this Offer Document and sets out the number of New Shares you are entitled to subscribe for as an Eligible Shareholder (**Entitlement**). Entitlements to New Shares can be accepted in full or in part by completing and returning the Entitlement and Acceptance Form which accompanies this Offer Document or making payment of Acceptance Money by BPAY in accordance with the instructions set out below and on the Entitlement and Acceptance Form. Subscription money for the New Shares must be received by the Company at its Share Registry by the Closing Date. Please refer to the timetable for the important dates of the Retail Entitlement Offer.

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[1] The theoretical ex-rights price of $0.034 is calculated using the Company closing price on 1 June 2020 assuming proceeds from the Entitlement Offer are approximately $32.7 million. TERP is the theoretical price at which shares should trade immediately after the ex-date of the Entitlement Offer assuming 100% take-up of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to the TERP. The TERP does not include the New Shares to be issued under the Placement.

Eligible Retail Shareholders may apply to take up additional shares (as **Additional New Shares**) in excess to their individual Entitlement (**Shortfall Election**). Full details of the Shortfall Election and Retail Shortfall Bookbuild process are set out in section 1.5 of this Offer Document.

Any New Shares for which a valid application is not received under the Retail Entitlement Offer will be renounced and offered for sale to existing Shareholders as well as to new Institutional Investors through a shortfall bookbuild (**Retail Shortfall Bookbuild**). The Retail Shortfall Bookbuild will be conducted by the Joint Lead Managers.

Bell Potter Securities Limited (**Bell Potter**) and Euroz Securities Limited (**Euroz**) are the Joint Lead Managers and Joint Underwriters of the Entitlement Offer.

The Entitlement Offer is fully underwritten, with the Company's largest shareholders PAG sub-underwriting the Retail Offer up to a maximum of approximately $5.275 million and Tudor Court Limited and DGJ Keet having provided firm commitments to take up all or a portion of their entitlements under the Entitlement Offer (as described in this Offer Document).

Please carefully read this Offer Document in its entirety and consult your stockbroker, solicitor, accountant, financial adviser or other professional adviser before making your investment decision. In particular you should read the "Key risks" section of the Investor Presentation (set out in section 4 of this Offer Document) which contains a summary of the key risks associated with investment in the Company.

On behalf of the Directors, I thank you for your continued support and I invite you to consider this investment opportunity.

Yours sincerely,

André Labuschagne
Chairman
Aeris Resources Limited

1. Offer Details

1.1 The Entitlement Offer

The Entitlement Offer is a fully underwritten accelerated renounceable entitlement offer of approximately 1,089,540,761 New Shares at an Offer Price of $0.03 per New Share, on the basis of 2.02 New Shares for every 1 Share held by Eligible Shareholders as at the Record Date.

The Entitlement Offer has the following components:

(a) **Institutional Entitlement Offer** - an initial offer to Eligible Institutional Shareholders. Entitlements allotted under the Institutional Entitlement Offer (**Institutional Entitlements**) were renounceable but not traded on ASX;

(b) **Institutional Shortfall Bookbuild** - Institutional Entitlements not taken up and Entitlements that would have been issued to Ineligible Institutional Shareholders had they been entitled to participate in the Institutional Entitlement Offer were sold through a bookbuild process on 5 June 2020 (**Institutional Shortfall Bookbuild**). As the clearing price for the Institutional Shortfall Bookbuild was at the Offer Price, there was no premium to be paid in respect of those Institutional Entitlements;

(c) **Retail Entitlement Offer** - an offer to Eligible Retail Shareholders. Entitlements allotted under the Retail Entitlement Offer are renounceable and can be taken up in whole or in part. Eligible Retail Shareholders that do not take up all of their Entitlements (or allow their Entitlement to lapse) or who are Ineligible Retail Shareholders, will have the New Shares to which they would otherwise be entitled, offered for sale through the Retail Shortfall Bookbuild. Entitlements will not be able to be traded on the ASX or privately transferred; and

(d) **Retail Shortfall Bookbuild -** Entitlements not taken up by the close of the Retail Entitlement Offer and Entitlements of Ineligible Retail Shareholders will be offered for sale through the Retail Shortfall Bookbuild. Any proceeds realised in excess of the Offer Price of $0.03 per New Share (**Retail Premium**) will be paid from proceeds of successful Bookbuild applicants and distributed (pro rata) to those Eligible Retail Shareholders who do not take up all of their Entitlement (or allow their Entitlement to lapse) or who are Ineligible Shareholders, subject to any withholding taxes.

The Entitlement Offer is fully underwritten by the Joint Lead Managers, Bell Potter and Euroz.

This Offer Price represents a 31.66% discount to the 10 day volume-weighted average price of Shares (being $0.0439) as at 1 June 2020 and a 12.5% discount to the theoretical ex-rights issue price (**TERP**)[2] (being $0.034).

The Company has Vested Options on issue, which could increase the number of New Shares to be issued if the holders of Vested Options exercise their Vested Options prior to the Record Date prior to the Record Date. However, as outlined in section 3.1, the Company does not expect that any further New Shares will need to be issued as a result of the exercise of rights under the Vested Options .

Official Quotation of the New Shares to be issued under the Retail Entitlement Offer is expected to occur on or about 2 July 2020.

[2] The theoretical ex-rights price of $0.034 is calculated using the Company closing price on 1 June 2020 assuming proceeds from the Entitlement Offer are approximately $32.7 million. TERP is the theoretical price at which shares should trade immediately after the ex-date of the Entitlement Offer assuming 100% take-up of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to the TERP. The TERP does not include the New Shares to be issued under the Placement.

The Directors may (in consultation with the Joint Lead Managers) at any time decide to withdraw this Offer Document and the offer of New Shares made under this Offer Document, in which case the Company will return all applications moneys (without interest) within 28 days of giving notice of such withdrawal.

1.2 Institutional Entitlement Offer

The Company raised approximately $22.7 million under the Institutional Entitlement Offer from Eligible Institutional Shareholders (and an additional $7.3 million under the Placement), including from the Company's largest shareholders including:

(a) Tudor Court which subscribed for 266,644,664 New Shares;

(b) DGJ Keet which subscribed for 66,438,565 New Shares.

PAG which, as set out in section 6.2, has committed to sub-underwriting up to $5.275 million of the Retail Shortfall.

New Shares issued under the Institutional Entitlement Offer were issued at the same price and at the same ratio as those being offered under the Retail Entitlement Offer.

The announcement of the results of the Institutional Entitlement Offer was made on 9 June 2020 and New Shares are expected to be issued under the Institutional Entitlement Offer on 12 June 2020.

1.3 Retail Entitlement Offer

The Retail Entitlement Offer is being made pursuant to section 708AA of the Corporations Act (as modified by *ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84*) which allows rights issues without a prospectus provided certain conditions are satisfied.

The Retail Entitlement Offer constitutes an offer to Eligible Retail Shareholders only. The Retail Entitlement Offer will raise approximately $10.0 million.

Eligible Retail Shareholders who are on the Company register on the Record Date are entitled to acquire 2.02 New Shares for every 1 Share held on the Record Date (**Entitlement**).

Determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of factors, including legal requirements, logistical and registry constraints, and the discretion of the Company. The Company and Lead Managers disclaim any liability in respect of the exercise or otherwise of that determination and discretion to the maximum extent permitted by law.

Fractional Entitlements will be rounded up to the nearest whole number of New Shares.

An Entitlement and Acceptance Form setting out your Entitlement accompanies this Offer Document. Eligible Retail Shareholders may subscribe for all or part of their Entitlement.

Eligible Retail Shareholders should be aware that an investment in the Company involves risks including those set out in the "Key risks" section of the Investor Presentation which is set out in section 4 of this Offer Document.

1.4 Retail Shortfall Bookbuild

Retail Entitlements which are not taken up by close of the Retail Entitlement Offer, and Retail Entitlements of Ineligible Shareholders, will be sold through the Retail Shortfall Bookbuild. Any Retail Premium (being any amount in respect of those Entitlements sold into the Retail Shortfall Bookbuild) will be remitted proportionally to such Shareholder on or about 6 July 2020 net of any applicable withholding tax.

The Retail Premium amounts will be paid in an elected foreign currency based on your nominated bank account. The Retail Premium amounts will only be paid in Australian Dollars if to an Australian bank account. You will be paid by direct credit to the nominated bank account as noted on the Company's share register.

There may be no Retail Premium, in which case no payment will be made to Eligible Retail Shareholders who do not fully take up their Entitlement (or allow their Entitlement to lapse) and to Ineligible Retail Shareholders. The ability for New Shares to be issued under the Retail Shortfall Bookbuild and the ability to obtain any Retail Premium will be dependent on various factors, including market conditions. To the maximum extent required by law, neither the Company nor the Joint Lead Managers, nor their agents or affiliates will be liable for any failure to procure applications under the Retail Shortfall Bookbuild at a premium price.

The sale of Entitlements may have Australian and overseas tax consequences. Retail Shareholders who elect not to take up their Entitlements should consult with their tax advisers regarding the taxation treatment of any proceeds they may receive.

You should note that if you sell or transfer all or part of your Entitlement or allow all or part of your Entitlement to be sold into the Retail Shortfall Bookbuild, then you will forgo any exposure to increases or decreases in the value of New Shares (or any value for that Entitlement which may have been achieved through its sale on the ASX or otherwise) and your percentage shareholding in the Company will be diluted by non-participation in the Retail Entitlement Offer.

1.5 Additional New Shares

Eligible Retail Shareholders who take up their Entitlements in full may subscribe for Additional New Shares in excess of their Entitlements (**Shortfall Election**). This can be done by lodging a Shortfall Election for a dollar amount of Additional New Shares (which will be issued at the Clearing Price determined through the Retail Shortfall Bookbuild) on the personalised Entitlement and Acceptance Form.

Subject to section 1.16 and section 2.7 of this Offer Document and applicable legal and regulatory requirements, there is no cap on the amount of Additional New Shares that Eligible Retail Shareholders can apply to take up through their Shortfall Elections.

Additional New Shares will only be available to the extent that there are entitlements under the Retail Entitlement Offer that are not taken up by Eligible Retail Shareholders, or entitlements that would have been offered to Ineligible Retail Shareholders had they been invited to participate. If you apply for Additional New Shares there is no guarantee you will be allocated any.

To the extent that the total amount of Shortfall Elections are less than the total amount under the Retail Shortfall Bookbuild, all such applications will be filled. Eligible Institutional Investors will then have the ability to bid for the remaining amount under the Retail Shortfall Bookbuild (i.e. Retail Shortfall Bookbuild less Shortfall Elections). The price for the Additional New Shares will be determined through the Retail Shortfall Bookbuild by Eligible Institutional Investors.

If the total amount of Shortfall Elections is greater than the amount under the Retail Shortfall Bookbuild, then those Shortfall Elections will be scaled back on a pro rata basis (i.e. the proportion the Eligible Retail Shareholder's shareholding represents of the total shareholding of all Eligible Retail Shareholders that have lodged a Shortfall Election).

The Company will only issue Shares under the Retail Entitlement Offer where the directors are satisfied, in their discretion, that the issue of such Shares will not increase a Shareholder's voting power in contravention of the takeovers prohibitions in the Corporations Act.

1.6 Eligibility of Retail Shareholders

The Retail Entitlement Offer is being offered to all Eligible Retail Shareholders only. Eligible Retail Shareholders are Retail Shareholders at 7pm (Sydney time) on the Record Date who:

(a) have a registered address in Australia, New Zealand, United Kingdom, Singapore and Hong Kong or is a Shareholder that the Company has otherwise determined is eligible to participate;

(b) are not in the United States and are not a person (including a nominee or custodian) acting for the account or benefit of a person in the United States; and

(c) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without any requirement for a prospectus or other disclosure document to be lodged or registered.

1.7 Ineligible Retail Shareholders

Shareholders who are not Eligible Retail Shareholders are Ineligible Retail Shareholders.

The Retail Entitlement Offer is not being extended to the Ineligible Retail Shareholders because of the small number of those Shareholders, the number and value of the Shares they hold and the cost of complying with applicable regulations in foreign jurisdictions.

Pursuant to a nominee mandate agreement, the Company has appointed Euroz as the Company's foreign nominee to arrange for the sale of Entitlements of Ineligible Retail Shareholders through the Retail Shortfall Bookbuild and for the payment of any Retail Premium to those Shareholders, less any applicable withholding tax (**Nominee Mandate**). Under the Nominee Mandate, Euroz will not be subject to liability for failure to sell the Entitlements of Ineligible Retail Shareholders.

As required by section 615 of the Corporations Act, the Company has applied to ASIC for approval of Euroz Securities Limited to act as nominee for Ineligible Shareholders. As at the date of this Offer Document, ASIC has not yet provided this approval.

1.8 Minimum subscription

There is no minimum subscription. The Entitlement Offer is fully underwritten. See sections 1.14 and 6.1 for details of the Underwriting Agreement.

1.9 Acceptance of Entitlement to New Shares

The number of New Shares to which an Eligible Shareholder is entitled and the total amount an Eligible Shareholder would have to pay if they choose to take up all of their rights to subscribe for New Shares is shown on the Entitlement and Acceptance Form accompanying this Offer Document. This Offer Document is for the information of Eligible Shareholders who are entitled and may wish to apply for the New Shares. Fractional Entitlements will be rounded up to the nearest whole number.

Entitlements to New Shares can be accepted in full or in part by completing and returning the Entitlement and Acceptance Form which accompanies this Offer Document or making payment of Acceptance Money by BPAY in accordance with the instructions set out below and on the Entitlement and Acceptance Form. Acceptance Money should be rounded up to the nearest cent.

Subscription moneys for the New Shares must be received by the Company at its Share Registry by the Closing Date. Please refer to the timetable for the important dates of the Offer.

1.10 Purpose of the Offer

The Entitlement Offer is proposed to raise approximately $32.7 million (before costs). Together with the Placement and the acquisition debt facility (refer to the Company's Announcement dated 4 June 2020 which is included in section 4 of this Offer Document for further details), the Company will raise approximately $70 million (before costs).

The Directors intend to apply the proceeds from the Placement, the Entitlement Offer and funds provided under the acquisition debt facility for the purposes of:

- paying part of the cash consideration for the acquisition of the Cracow Mine;
- paying the costs of the transaction (including stamp duty).

Further details in respect of the Acquisition can be found in the Investor Presentation and ASX Announcement which is set out in section 4 of this Offer Document.

The estimated sources and intended use of funds raised are summarised as follows:

Source of Funds	$m	Use of Funds	$m
Secured Acquisition debt facility	30.00	Cash consideration due at completion for the Acquisition	60.00
Underwritten placement	7.30	Stamp duty / transaction costs	10.00
Underwritten renounceable entitlement offer	32.70		
TOTAL	**70.00**	**TOTAL**	**70.00**

The above statement is a statement of current intentions as at the date of this Offer Document. As with any budget, intervening events and new circumstances have the potential to affect the ultimate way funds will be applied. However, in the event that circumstances change or other better opportunities arise the Directors reserve the right to vary the proposed uses to maximise the benefit to Shareholders.

1.11 New Share terms

Upon issue, each New Share and Additional New Share will rank equally with all existing Shares then on issue.

1.12 Directors' intentions in respect of Entitlements

Of the Directors who hold Shares in the Company, Alastair Morrison and Marcus Derwin intend to take up their Entitlements under the Entitlement Offer.

1.13 Joint Lead Managers

Bell Potter and Euroz have been appointed as the Joint Lead Managers to the Entitlement Offer. Further details of the terms of appointment of the Joint Lead Managers are set out in section 6.

The Company has agreed to pay the Joint Lead Managers the fees as set out in section 1.14 in relation to the Underwriting Agreement.

The Company has agreed to reimburse the Joint Lead Managers in respect of expenses incurred incidental to the Placement and the Entitlement Offer as set out in section 1.14 in relation to the Underwriting Agreement. The Company also indemnifies the Joint Lead Managers and related persons against losses, liabilities and claims in respect of the Placement and the Entitlement Offer.

See section 6 for more details in relation to the engagement of the Joint Lead Managers.

1.14 Underwriters

The Company has engaged the Underwriters, Bell Potter and Euroz, as the joint underwriters for the Entitlement Offer under the underwriting agreement dated 4 June 2020 (**Underwriting Agreement**).

The Underwriting Agreement is subject to standard terms and conditions (further details of which are set out in section 6.1).

1.15 Firm Commitment and Sub-Underwriting

The Underwriters have entered into a sub-underwriting agreement with PAG dated 3 June 2020 (**Sub-underwriting Agreement**) whereby PAG has agreed to participate as a sub-underwriter of the Retail Entitlement Offer up to the maximum amount of approximately $5.275 million. See section 5 for a more information.

The Underwriters entered into a subscription agreement and firm commitment letter with DGJ Keet Investments and Tudor Court, respectively, dated 3 June 2020 (**Firm Commitments**) to provide firm commitment to subscribe for their pro-rata entitlements in the Capital Raising. See section 5 for a more detailed summary of the Firm Commitments and Sub-Underwriting Agreement of the Entitlement Offer.

Additionally, the Underwriters have entered into or expect to enter into a number of sub-underwriting commitments to sub-underwrite the Retail Entitlement Shortfall up to the maximum amount of approximately $4.83 million.

1.16 Allotment and allocation policy

The Company will proceed to allocate New Shares as soon as possible after the Closing Date and receiving ASX permission for official quotation of the New Shares.

Allocation of New Shares applied for under the Retail Entitlement Shortfall Facility will be allocated and allotted in accordance with the allocation policy set out in Section 2.7. Successful Applicants will be notified in writing of the number of New Shares allocated to them as soon as possible following the allocation being made.

It is the responsibility of Applicants to confirm the number of New Shares allocated to them prior to trading in New Shares. Applicants who sell New Shares before they receive notice of the number of New Shares allocated to them do so at their own risk.

1.17 ASX listing

Subject to approval being granted, quotation of the New Shares issued under the Retail Entitlement Offer is expected to commence on 2 July 2020. It is the responsibility of the Applicants to determine their allocation of New Shares prior to trading. ASX Participating Organisations (as defined in the ASX Business Rules) cannot deal in the New Shares either as principal or agent until Official Quotation is granted.

Any applicant that sells New Shares before receiving confirmation of their holding in the form of a holding statement will do so at their own risk. The Company disclaims all liability (to the maximum extent permitted at law) to persons who trade New Shares before receiving their holding statements, whether on the basis of confirmation of allocation provided by the Company or the registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

1.18 CHESS

The Company will apply to ASX Settlement for the New Shares to participate in the Securities Clearing House Electronic Subregister System known as CHESS.

The Company will not issue certificates to Shareholders with respect to the New Shares. After allotment of the New Shares, those who are issuer sponsored holders will receive an issuer sponsored statement and those who are CHESS holders will receive an allotment advice.

The CHESS statements, which are similar in style to bank account statements, will set out the number of New Shares allotted to each successful applicant pursuant to this Offer Document. The statement will also advise holders of their holder identification number. Further statements will be provided to holders which reflect any changes in their holding in the Company during a particular month.

1.19 Option Holders

Option Holders will not be entitled to participate in the Offer unless they:

(a) have become entitled to exercise their Vested Options under the terms of their issue and do so prior to the Record Date; and

(b) participate in the Offer as a result of being an Eligible Shareholder at 7.00pm (Sydney time) on the Record Date.

Details of the Vested Options are set out in section 3.1. The holders of the Vested Options have notified the Company that they will not exercise their Vested Options prior to the Record Date, therefore no additional New Shares will be issued under the Offer Document on account of the exercise of the Vested Options.

1.20 Notice to nominees and custodians

Nominees and custodians may not purchase Entitlements or New Shares on behalf of, or distribute any part of any document related to the Retail Entitlement Offer, to any person in the United States or in any other country outside of Australia, New Zealand, United Kingdom, Singapore and Hong Kong, except to beneficial Shareholders who are institutional or professional investors in certain foreign countries to the extent contemplated in the "International Offer Restrictions" of the Investor Presentation or other foreign countries (other than the United States) where the Company may determine it is lawful and practical to make the Entitlement Offer.

1.21 Electronic Offer Document

An electronic version of this Offer Document is available on the Internet at www.aerisresources.com.au.

The Entitlement and Acceptance Form may only be distributed together with a complete and unaltered copy of the Offer Document. The Company will not accept a completed Entitlement and Acceptance Form if it has reason to believe that the investor has not received a complete paper copy or electronic copy of the Offer Document or if it has reason to believe that the Entitlement and Acceptance Form or electronic copy of the Offer Document has been altered or tampered with in any way.

While the Company believes that it is extremely unlikely that in the Offer period the electronic version of the Offer Document will be tampered with or altered in any way, the Company cannot give any absolute assurance that it will not be the case. Any investor in doubt concerning the validity or integrity of an electronic copy of the Offer Document should immediately request a paper copy of the Offer Document directly from the Company or the Share Registry.

2. How to apply

2.1 Your choices as an Eligible Retail Shareholder

The number of New Shares to which each Eligible Retail Shareholder is entitled (**Retail Entitlement**) is calculated as at the Record Date of **7.00pm Sydney time on 9 June 2020** and is shown on the personalised Entitlement and Acceptance Form accompanying this Offer Document. If you have more than one registered holding of Shares, you will be sent more than one Entitlement and Acceptance Form and you will have separate Retail Entitlements for each separate holding.

Eligible Retail Shareholders may:

(a) take up their Retail Entitlement in full, refer to section 2.2;

(b) take up their Retail Entitlement in full, and apply for Additional New Shares in excess of your Entitlement from the Shortfall (refer to Section 2.3);

(c) take up part of their Retail Entitlement, in which case the balance of their Retail Entitlement would lapse (refer to Section 2.4); or

(d) allow their Retail Entitlement to lapse (refer to Section 2.5).

Ineligible Shareholders may not take up any of their Retail Entitlement.

Please note that the Retail Entitlement stated on your Entitlement and Acceptance Form may be in excess of the actual Entitlement you may be permitted to take up where, for example, you are holding Shares on behalf of a person in the United States (refer to the definition of Eligible Retail Shareholders in Section 1.6). Eligible Retail Shareholders should be aware that an investment in the Company involves risks. The key risks identified by the Company are set out in the “Key Risks” section of the Investor Presentation contained in section 4 of this Offer Document.

The Company reserves the right to reject any application that is not correctly completed or received after the Closing Date. Unless extended in the discretion of the Company in consultation with the Joint Lead Managers, the Closing Date for acceptance of the Retail Entitlement Offer is **5.00pm (Sydney time) on 22 June 2020** (however, the date may be varied by the Company in accordance with the Listing Rules and the Underwriting Agreement).

2.2 How to accept your Retail Entitlement in full

If you wish to accept the whole of your Retail Entitlement, complete and return the Entitlement and Acceptance Form which is attached to this Offer Document in accordance with the instructions set out on the Form and forward the completed Form together with payment for the full amount so as to reach the Share Registry by no later than **5.00pm (Sydney time) on 22 June 2020**. Payment may be made by cheque, bank draft or BPAY®. The Offer Price of $0.03 per New Share is payable in full on acceptance of part or all of your Entitlement.

Cheques should be in Australian currency and made payable to “Aeris Resources Limited - Rights Issue Account" and crossed "not negotiable".

Completed Forms and accompanying cheques should be lodged at or forwarded to the following address:

Link Market Services Limited
Aeris Resources Limited Offer
c/- Link Market Services Limited GPO Box 3560 Sydney NSW 2001

Entitlement and Acceptance Forms will not be accepted at the Company's registered office.

If you make payment by BPAY®, you do not need to return your Entitlement and Acceptance Form, however, your payment must be received by no later than **5.00pm (Sydney time) on 22 June 2020**. It is your responsibility to ensure that your BPAY payment is received by the Company's share registry by no later than 5.00pm on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should take this into consideration when making payment.

No brokerage, handling fees or stamp duty is payable by Applicants in respect of their applications for New Shares under this Offer Document. The amount payable on acceptance will not vary during the period of the Retail Entitlement Offer and no further amount is payable on allotment. Application Money will be held in trust in a subscription account until allotment of the New Shares. The subscription account will be established and kept by the Company on behalf of the Applicants. Any interest earned on the Application Money will be retained by the Company irrespective of whether allotment takes place.

2.3 How to accept your Retail Entitlement in full and apply for Additional New Shares

If you wish to accept all of your Retail Entitlement and also apply for Additional New Shares under the Retail Shortfall Bookbuild, complete the accompanying Entitlement and Acceptance Form for New Shares and also the "Bookbuild" section in accordance with the instructions set out in the Form, specifying the dollar amount of Additional New Shares that you wish to subscribe for (keeping in mind that the Additional New Shares will be issued at the Clearing Price which may be higher than the Offer Price).

In order to apply for Additional New Shares under the Retail Entitlement Shortfall Facility you must be an Eligible Retail Shareholder and must have first taken up your Retail Entitlement in full.

Amounts received by the Company in excess of the Offer Price multiplied by your Retail Entitlement (**Excess Amount**) will be treated as an application to apply for as many Additional New Shares as your Excess Amount will pay for in full (again keeping in mind that the Additional New Shares will be issued at the Clearing Price which may be higher than the Offer Price).

If you apply for Additional New Shares under the Retail Shortfall Bookbuild and your application is successful (in whole or in part), your Additional New Shares will be issued at the same time that other New Shares are issued under the Retail Entitlement Offer. The basis on which the Directors will allocate and issue Additional New Shares under the Retail Shortfall Bookbuild is set out in Section 2.7.

Refund amounts, if any, will be paid in Australian dollars. You will be paid either by cheque sent by ordinary post to your address as recorded on the share register (the registered address of the first-named in the case of joint holders), or by direct credit to the nominated bank account as noted on the share register as at the Closing Date of the Retail Entitlement Offer.

2.4 How to accept your Retail Entitlement in part

Eligible Retail Shareholders may accept their Retail Entitlement in part and allow the balance to lapse.

If you wish to take up only a part of your Retail Entitlement, complete the Entitlement and Acceptance Form for the number of New Shares that you wish to apply for and follow the other steps in accordance with section 2.2.

You may arrange for payment through BPAY in accordance with the instructions on the Entitlement and Acceptance Form. If the Company receives an amount that is less than the Offer Price multiplied by your Retail Entitlement (**Reduced Amount**), your payment will be treated as an application for as many New Shares as your Reduced Amount will pay for in full.

If you do not take up all of your Entitlement in accordance with the instructions set out above, any New Shares that you would have otherwise been entitled to under the Retail Entitlement Offer will be offered for sale through the Retail Shortfall Bookbuild and any Retail Premium will be paid from the process of the successful Retail Shortfall Bookbuild participants to those Eligible Retail Shareholders who do not fully take up their Entitlement (or allow their Entitlement to lapse) and to Ineligible Retail Shareholders.

The Retail Premium amounts will be paid in an elected foreign currency based on your nominated bank account. The Retail Premium amounts will only be paid in Australian Dollars if to an Australian bank account. You will be paid by direct credit to the nominated bank account as noted on the Company's share register. The Retail Premium (if any) is expected to be paid on 2 July 2020.

There may be no Retail Premium, in which case no payment will be made to Eligible Retail Shareholders who do not fully take up their Entitlement (or allow their Entitlement to lapse) and to Ineligible Retail Shareholders. The ability for New Shares to be issued under the Retail Shortfall Bookbuild and the ability to obtain any Retail Premium will be dependent on various factors, including market conditions. To the maximum extent required by law, neither the Company nor the Joint Lead Managers, nor their agents or affiliates will be liable for any failure to procure applications under the Retail Shortfall Bookbuild at a premium price.

2.5 If you do not wish to accept any of your Retail Entitlement

Eligible Retail Shareholders do not have to accept any of their Retail Entitlement.

If you do not wish to accept any of your Retail Entitlement, do not take any further action and your Retail Entitlement will lapse. You may potentially receive a payment for your lapsed Entitlement.

New Shares that you would have otherwise been entitled to under the Retail Entitlement Offer will be offered for sale through the Retail Shortfall Bookbuild and any Retail Premium will be paid from the process of the successful Retail Shortfall Bookbuild participants to those Eligible Retail Shareholders who do not fully take up their Entitlement (or allow their Entitlement to lapse) and to Ineligible Retail Shareholders.

The Retail Premium amounts will be paid in an elected foreign currency based on your nominated bank account. The Retail Premium amounts will only be paid in Australian Dollars if to an Australian bank account. You will be paid by direct credit to the nominated bank account as noted on the Company's share register. The Retail Premium (if any) is expected to be paid on 2 July 2020.

There may be no Retail Premium, in which case no payment will be made to Eligible Retail Shareholders who do not fully take up their Entitlement (or allow their Entitlement to lapse) and to Ineligible Retail Shareholders. The ability for New Shares to be issued under the Retail Shortfall Bookbuild and the ability to obtain any Retail Premium will be dependent on various factors, including market conditions. To the maximum extent required by law, neither the Company nor the Lead Managers, nor their agents or affiliates will be liable for any failure to procure applications under the Retail Shortfall Bookbuild at a premium price.

By letting your Entitlement lapse and be sold through the Retail Shortfall Bookbuild, you will forgo any exposure to increases or decreases in the value of New Shares.

2.6 Binding effect of Entitlement and Acceptance Form

A completed and lodged Entitlement and Acceptance Form, or a payment made through BPAY®, constitutes a binding offer to acquire New Shares on the terms and conditions set out in this Offer Document and, once lodged or paid, cannot be withdrawn. If the Entitlement and Acceptance Form is not completed correctly it may still be treated as a valid application for New Shares. The Directors' decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

By completing and returning your personalised Entitlement and Acceptance Form with the requisite Application Money or making a payment by BPAY®, you will also be deemed to have acknowledged, represented and warranted on behalf of each person on whose account you are acting that:

(a) you are an Eligible Retail Shareholder and are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States and are not otherwise a person to whom it would be illegal to make an offer or issue New Shares under the Retail Entitlement Offer;

(b) you acknowledge that the New Shares have not been, and will not be, registered under the US Securities Act or under the laws of any other jurisdiction outside of Australia, New Zealand, United Kingdom, Singapore and Hong Kong. You further acknowledge that the New Shares may not be offered or sold, directly or indirectly, in the United States, except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;

(c) you will not send any materials relating to the Retail Entitlement Offer to any person in the United States, or elsewhere outside Australia, New Zealand, Hong Kong, Singapore, United Kingdom, except any beneficial shareholders who are institutional or professional investors in certain foreign countries (other than the United States) to the extent contemplated in the "International Offer Restrictions" of the Investor Presentation; and

(d) you are subscribing Entitlements and New Shares from outside the United States.

2.7 Allotment and allocation policy

A Retail Entitlement Shortfall will exist if any Eligible Retail Shareholder does not take up their full Retail Entitlement. Additional New Shares applied for will only be allocated and issued if a Retail Entitlement Shortfall exists – resulting in the Retail Entitlement Offer being undersubscribed.

Allocation and allotment of any Additional New Shares applied for will be made in accordance with the following policy:

(a) the Directors will allocate the Entitlement Shortfall Shares to Eligible Retail Shareholders that have applied to take up their full Retail Entitlements and in addition have indicated that they wish to take up Additional New Shares as provided for in Section 2.3.

(b) the Company reserves the right to allocate Additional New Shares to Eligible Retail Shareholders who wish to take up Additional New Shares at its discretion. In exercising its discretion and determining which applications to accept or reject, Aeris will have regard to facilitating the increase in the number of Shareholders with marketable parcels of Shares.

(c) Once Directors have exhausted the allotment and allocation of Additional New Shares under the Retail Entitlement Shortfall Facility to Eligible Retail Shareholders, the remaining shortfall will be offered for sale through the Retail Shortfall Bookbuild. Any proceeds realised in excess of the Offer Price of $0.03 per New Share (**Retail Premium**) will be paid from proceeds of successful Retail Shortfall Bookbuild applicants and distributed (pro rata) to those Eligible Retail Shareholders who do not take up all of their Entitlement (or allow their Entitlement to lapse) or who are Ineligible Shareholders, subject to any withholding taxes.

(d) Following the Retail Shortfall Bookbuild, the Company will call on the Joint Lead Managers (as the Underwriters) to take up the remaining New Shares under the Retail Entitlement Shortfall in accordance with its underwriting obligations under the Underwriting Agreement. These remaining New Shares are expected to be allocated by the Underwriters to PAG and a number of other un-related investors as the sub-underwriters to the Retail Entitlement Offer (refer to section 1.15 above). New Shares taken up by the Joint Lead Managers (as the Underwriters) and Sub-underwriters will be issued at approximately the same time as all other New Shares are issued under the Retail Entitlement Offer.

(e) No Related Party of the Retail Entitlement Offer or Eligible Retail Shareholder associated with the Directors will participate in the Retail Entitlement Shortfall.

(f) The Company will not allocate or issue Additional New Shares under the Retail Entitlement Shortfall Facility, where it is aware that to do so would result in a breach of the Corporations Act, the Listing

Rules or any other relevant legislation or law. Eligible Retail Shareholders wishing to apply for Additional New Shares must consider whether or not the issue of the Additional New Shares applied for would breach the Corporations Act or the Listing Rules having regard to their own circumstances. For the avoidance of doubt, the Company will not allocate or issue Additional New Shares where to do so would result in a shareholder obtaining voting power in excess of 20% in breach of the Corporations Act. Additionally, the Company does not expect any person will obtain (or hold), voting power in excess of 20% at the conclusion of the Offer.

(g) There is no guarantee that Eligible Retail Shareholders will be successful in being allocated any of the Additional New Shares that they apply for. The Company may reject any application for Additional New Shares or allocate fewer Additional New Shares than applied for by Applicants for Additional New Shares in accordance with the policy set out above. The Directors reserve the right at their discretion to place a maximum on the number of Additional New Shares that will be issued to Eligible Retail Shareholders who apply for Additional New Shares. In determining whether to accept or reject any applications for Additional New Shares, the Company in consultation with the Underwriters will act fairly and reasonably in determining which applications to accept or reject.

3. Control issues arising from the Offer on the Company

3.1 Capital structure

The share capital structure of Aeris immediately following the Offer, on the basis that the Offer is fully subscribed (excluding rounding of Entitlements), will be as follows:

	Number	%
Ordinary Shares on issue prior to the Entitlement Offer	539,376,614	29%
Ordinary Shares issued under the Placement	244,337,606	13%
Maximum number of New Shares under Entitlement Offer	1,089,540,761	58%
Total:	1,873,254,981	**100%**

Notes:

1. If any of the Vested Options are exercised prior to the Record Date, additional New Shares will be issued under the Offer under this Offer Document. Refer below for details.

As at the date of this Offer Document, the Company has 93,410,609 Existing Options on issue, of which 77,063,751 are Vested Options, as follows:

No of options issued	No of options vested	Holder	Exercise price	Expiry date
37,364,244	30,825,501	André Labuschagne (executive chairman)	$Nil	31 December 2021
22,418,546	18,495,300	Robert Brainsbury (CFO/company secretary)	$Nil	31 December 2021
22,418,546	18,495,300	Ian Sheppard (COO)	$Nil	31 December 2021
11,209,273	9,247,650	John Miller (GM - Tritton Operations)	$Nil	31 December 2021

If all holders of Vested Options were to elect to exercise their Vested Options prior to the Record Date, and become eligible to participate in the Offer, a further 155,668,777(approximately) New Shares may be issued under this Offer Document. However, the Company has obtained confirmation in writing from each of the Option Holders that they will not be exercising their Vested Options before the Record Date. Accordingly, no additional New Shares will be issued under this Offer Document on account of the exercise of the Vested Options.

3.2 Present substantial shareholder position

The substantial Shareholders of the Company prior to the date of this Offer Document (and excluding any shares proposed to be issued under the Institutional Entitlement Offer) are as follows:

Name	Shares	%
PAG	198,619,350	36.82%
Tudor	107,822,347	19.99%

3.3 Potential effect of the Placement, the Institutional Entitlement Offer and the Retail Entitlement Offer

General

Whilst the Retail Entitlement Offer is a fully underwritten pro-rata offer, the conduct of the Placement in conjunction with the Entitlement Offer means that all Eligible Retail Shareholders will have their percentage interest in the Company diluted if they only accept their Entitlement and do not apply for (and receive) a sufficient number of Additional New Shares from the Retail Entitlement Shortfall Facility. If Eligible Retail Shareholders take up their Entitlements in full without receiving Additional New Shares, the voting power of Eligible Retail Shareholders will be reduced by a maximum of 13.04%.

To the extent that Shareholders do not accept their Entitlements in full, a Retail Entitlement Shortfall will arise and will be allocated as part of the Retail Shortfall Bookbuild or to the Underwriters (and sub-underwriter, including PAG). All or part of any Retail Entitlement Shortfall may be placed by the Company with the Underwriters (and any sub-underwriters).

However, Shareholders who do not take up all of their Entitlements will have their interest in the Company further diluted. Given the terms of the Offer, the maximum possible dilution to an Eligible Retail Shareholder's interest in the Company would be 71.21%. In addition, the proportional shareholdings of Retail Shareholders who are not resident in Australia, New Zealand, United Kingdom, Singapore or Hong Kong may be diluted as those Shareholders are not entitled to participate in the Retail Entitlement Offer. The holdings of those Ineligible Shareholders will be diluted by a maximum of 71.21%. Ineligible Shareholders may receive a Retail Premium.

Accordingly, Eligible Retail Shareholders can reduce the extent of the dilution of their voting power in the Company by accepting their Entitlement in full and applying for Additional New Shares under the Retail Entitlement Shortfall Facility.

The calculations in section 3.3 assume that none of the Vested Options are exercised and participate in the Retail Entitlement Offer. See section 3.1 for further detail.

As the Institutional Entitlement Offer and Placement have taken place, the Company expects to issue approximately 756.3 Million New Shares arising under those offers (including any shortfall of Institutional Entitlements) to existing and new institutional and sophisticated investors on or around 15 June 2020. As a result of this accelerated component of the capital raising, the Underwriters do not expect to be required to take up any Placement Shares or Institutional Entitlement Shares. Accordingly, if no Eligible Retail Shareholders were to take up their Entitlements under the Retail Entitlement Offer:

(a) the Joint Lead Managers (as the Underwriters) would be obliged to receive approximately 157,413,696 New Shares under the Retail Entitlement Offer Shortfall, to be shared equally between Bell Potter and Euroz. Neither Bell Potter nor Euroz currently hold any Shares or Options, therefore the total number of Shares held by each Underwriter would become approximately 78.7 million for voting power of4.20% at the conclusion of the Offer; and

(b) PAG (as a sub-underwriter) would be obliged to receive approximately 175,844,321 New Shares under the Retail Entitlement Offer Shortfall. PAG currently holds 198.6 million Shares, therefore the total number of Shares held by PAG would become approximately 374.5 million for voting power of 19.99% at the conclusion of the Offer.

Given that the Institutional Entitlement Offer and Placement has now taken place, there are only approximately 333,258,017 New Shares on offer under the Retail Entitlement Offer representing approximately 17.79% of the Company's issued capital following completion of the Offer. Accordingly, the Company does not expect that the acceptance of Entitlements under the Retail Entitlement Offer or the allocation of any Retail Entitlement Shortfall will result in existing Shareholders or new investors significantly increasing their interest in the Company or obtaining a substantial interest in the Company. However, to the extent that any Shareholder or investor who applies under the Retail Entitlement Shortfall may obtain a substantial interest the Company, it does not expect this will result in any holder holding more than 20% of the Company's Shares. Further, any Retail Entitlement Shortfall will only be placed to the extent that such placement is in compliance with the takeover provisions of the *Corporations Act*, which restrict a person and their associates from having a relevant interest in the Company of not more than 19.99%, subject to a number of exemptions.

Possible Control Implications - PAG

PAG currently holds 198,619,350 Shares with voting power in the Company of 36.82%. PAG renounced its Entitlements under the Institutional Entitlement Offer and, as set out above, has agreed to sub-underwrite a portion of the Retail Entitlement Offer, such that PAG will have a relevant interest of less than 20% at the conclusion of the Entitlement Offer.

Possible Control Implications – Tudor Court

Under section 606 of the Corporations Act, a person cannot acquire a relevant interest in the issued voting shares of a company if, because of a transaction in relation to securities of that company, a person's Voting Power in the company increases from 20% or below to more than 20% (or from a starting point that is above 20% and below 90%).

There are certain exceptions to the above prohibition in section 611 of the Corporations Act. Item 10A of the table in section 611 of the Corporations Act (as notionally inserted by *ASIC Corporations (Takeovers – Accelerated Rights Issues) Instrument 2015 / 1069*) (**Rights Issue Exception**) provides an exception for an acquisition of securities pursuant to a rights issue if the following conditions (as notionally modified by ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84) are satisfied:

(a) the company offers to issue securities to every person who holds securities on a pro-rata basis;

(b) all of those persons have a reasonable opportunity to accept the offers made to them;

(c) agreements to issue securities are not entered into until the closing date of the offer; and

(d) the terms of all offers are the same.

The Rights Issue Exception extends to any underwriters of a rights issue or any sub-underwriters. If the Rights Issue Exception is to be relied upon then section 615 of the Corporations Act (regarding of the appointment of a nominee for the sale of foreign shareholders' rights) must be complied with, which includes a requirement for ASIC to approve the nominee.

Whilst the voting power of Tudor Court immediately following the completion of the Institutional Entitlement Offer will exceed 20%, immediately following the completion of the Retail Entitlement Offer, Tudor Court's Voting Power will reduce back to 19.99%. The Rights Issue Exception will be relied upon by Tudor in these circumstances and, accordingly, the Company has appointed a nominee pursuant to section 615 of the Corporations Act. As at the date of this Offer Document, ASIC has not yet provided its approval for the appointment of Euroz as the nominee.

Possible Control Implications – Underwriters

As set out above, assuming that no other Shareholders or investors (other than PAG) subscribe for New Shares or Retail Entitlement Shortfall Shares under the Retail Entitlement Offer, the Underwriters may be obliged to subscribe for 157,413,696 New Shares representing a maximum voting power of 8.4% collectively. However, in the event that there is a Retail Entitlement Shortfall, the Underwriters expect to place all of the Retail Entitlement Shortfall Shares to new and existing investors such that the Underwriters do not expect to subscribe for any Retail Entitlement Shortfall Shares.

3.4 Potential Shortfall Participants

In the event that there is a Retail Entitlement Shortfall, the Company, in conjunction with the Underwriters will apply the allocation policy set out in section 2.7 above. The participants in the Retail Shortfall Bookbuild are not currently known and may consist of existing Eligible Retail Shareholders or new investors, however, in the event that no Shares are issued under the Retail Shortfall Bookbuild, the Retail Entitlement Shortfall Shares will be allocated to the Underwriters or any sub-underwriters (as applicable), refer to section 2.7(d) above.

3.5 Shortfall Desperation Strategy

Refer to the Company's allocation policy in section 2.7 above.

4. ASX Announcement and Investor Presentation

Not for release to US wire services or distribution in the United States

4 June 2020 **ASX/MEDIA RELEASE**

AERIS TO ACQUIRE CRACOW GOLD MINE FROM EVOLUTION

TRANSACTION HIGHLIGHTS:

- **Proven, high grade, low cost gold mine in tier 1 jurisdiction**
- **Forecast to deliver positive free cashflow: more than A$100m of net mine cashflow over the first two years of Aeris' ownership at the current gold price[1]**
- **High value combination cost synergies including potential to utilise Aeris' significant carried forward tax losses[2]**
- **Acquisition includes a highly prospective tenement package covering 903 km^2, which Aeris intends to aggressively explore**
- **Attractive deal structure and metrics**
- **Transaction achieves several of Aeris' previously stated objectives:**
  - **To become a multi-mine producer in attractive commodities**
  - **To accelerate deleveraging in parallel with investing in life extension projects at both Cracow and Tritton**
  - **To maintain flexibility to pursue further growth opportunities**

Aeris Resources Limited (ASX: AIS) (**Aeris** or the **Company**) is pleased to announce that it has entered into a binding agreement (**Share Purchase Agreement** or **SPA**) with Evolution Mining Limited (**Evolution**) to acquire 100% of the Cracow gold mine (**Cracow**) (the **Transaction**).

Cracow is an established, high grade, low cost underground gold mining operation and processing facility located in Queensland, Australia. The mine has been operating continuously since 2004, producing more than 1.4 million ounces over its life, with a consistent track record of profitability and reserve replacement. Cracow is on track to produce

[1] Based on Aeris' mine plan for Cracow on a pre-synergies basis. Net mine cashflow is defined as operating mine cashflow less sustaining and major capital expenditures (pre-tax). Forecast assumes forward curve pricing for gold (average US$1,721/oz) and AUD:USD of 0.665(average).
[2] A$256m at 30 June 2019.

82,500 – 87,500 ounces of gold in the 2020 financial year and generate net mine cashflow of A$84m – A$89m[3].

Aeris has agreed to pay Evolution A$60m in cash upon closing of the Transaction, a deferred payment of A$15m on 30 June 2022 plus a 10% net value royalty (gross revenue less C1 direct cash cost, multiplied by 10%) from 1 July 2022 to 30 June 2027, capped at A$50m.

Aeris intends to fund the Transaction through a fully underwritten A$40m equity raising (**Equity Raising**) and A$30m acquisition bridge debt facility. A new A$15m guarantee facility has also been secured to provide for the replacement of financial assurances relating to the mine and will be provided by SPOV[4]. The Equity Raising will be conducted via a fully underwritten institutional placement and an underwritten 2.02 for 1 pro rata accelerated renounceable entitlement offer.

Aeris notes it has secured commitments from its three largest shareholders, representing c.60% of the register to commit to participating in the Equity Raising, subject to a maximum holding of 19.99% at completion.

Completion of the Transaction is currently expected to occur on 30 June 2020. A summary of the key terms of the SPA is included in Annexure A to this announcement.

Commenting on the Cracow acquisition, Aeris Resources' Executive Chairman Andre Labuschagne said:

"This is a truly transformational transaction for Aeris and will be immediately accretive in value. The acquisition provides us with asset and commodity diversity, strong cashflow generation and high value synergies. Cracow will be a perfect fit for the unique skill set of our management team, who have a track record of extracting value and life extensions, as demonstrated at the Tritton mine, and previously with Norton Gold Fields at the Paddington gold mine. Our immediate focus will be on transitioning Cracow into the Aeris culture and aggressively investing in the mine life extension opportunities we have identified."

"Aeris inherits a well-run, proven operation which has been a consistent performer for Evolution. Importantly for us, there is a strong operating team in place that has a culture of continuous improvement. We are confident that Cracow management and the workforce will fit well with Aeris' own culture and the renewed focus to reinvesting in mine life extensions which Aeris will bring."

Overview of Cracow and Aeris' Plans for the Operation

Cracow is located approximately 500 km north-west of Brisbane, within the communities of Cracow and Theodore and on the traditional lands of the Wulli Wulli. The mine is accessible by sealed roads connecting to Biloela and major regional highways via Theodore and is supplied with reliable power from the grid and water under licence from the Dawson River. The mine is supported by approximately 220 full time employees and 45 contractors[5].

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[3] FY20F based on Evolution's guidance.
[4] SPOV – Special Portfolio Opportunity V Limited, a subsidiary of a fund managed by PAG
[5] As at 31 March 2020.

The mine is located in a highly endowed goldfield with gold mineralisation hosted in steeply dipping structurally controlled low sulphidation epithermal veins. Total Mineral Resource at 31 December 2019 was 2.55 Mt @ 4.21 g/t Au (345 koz gold) with Ore Reserve of 0.61 Mt @ 5.78 g/t Au (114 koz gold)[6].

The underground mine is accessed through a single surface decline with ore primarily mined via open stoping through a modified Avoca mining sequence. Processing is via a 570 ktpa capacity facility involving conventional crushing and grinding, followed by a leaching / CIP circuit to recover gold and silver doré.

Cracow has a strong track record of reserve and resource replacement and Aeris plans to aggressively invest in brownfield and greenfield exploration with the aim of growing the resource base to extend mine life. Multiple near term opportunities for resource conversion have been identified with c.A$13m budgeted over the next two years for exploration, with key priorities including both underground near mine extensions (e.g. Killarney) as well as nearby open pit deposits (e.g. the Golden Plateau and Roses Pride).

Extracting value through integration efficiencies will also be a key driver of Aeris' immediate plan with c.A$4.0m of targeted annual cost synergies as well as the potential for utilising Aeris' existing carried forward tax losses (A$256m at 30 June 2019).

Over the two year period to 30 June 2022, Aeris expects Cracow to generate more than A$100m of net mine cashflows at the current gold price, with pro forma Aeris group EBITDA of A$272m to A$282m and pro forma group net mine cashflows of A$137m to A$155m[7]. This significant cashflow will provide for both investment in life of mine extension projects at Cracow and Tritton as well as to also continue deleveraging the balance sheet. In order to protect the very significant near term positive cashflows from Cracow, Aeris intends to enter into a prudent gold hedging program, with initial focus on the first 12 months.

Acquisition Funding

The acquisition and associated transaction costs will be funded through a combination of equity and a short dated (12 month) acquisition bridge debt facility:

- A$40m fully underwritten Equity Raising, comprising a c.A$7.3m institutional placement (**Placement**) and a c.A$32.7m 2.02 for 1 pro rata renounceable entitlement offer (**Entitlement Offer**). Approximately 1,333.9 million new ordinary shares (**New Shares**) will be issued.
    - Bell Potter Securities Limited and Euroz Securities Limited (**Euroz**) are acting as joint lead managers and underwriters in relation to the Equity Raising, with Special Portfolio Opportunity V Limited (**SPOV**), a subsidiary of a fund managed by PAG to partially sub-underwrite the retail component of the Entitlement

[6] Full details of the Cracow Mineral Resource and Ore Reserve are provided in the report entitled Annual Mineral Resources and Ore Reserves Statement released on 12 February 2020 and available to view at www. evolutionmining.com.au. See also Slide 61 of Aeris' Investor Presentation released to ASX on 4 June 2020.

[7] Based on Aeris' mine plans for Cracow and Tritton on a pre-synergies basis, assuming forward curve pricing for gold (average US$1,721/oz), CRU's forecast copper price (average US$6,118/t) and AUD:USD of 0.665 (average). Net mine cashflow is defined as operating mine cashflow less sustaining and major capital expenditures (pre-tax).

Offer, subject to its equity interest in Aeris at completion being no more than 19.99%.

- o The issue price of A$0.03 per share for both the Placement and the Entitlement Offer represents a 30.2% discount to the closing price of Aeris shares of A$0.043 on 1 June 2020 being the last trading day prior to release of this announcement and a 12.5% discount to the Theoretical Ex-Rights Price (**TERP**) of A$0.034[8].

- o The Placement will comprise an issue of approximately 244.3 million new fully paid ordinary Aeris shares to certain eligible institutional investors to raise approximately A$7.3m at an issue price of A$0.03 per share. The Placement will utilise Aeris' existing placement capacity, does not require the approval of Aeris' shareholders and will not carry any entitlement to participate in the Entitlement Offer.

- o The Entitlement Offer will give eligible shareholders the opportunity to subscribe for 2.02 new fully paid ordinary share in Aeris for every 1 existing fully paid ordinary share in Aeris held as at 7.00 pm (Sydney time) on Tuesday, 9 June 2020 (**Record Date**). The Entitlement Offer will comprise an offer of approximately 1,089.5 million shares at an issue price of A$0.03 per share for total proceeds of c.A$32.7m. The Entitlement Offer comprises an accelerated institutional entitlement offer (**Institutional Entitlement Offer**) and a retail entitlement offer (**Retail Entitlement Offer**).

- o Aeris has appointed Euroz as the Company's foreign holder nominee to arrange for the sale of entitlements of ineligible retail shareholders through the retail shortfall bookbuild and for the payment of any retail premium to those shareholders, less any applicable withholding tax. As required by section 615 of the Corporations Act, the Company has applied to ASIC for approval of the appointment of Euroz. As at the date of this announcement, ASIC has not yet provided this approval.

- o At the time of allotment under both the Placement and Entitlement Offer, New Shares issued under the offers will rank pari passu with existing shares.

- A$30m secured acquisition bridge debt facility with Aeris' existing lender SPOV, with a term of 12 months and interest rate of 11% per annum (**Acquisition Facility**); and

- SPOV will also provide a A$15m guarantee facility to enable the replacement of existing financial assurances over the mine (currently approximately A$10m) provided by Evolution (**Guarantee Facility**).

As a condition subsequent to the advance of funds under the Acquisition Facility, the Company must procure the necessary shareholder approvals pursuant to section 260B of the Corporations Act in respect of the acquisition.

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[8] TERP is the theoretical price at which Aeris shares should trade immediately after the ex-date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not equate to TERP. The TERP excludes New Shares to be issued under the Placement.

Aeris has been granted a waiver from Listing Rule 10.1 to the extent necessary to permit the Company to grant security over the assets and undertakings of the Company and its subsidiaries (including Cracow) to secure the Company's obligation under the Acquisition Facility and Guarantee Facility without obtaining shareholder approval. The Board examined potential options with alternative commercial debt providers and determined that the facilities with SPOV were on favourable commercial terms and are fair and reasonable from the perspective of shareholders of the Company.

In conjunction with the Transaction, Aeris also has agreed with SPOV to restructure and extend the term of its current c.US$32m senior debt facilities, to reflect the enlarged Group's improved credit profile as well as ensure Aeris has flexibility to pursue its planned exploration and growth capital programs for both Cracow and Tritton. Specifically:

- The terms of both the existing Tranche A and Tranche B secured facilities have been extended from 1 July 2021 to 1 July 2023;
- Tranche B (US$10m) amortisation has been deferred to start on 1 July 2021 at US$2.5m per quarter until repaid; and
- Tranche A (c.US$22m) amortisation will only commence once Tranche B is repaid, with amortisation of US$2.5m per quarter and a bullet payment of the balance at the end of the term.

Entitlement Offer Timetable

Trading halt continues and announcement of the Transaction and the Equity Raising	Pre-market (Sydney time) on Thursday, 4 June 2020
Institutional Entitlement Offer and Placement opens	Before noon (Sydney time) on Thursday, 4 June 2020
Institutional Entitlement Offer and Placement closes	4:00 pm (Sydney time) on Thursday, 4 June 2020
Institutional Entitlement Offer bookbuild	Friday, 5 June 2020
Results of Institutional Entitlement Offer and Placement announced	Pre-market (Sydney time) on Tuesday, 9 June 2020
Trading halt ends	Tuesday, 9 June 2020
Record Date for determining retail entitlements under the Retail Entitlement Offer	7.00 pm (Sydney time) on Tuesday, 9 June 2020
Retail Entitlement Offer booklet and entitlement and acceptance form despatched and Retail Entitlement Offer opens	Thursday, 11 June 2020
Settlement of Institutional Entitlement Offer and Placement	Friday, 12 June 2020
New Shares issued under the Institutional Entitlement Offer and Placement	Monday, 15 June 2020
Retail Entitlement Offer expected to close (closing date)	5.00 pm (Sydney time) on Monday, 22 June 2020
Announcement of results of the Retail Entitlement Offer	Thursday, 25 June 2020
Retail shortfall bookbuild	Thursday, 25 June 2020
Announcement of results of retail shortfall bookbuild	Friday, 26 June 2020
Settlement of Retail Entitlement Offer	Tuesday, 30 June 2020
Issue of New Shares under the Retail Entitlement Offer	Before noon (Sydney time) on Wednesday, 1 July 2020
Commencement of trading of New Shares issued under the Retail Entitlement Offer on ASX	Thursday, 2 July 2020
Expected date for despatch of new shareholding statements for New Shares issued under the Retail Entitlement Offer	Thursday, 2 July 2020
Retail premium (if any) despatched	Thursday, 2 July 2020

The above timetable is indicative only and is subject to change. All dates and times are AEST. Aeris reserves the right to vary these dates or to withdraw the Entitlement Offer at any time.

Subject to the requirements of the Corporations Act, the ASX Listing Rules and any other applicable laws, Aeris, in consultation with the underwriters, reserves the right to amend this timetable at any time, including extending the closing date of the Retail Entitlement Offer period or accepting late applications, either generally or in particular cases, without notice. Any extension of the closing date will have a consequential effect on the issue date of the New Shares. The commencement of quotation of New Shares is subject to confirmation from ASX. The information in this announcement does not constitute financial product advice and does not take into account the financial objectives, personal situation or circumstances of any shareholder. If you are in any doubt as to how to proceed, please contact your financial, tax or other professional adviser.

Investor Presentation

Further details of the Transaction and the Equity Raising are detailed in the investor presentation released on the ASX platform today.

Advisers

Aeris' financial adviser to the Transaction is Jefferies (Australia) Pty Limited and its legal adviser is HopgoodGanim Lawyers.

Conference Call

Investors are invited to join a conference call hosted by André Labuschagne (Executive Chairman) and Rob Brainsbury (CFO), today, Thursday, 4 June at 11:30 am (Sydney time).

To access the call please use the link below to register. Once registered, dial-in details will be provided.

Registration Link: https://s1.c-conf.com/diamondpass/10007553-invite.html

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This announcement is authorised by the Board of Aeris Resources Limited

All dollar amounts are in Australian dollars unless otherwise indicated.

This announcement may contain certain statements and projections provided by or on behalf of Aeris Resources Limited with respect to the anticipated future undertakings. These forward-looking statements reflect various assumptions by or on behalf of Aeris.

Accordingly, these statements are subject to significant business, economic and competitive uncertainties and contingencies associated with the mining industry which may be beyond the control of Aeris which could cause actual results or trends to differ materially, including but not limited to price and currency fluctuations, geotechnical factors, drilling and production results, development progress, operating results, reserve estimates, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries, approvals and cost estimates, environmental risks, ability to meet funding requirements, share price volatility. Accordingly, there can be no assurance that such statements and projections will be realised. Aeris makes no representations as to the accuracy or completeness of any such statement of projections or that any forecasts will be achieved.

Additionally, Aeris makes no representation or warranty, express or implied, in relation to, and no responsibility or liability (whether for negligence, under statute or otherwise) is or will be accepted by Aeris or by any of their respective officers, directors, shareholders, partners, employees, or advisers as to or in relation to the accuracy or completeness of the information, statements, opinions or matters (express or implied) arising out of, contained in or derived from this announcement or any omission from this announcement or of any other written or oral information or opinions provided now or in the future to any interested party or its advisers. In furnishing this announcement, Aeris undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

Nothing in this material should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities. It does not include all available information and should not be used in isolation as a basis to invest in Aeris.

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable US state securities laws.

ANNEXURE A

Key Terms of Transaction Documentation

Sale Agreement

The table below summaries the key terms of the sale agreement (Share Purchase Agreement or SPA):

Topic	Summary
Outline of Proposed Transaction	The Company, through its wholly owned subsidiary Aeris Regional Holdings Pty Ltd (**Aeris Regional**), will acquire 100% of the shares on issue, held by Evolution in Lion Mining Pty Limited (**Lion Mining**). Lion Mining is the holder of the tenements which comprise the Cracow mine.
Consideration	The Company has agreed to acquire Lion Mining for: 1. an upfront cash payment of A$60,000,000 (**Upfront Amount**)[9]; 2. a deferred cash payment of A$15,000,000 payable on 30 June 2022 secured against the shares and assets of the Company (**Deferred Consideration**); and 3. a mining royalty arrangement (**Royalty Component**) (which is outlined further below). The Upfront Amount will be funded by: 1. the Placement and Entitlement Offer to raise A$40m; and 2. A$30m acquisition bridge debt facility through a debt financing arrangement with its existing financier Special Portfolio Opportunity V Limited (SPOV).
Royalty	The Company has agreed that Lion Mining will grant a royalty equal to 10% of the net value generated (revenue less C1 direct cash cost, multiplied by 10%) from any gold produced by Cracow to Evolution for the period from 1 July 2022 to 30 June 2027 (**Royalty Period**). The maximum amount payable to Evolution in respect of the Royalty is A$50,000,000 over the Royalty Period. The Royalty will be secured by way of a mining mortgage over the tenements in favour of Evolution.
Condition Precedent	Completion under the SPA is conditional upon the first to occur of (**Condition Precedent**): 1. the Company being satisfied that it is not a foreign person for the purposes of the *Foreign Acquisitions*

[9] The Upfront Amount is subject to a post-completion working capital adjustment.

Topic	Summary
	and Takeovers Act 1975 (Cth) (**FATA**) or is otherwise not required to notify or seek approval from the FIRB in respect of the SPA; or 2. the Treasurer of Australia (or his delegate) providing written notice under FATA that, the Commonwealth Government has no objections to the acquisition contemplated by the SPA. Where the Condition Precedent is not satisfied within 180 days of signing the SPA, the Company or Evolution may terminate the SPA.
Condition Subsequent	As a condition subsequent to completion, the Company must procure shareholder approval pursuant to section 260B of the Corporations Act in respect of the granting of security and royalty arrangements in connection with the acquisition of Lion Mining. The Company must also execute the relevant security documents and Royalty Deed. If the Company fails to comply with the conditions subsequent within 60 days of completion, the Deferred Consideration and A$20 million on account of the royalty will become immediately due and payable by the Company to Evolution.
Termination Rights	The Company may terminate the SPA between signing and completion in circumstances where a material adverse change (as defined in the SPA) occurs in respect of the business operated by Lion Mining.
Obligations Between Signing and Completion	The agreement places certain requirements on Evolution to continue to conduct the Cracow mine in the ordinary course of business between signing and Completion. The obligations require certain conduct in respect of, amongst other matters, maintaining the tenements and assets, compliance with obligations under contracts, not acquiring any asset, engaging in a transaction or entering into any capital commitment above a certain threshold without the Company's consent.
Warranties	The SPA contains a number of warranties given by Evolution and the Company to each other which are typical for the nature of the acquisition.
Transitional Service Arrangements	The Company also intends to enter into a formal transitional services agreement for Evolution to continue to provide, for a period of up to 3 months post-completion, any shared services in exchange for a monthly fee payable by the Company to Evolution.

ANNEXURE B

Further Details of the Equity Raising

Institutional Placement

The Institutional Placement will comprise an issue of approximately 244.3 million new fully paid ordinary Aeris shares to certain eligible institutional investors to raise approximately A$7.3m at an issue price of A$0.03 per share.

The issue price represents a 30.2% discount to the closing price of Aeris shares of A$0.043 on 1 June 2020 being the last trading day prior to release of this announcement.

The Institutional Placement will utilise Aeris' existing placement capacity and does not require the approval of Aeris' shareholders and will not carry any entitlement to participate in the Entitlement Offer.

Entitlement Offer

The Entitlement Offer will give eligible shareholders the opportunity to subscribe for 2.02 new fully paid ordinary share in Aeris for every 1 existing fully paid ordinary shares in Aeris held as at 7.00 pm (Sydney time) on Tuesday, 9 June 2020 (Record Date). The Entitlement Offer will comprise an offer of approximately 244.3 million shares at an issue price of A$0.03 per share for total proceeds of c.A$7.3m. The Entitlement Offer comprises an accelerated institutional entitlement offer and a retail entitlement offer.

The Institutional Entitlement Offer will be extended to institutional shareholders, and in respect of any shortfall, other institutional investors in Australia, New Zealand, British Virgin Islands, United Kingdom, Ireland, Bermuda, Singapore, Hong Kong and the United States.

The Retail Entitlement Offer will be extended to shareholders, in in Australia, New Zealand, Singapore, Hong Kong and the United Kingdom.

The issue price represents:

- 30.2% discount to the closing price of Aeris shares of A$0.043 on 1 June 2020 being the last trading day prior to release of this announcement; and
- 12.5% discount to the Theoretical Ex-Rights Price (TERP) based of A$0.034[10].

At the time of allotment, New Shares issued under the Entitlement Offer will rank pari passu with existing shares.

Institutional Entitlement Offer

The Institutional Entitlement Offer will take place from Thursday, 4 June 2020 to 4.00 pm (Sydney time), Thursday, 4 June 2020. Eligible institutional shareholders will be invited to participate in the Institutional Entitlement Offer and can choose to take up all, part or none

[10] TERP is the theoretical price at which Aeris shares should trade immediately after the ex-date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not equate to TERP. The TERP excludes New Shares to be issued under the Placement.

of their Entitlement. Entitlements cannot be traded on the ASX. Entitlements that eligible institutional shareholders do not take up by the close of the Institutional Entitlement Offer, and Entitlements that would otherwise have been offered to ineligible institutional shareholders, will be sold through an institutional shortfall bookbuild (**Institutional Bookbuild**). Any proceeds from the sale of Entitlements under the Institutional Bookbuild in excess of the offer price will be remitted proportionally to those institutional shareholders, less any applicable withholding tax. There is no guarantee that there will be any proceeds remitted to those institutional shareholders. Aeris shares have been placed in trading halt and will recommence trading once the Institutional Entitlement Offer and Institutional Bookbuild are completed.

Retail Entitlement Offer

Eligible retail shareholders will be invited to participate in a Retail Entitlement Offer at the same offer price and offer ratio as the Institutional Entitlement Offer. The Retail Entitlement Offer will open on Thursday, 11 June 2020 and close at 5.00 pm (Sydney time), Monday, 22 June 2020.

Eligible retail shareholders can choose to take up all, part of none of their Entitlement. Entitlements cannot be traded on the ASX. Entitlements which are not taken up by eligible retail shareholders by the close of the Retail Entitlement Offer and Entitlements that would otherwise have been offered to ineligible retail shareholders will be sold through the retail bookbuild on Thursday, 25 June 2020 (**Retail Bookbuild**). Any proceeds from the sale of Entitlements under the Retail Bookbuild in excess of the offer price will be remitted proportionally to those retail shareholders, less any applicable withholding tax. There is no guarantee that there will be any proceeds remitted to those retail shareholders. Eligible retail shareholders wishing to participate in the Retail Entitlement Offer should carefully read the retail offer booklet and accompanying personalised entitlement and acceptance form which are expected to be despatched on Thursday, 11 June 2020. Copies of the retail offer booklet will be available on the ASX website (www.asx.com.au) on or around Thursday, 11 June 2020.

ANNEXURE C

Conditions of the ASX Waiver of Listing Rule 10.1

The ASX has granted the Company a waiver of Listing Rule 10.1 to the extent necessary to permit the Company to grant security over the assets and undertakings of the Company and its subsidiaries (including Cracow) to secure the Company's obligation under the Acquisition Facility and Guarantee Facility without obtaining shareholder approval provided the following conditions are met:

1.1 the material terms of the acquisition, loan facilities and the waiver are announced to the market;

1.2 the announcement includes a description of the reasons why the Company has chosen to obtain the financial accommodation from the Listing Rule 10.1 party rather than a lender that is not a Listing Rule 10.1 party and the steps the board of the Company has taken to satisfy itself that the acquisition is being entered into on arm's length terms and is fair and reasonable from the perspective of the holders of the Company's ordinary securities;

1.3 the security documents expressly provide that:

1.3.1 the security is limited to the funds due under the financial accommodation;

1.3.2 the security will be discharged when the funds due under the financial accommodation have been satisfied in full;

1.3.3 in the event the security is enforced, the assets can only be disposed of to the lenders or an associate of the lenders if the disposal is first approved by the Company's security holders under Listing Rule 10.1; and

1.3.4 otherwise, if the holder of the security exercises, or appoints a receiver, receiver and manager or analogous person to exercise any power of sale under the security, the assets must be sold to an unrelated third party on arm's length commercial terms and the net proceeds of sale distributed to the lenders in accordance with their legal entitlements;

1.4 any variation to the terms of the financial accommodation or the Security which:

1.4.1 advantages the lenders in a material respect;

1.4.2 disadvantages the Company in a material respect; or

1.4.3 is inconsistent with the terms of the waiver;

must be subject to security holder approval under Listing Rule 10.1; and

1.5 for each year while they remain on foot, a summary of the material terms of the financial accommodation and the security is included in the related party disclosures in the entity's audited annual accounts.

Aeris RESOURCES

Transformational Acquisition and Equity Capital Raising

4 June 2020

Not for release to US wire services or distribution in the United States

Important notice and disclaimer

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Compliance statements

Tritton Copper Operations Production Targets Cautionary Statement

The presentation includes references to a Production Plan (Production Targets) for the Company's Tritton Copper Operations. The Production Targets referred to in this presentation are based on:

- Proved Ore Reserve 52%
- Probable Ore Reserve 31%
- Indicated Mineral Resource 17%

The modifying factors used in the estimation of the Ore Reserve were also applied to the Mineral Resources in the generation of the Production Target.

The Ore Reserve and Mineral Resource estimates underpinning the Production Targets were prepared by a Competent Person in accordance with the JORC Code 2012, with the exception of the Indicated Mineral Resource estimate for the Budgery Deposit. The Indicated Mineral Resource estimate for the Budgery Deposit has been prepared by a Competent Person in accordance with the JORC Code 2004 and has not been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Cracow to Life of Mine Cautionary Statement

The Aeris FY21 to FY22 Cracow Life of Mine (LOM) plan is a Production Target that contains 68% Ore Reserve, 22% Inferred Mineral Resource and 10% Exploration Target (weighted by ounces). The Inferred Mineral Resource and Exploration Target material are associated with mineralised structures that contain Measured and/or Indicated Mineral Resource and represent the sparsely drilled sections of each mineralised structure. Intrinsically, the lower confidence Inferred Mineral Resource and Exploration Target material does imply a higher risk of conversion to Ore Reserve. However, the Cracow Goldfield has been in continuous production from 2004 during which time has a proven history of converting Inferred Mineral Resource and Exploration Target material to Ore Reserve.

Table of contents

Section 1: Transaction Summary

Transaction summary

Transaction overview	• Aeris Resources Limited ("**Aeris**" or the "**Company**") to acquire Evolution Mining Limited's ("**Evolution**") 100% interest in Cracow gold mine ("**Cracow**", the "**Transaction**") – Acquisition also includes an extensive, highly prospective tenement package covering 903km^2 • Transaction consideration of: – A$60m cash at completion – a deferred cash payment of A$15m on 30 June 2022 – 10% net value royalty from 1 July 2022 to 30 June 2027, capped at A$50m[1] • Aeris will also replace existing financial assurances relating to the mine with a new guarantee facility (c.A$10m) • Completion of the transaction is currently expected to occur on 30 June 2020 with a transitional services agreement for a period of up to 3 months to allow for a smooth transition of the asset
Overview of Cracow	• High grade, low cost gold mine, with a 15 year history of continuous production[2] • Located in Queensland, Australia, a low risk, established mining jurisdiction • FY21F Production of 70 – 75 koz high margin gold ounces at C1 cash cost of A$980/oz[3] • Produced more than 1.4 Moz over its life with a consistent history of profitability and replenishing reserves • Significant short, medium and long term growth potential through optimising mining schedule, underground mine development, expanding Resource inventory and exploration • Aggressive two year exploration budget (A$13m) seeking to bring additional material into JORC category - multiple identified brownfield targets
Transaction rationale	• A compelling acquisition opportunity of a low risk, high grade, cash flow generative mine in an attractive location • Transaction immediately delivers positive free cashflow – Cracow net mine cashflow of A$105m – A$115m over the first two years to 30 June 2022[3][4] • Right asset and skill-set for Aeris to unlock high value combination synergies • Target annual cost savings (synergies) of A$4.0m across site, infrastructure, procurement and corporate cost savings • Additional potential to utilise existing Aeris carried forward tax losses (A$256m at 30 June 2019), improving accretion • Cracow has a consistent track record of producing ounces above identified reserves and resources • Equity raising and debt restructure will significantly improve Aeris' credit profile with future cashflow generation to support further deleveraging and Aeris' strategy of continued M&A consolidation

(1) Net value royalty is defined as the gross revenue less C1 direct cash cost, multiplied by 10%.
(2) Based on 15 full financial years post redevelopment (FY06 to FY20).
(3) Based on Aeris' mine plan for Cracow on a pre-synergies basis.
(4) Net mine cashflow is defined as operating mine cashflow less sustaining and major capital expenditures (pre-tax). Forecast based on Aeris' mine plan for Cracow assuming forward curve pricing for gold (average US$1,721/oz and AUD:USD of 0.665).

Transaction summary (cont.)

Funding	• The Transaction and associated costs will primarily be funded through a combination of equity and debt: – Fully underwritten A\$40m equity raising comprising of a placement and entitlement offer ("**Offer**" or "**Equity Raising**"): – A placement of 244.3 million shares to raise c.A\$7.3m ("**Placement**") – a 2.02 for 1 pro-rata, accelerated renounceable entitlement offer to raise c.A\$32.7m ("**Entitlement Offer**") – The Entitlement Offer comprises an accelerated institutional entitlement offer ("**Institutional Entitlement Offer**") and a retail entitlement offer ("**Retail Entitlement Offer**") – A\$30m acquisition bridge debt facility provided by Special Portfolio Opportunity V Limited (SPOV), a subsidiary of a fund managed by PAG – A\$15m guarantee facility provided by PAG
Major shareholder support	• 3 largest shareholders representing c.60% of the share register have committed to participating in the equity raising – PAG to sub-underwrite the offer to a maximum holding of 19.99% – Tudor Court and DGJ Keet to participate for their pro-rata equity interests of 19.99% and 4.98% respectively • Additional support from PAG to restructure and extend existing c.US\$32m(1) Aeris debt facilities to facilitate future exploration and growth capital programs: – US\$10m Tranche B amortisation deferred to start on 1 July 2021 (US\$2.5m per quarter until repaid) – c.US\$22m Tranche A amortisation to start once Tranche B is repaid at US\$2.5m per quarter with bullet payment at end of term in 2023 • PAG debt restructure allows for Aeris to pursue an aggressive investment capital program while also placing the company in a position to deleverage quickly and review refinancing options post completion • Capital raising and associated debt restructure resets Aeris' credit profile and provides flexibility to pursue growth
Financial and operational impact	• Aeris revenue mix diversified from >90% copper currently to a balanced copper/gold exposure • Pro forma group production(2): – FY21F production: 23.5 – 24.5 kt copper and 70.0 – 75.0 koz gold – FY22F production: 21.0 – 22.0 kt copper and 57.0 – 62.0 koz gold • Pro forma group EBITDA of A\$272m – A\$282m for the first two years to 30 June 2022(3) • Pro forma group net mine cashflow of A\$137 – A\$155m for the first two years to 30 June 2022(3)(4) • Pro forma net debt of c. A\$77m at completion, including cash of c. A\$9m (post A\$40m equity raising)(5)

(1) As at 31 December 2019.
(2) Based on Aeris' mine plan for Cracow on a pre-synergies basis.
(3) Based on Aeris' mine plans for Cracow and Tritton on a pre-synergies basis, assuming forward curve pricing for gold (average US\$1,721/oz), CRU's forecast copper price (average US\$6,118/t) and AUD:USD of 0.665 (average).
(4) Net mine cashflow is defined as operating mine cashflow less sustaining and major capital expenditures (pre-tax).
(5) Net debt as at 31 December 2019 plus A\$30m acquisition debt facility and A\$40m equity raising.

Section 2: Transaction Highlights

Aeris RESOURCES

Consistent with strategy – an exceptionally strong fit

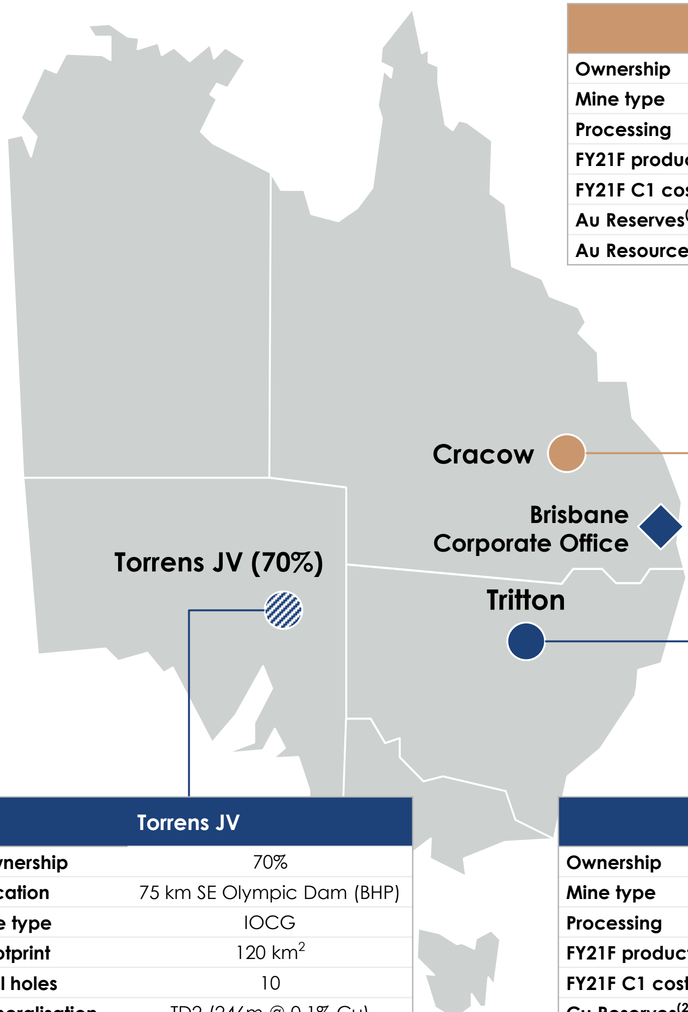
Aeris Resources M&A strategy

- Pursue strategic M&A opportunities to add value, complement existing portfolio and transform Aeris into a mid-sized, multi-mine company
- Leverage Aeris' existing operational expertise to create value where others cannot
- Focus on base metals, particularly copper and gold opportunities

Commodity	✓ Gold
Location	✓ Tier 1 mining jurisdiction ✓ c.5 hours drive from Aeris' head office ✓ Same time zone as Tritton mine in NSW
Project stage	✓ Producing operation with established infrastructure ✓ +15 year history of uninterrupted production of high margin ounces
Size and potential	✓ Transforms Aeris into a diversified copper and gold producer ✓ Highly prospective mineralised system / extensive tenement package with numerous extension opportunities identified
Mining method	✓ Simple open stoping underground mining consistent with Tritton ✓ Potential to transition to standard open pit mining ✓ Consistent grade / simple metallurgy and processing
Mine plan	✓ Reserves provide for a highly cashflow generative two year production profile with immediate extension options and further longer term upside potential ✓ Consistent history of mine life extension e.g. in 2011 when Evolution acquired Cracow had a 5 year mine life
Historic ownership	✓ Historically operated by well regarded mining companies – Newcrest and Evolution

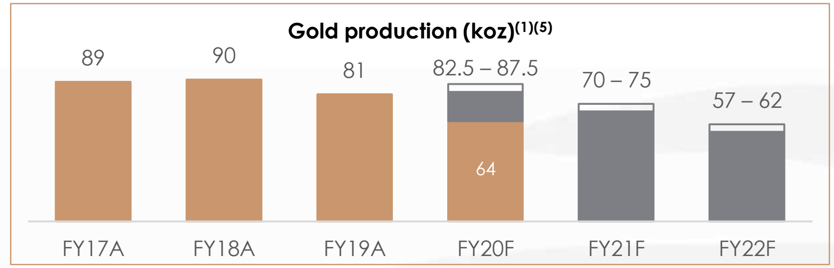
Radically enhances Aeris' portfolio

Cracow	
Ownership	100%
Mine type	U/G
Processing	570 ktpa CIP
FY21F production[(1)]	70 – 75 koz Au
FY21F C1 cost[(1)]	A$980/oz Au
Au Reserves[(2)]	114 koz @ 5.8 g/t
Au Resources[(2)]	345 koz @4.2 g/t



Torrens JV	
Ownership	70%
Location	75 km SE Olympic Dam (BHP)
Ore type	IOCG
Footprint	120 km^2
Drill holes	10
Mineralisation	TD2 (246m @ 0.1% Cu)

Tritton	
Ownership	100%
Mine type	U/G
Processing	1.8 Mtpa
FY21F production	23.5 – 24.5 kt Cu
FY21F C1 cost	A$2.80 – 2.95/lb Cu
Cu Reserves[(2)]	45 kt @ 1.5%
Cu Resources[(2)]	124 kt @ 1.4%



Pro forma

A$272m – A$282m[(1)]

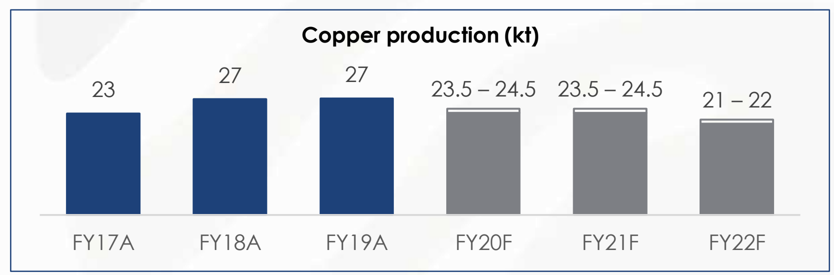
First two years EBITDA

A$137m – A$155m[(1)]

First two years net mine cashflow[(3)]

0.5x

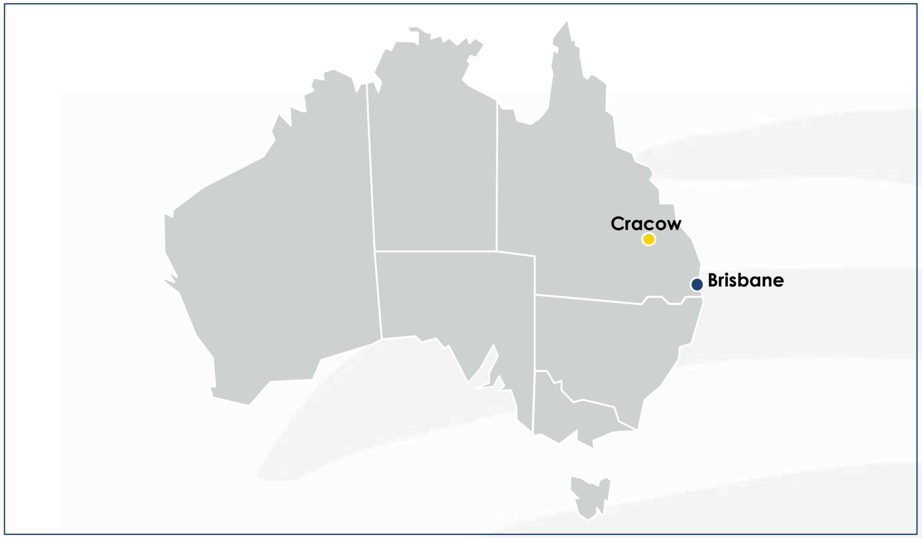
Net debt to FY21F EBITDA[(4)]



(1) FY21F and FY22F forecast based on Aeris' mine plans for Cracow and Tritton on a pre-synergies basis, assuming forward curve pricing for gold (average US$1,721/oz), CRU's forecast price for copper (average US$6,118/t) and AUD:USD of 0.665 (average).
(2) Includes Measured, Indicated and Inferred Resources and is inclusive of Ore Reserves – see slides 59-61 for breakdown.
(3) Net mine cashflow is defined as operating mine cashflow less sustaining and major capital expenditures (pre-tax).
(4) Net debt as at 31 December 2019 plus A$30m acquisition debt facility, A$40m equity raising and assumed the mid-point of the FY21F pro forma EBITDA forecast range.
(5) FY20F based on Evolution's guidance and includes 9 months actual from July 2019 to March 2020.

Cracow mine – an established, proven operation

Location	500 km NW of Brisbane, Queensland
Ownership	100%
Tenement package	18 MLs + 3 EPMs covering 903km^2
Orebody	Low-sulphidation epithermal
Operating structure	Owner / operator
Mining method	Underground – open stoping
Processing plant capacity / method	570 ktpa, conventional crush grind CIP to produce gold-silver doré
Workforce	DIDO / FIFO 222 FTE[1]
Access	Sealed roads connecting to Biloela and major highways via Theodore
Power	Reliable supply from grid
Water	Supplied under license from Dawson River and tailings dam return water
FY20F production	82.5 – 87.5 koz Au[2]
FY20F AISC	A$1,200 – 1,250/oz[2]
Resources (at Dec-19)	2.55 Mt @ 4.21 g/t Au (incl. 345 koz)[3]
Reserves (at Dec-19)	0.61 Mt @ 5.78 g/t Au (incl. 114 koz)[3]
Total Reported Injury Frequency (TRIF)	17.1[1]



(1) As at 31 March 2020.
(2) FY20F based on Evolution's guidance and includes 9 months actual from July 2019 to March 2020.
(3) Refer to slide 61 for JORC Reserve and Resource breakdown.

The Aeris plan for Cracow

Immediate priorities (next 2 years)

- **Deliver the mine plan**
  - A$105m – A$115m net mine cashflow for the first two years to 30 June 2022[(1)(2)]
  - less than 12 months payback of up-front cash consideration (pre-tax)
- **Extend mine life and convert reserves**
  - A$13m allocated to targeted drilling and near mine exploration
  - re-evaluation of material that is not currently in a resource category
- **Extract direct cost synergies and improvement opportunities**
- **Repayment of acquisition bridge facility**

Medium term (years 3 – 4)

- **Improve confidence / development of identified brownfield developments e.g.**
  - Killarney
  - Kenneth
  - Sterling
- **Review greenfield regional opportunities e.g.**
  - Ballymore
  - North West Corridor
  - Boughyard

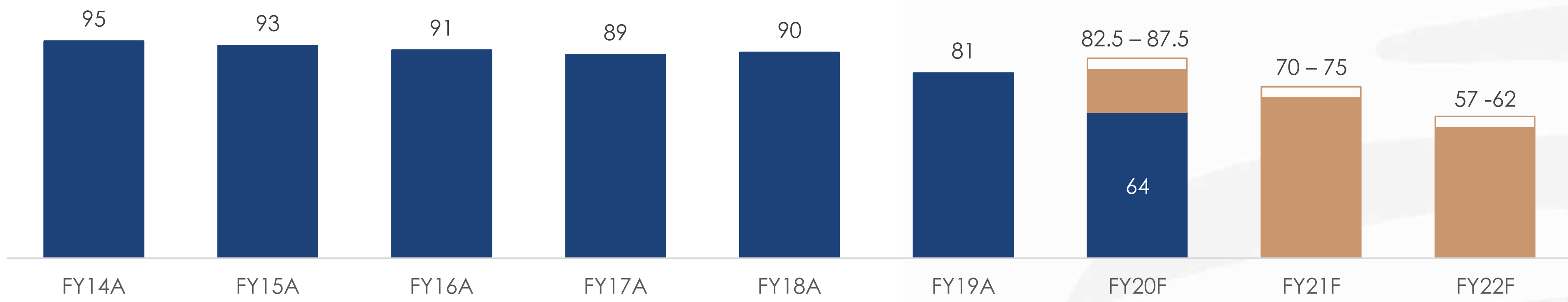
Longer term

- **Evaluate the exploration potential of the highly prospective tenement package**
  - acquisition includes 18 MLs and 3 EPMs covering total area of 903 km^2 in the highly prospective New England Fold belt
  - excellent potential for near mine and regional exploration success to leverage existing infrastructure

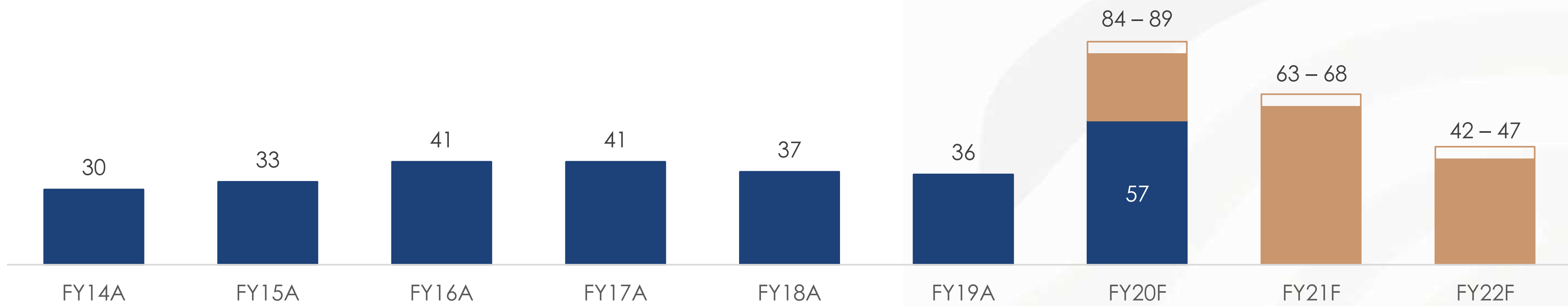
(1) Net mine cashflow is defined as operating mine cashflow less sustaining and major capital expenditures (pre-tax).
(2) Based on Aeris' mine plan for Cracow on a pre-synergies basis and assuming forward curve pricing for gold (average US$1,721/oz and AUD:USD of 0.665).

Next 2 year plan
Deliver the robust cash flow profile

Cracow production profile (koz)(1)(2)



Cracow net mine cash flow (A$m)(1)(2)(3)



(1) The Company is limited by disclosure rules in respect of providing guidance on the Company's production expectations beyond FY22, given the classification of material in those following years including Inferred Resources and unclassified material. Details of the relevant projects are shown in the following slides.

(2) FY20F based on Evolution's guidance and includes 9 months actual from July 2019 to March 2020. FY21F and FY22F forecast based on Aeris' mine plan for Cracow on a pre-synergies basis, assuming forward curve pricing for gold (average US$1,721/oz and AUD:USD of 0.665).

(3) Net mine cashflow is defined as operating mine cashflow less sustaining and major capital expenditures (pre-tax).

Substantial synergies and benefits which can be unlocked

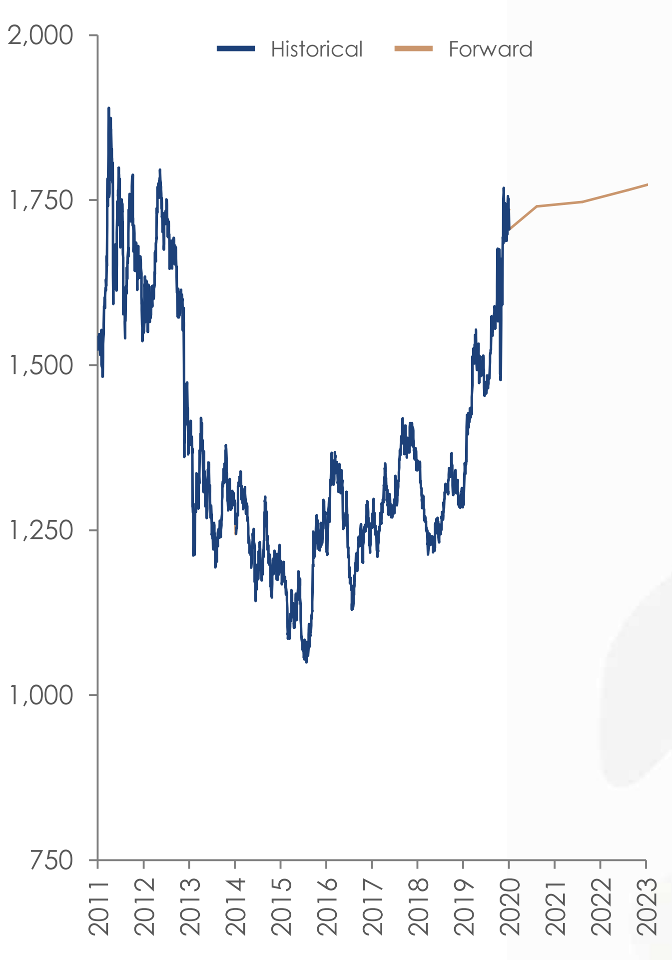
Aeris RESOURCES

	Source	Description	Target annual savings
Potential direct synergies	**Site, infrastructure and procurement efficiencies**	• Optimisation of equipment usage across both sites • Cost savings through utilisation of enhanced purchasing power and re-pricing of contracts	A$2.5m
Potential direct synergies	**Corporate and administrative cost savings**	• The ability to operate without duplication of corporate overheads	A$1.5m
Potential direct synergies	**Tax loss utilisation**	• Potential to utilise existing carried forward tax losses to offset future taxable profits of the combined group • Aeris has gross tax losses of A$256m as at 30 June 2019 – these tax losses are subject to Australian tax loss recoupment tests	n/a
Other strategic benefits	**Diversified cashflow profile**	• Two base load production assets with a balanced exposure to both copper and gold prices • Increased group cashflow margins, with downside protection from hedged gold production	n/a
Other strategic benefits	**Balance sheet flexibility**	• Restructured debt facilities and strong cashflow allows Aeris to invest in growth capital and exploration, as well as pursue an accelerated deleveraging profile • Refinancing options to be reviewed post completion to reflect the company's improved credit profile	n/a
Other strategic benefits	**A recharged platform for further growth**	• A reset of the Aeris' growth platform: – potential to bring forward priority growth initiatives at Tritton Complex and other exploration – continued pursuit of consolidation opportunities, levering the group's expanded operating footprint	n/a

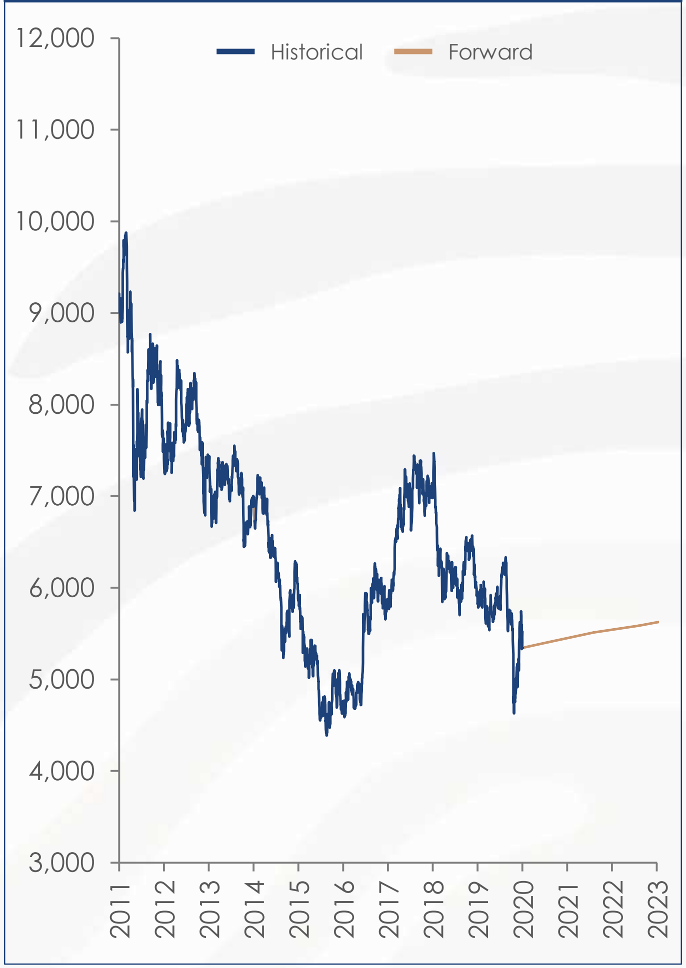
The favourable near term price outlook will be partially insured

- Aeris will be undertaking a prudent level of gold hedging to underpin future cashflows
- Balanced exposure to upside in gold / copper prices while providing appropriate level of certainty and operating flexibility

Spot gold price and outlook to 2023 (US$/oz)



Spot copper price and outlook to 2023 (US$/t)

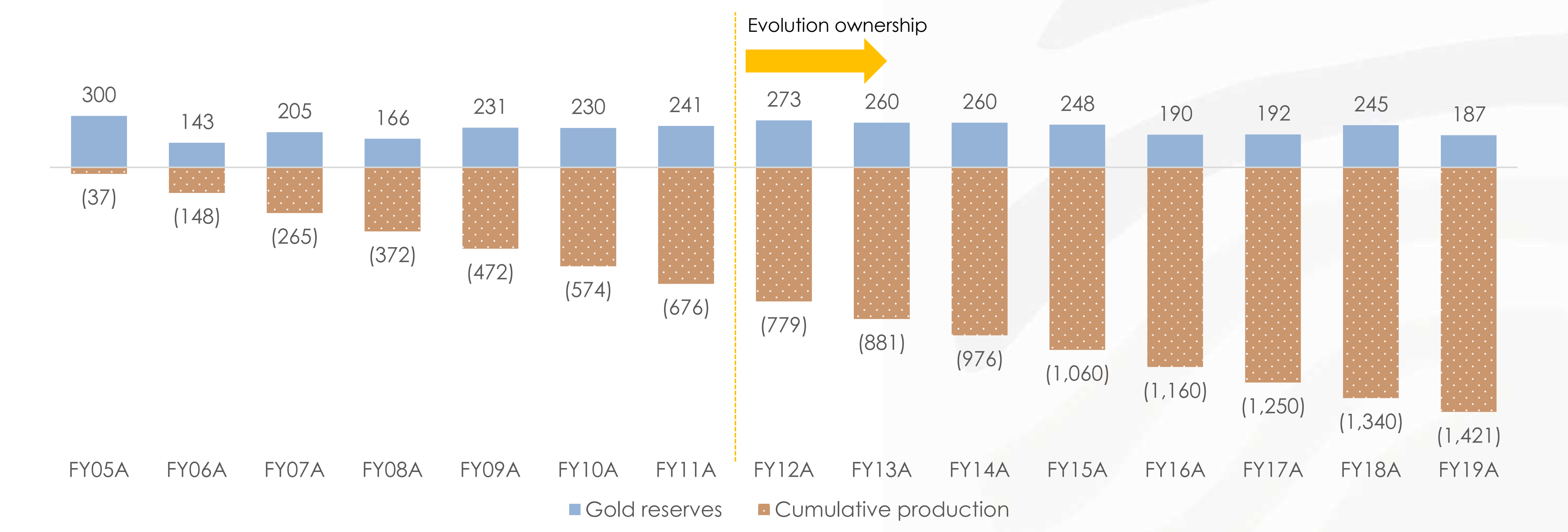


Source: Capital IQ.
Note: Aeris' forecast for FY21F and FY22F assumes forward curve pricing for gold (average US$1,721/oz), CRU's forecast price for copper (average US$6,118/t) and AUD:USD of 0.665 (average).

Continued resource and reserve growth

- **Cracow has a strong history of replenishing reserves and resources which will be a key focus for Aeris to continue**
  - has produced more than 1.4 Moz of gold over its life since first production in 2004
  - depletion has generally been replaced annually, with a 3 to 5 year mine life maintained (when Evolution acquired the mine in 2011, the projected mine life at the time was 5 years)
  - consistent positive reconciliation of annual gold production against the Ore Reserve scheduled for mining, (gold mined has been 10% to 25% above estimated gold in scheduled Ore Reserves, over last 5 years). Additional mined gold comes from Inferred Mineral Resource, deposit extensions, optimisation of stope design, and other factors
  - multiple near mine and regional exploration targets to further extend mine life

Cracow reserves replacement (koz)[1]



(1) Based on June year end.

Aggressive 2 year exploration budget
Prove-up of feed for years 3 and 4

Target	Timing	Expenditure	Objective
Golden Plateau	2021	A$3m	Indicated MR
Klondyke	Early 2021	A$1m	Indicated MR
Roses Pride	Early 2021	A$1m	Indicated MR
Underground central vein cluster	2022	A$3m	Inferred / Indicated MR
Ballymore	2020	A$1m	Commence drill testing structure further along strike
Regional Greenfields		A$4m	Progress regional exploration targets including phase 1 drill testing
Total		**A$13m**	

Defining feed for years 3 and 4

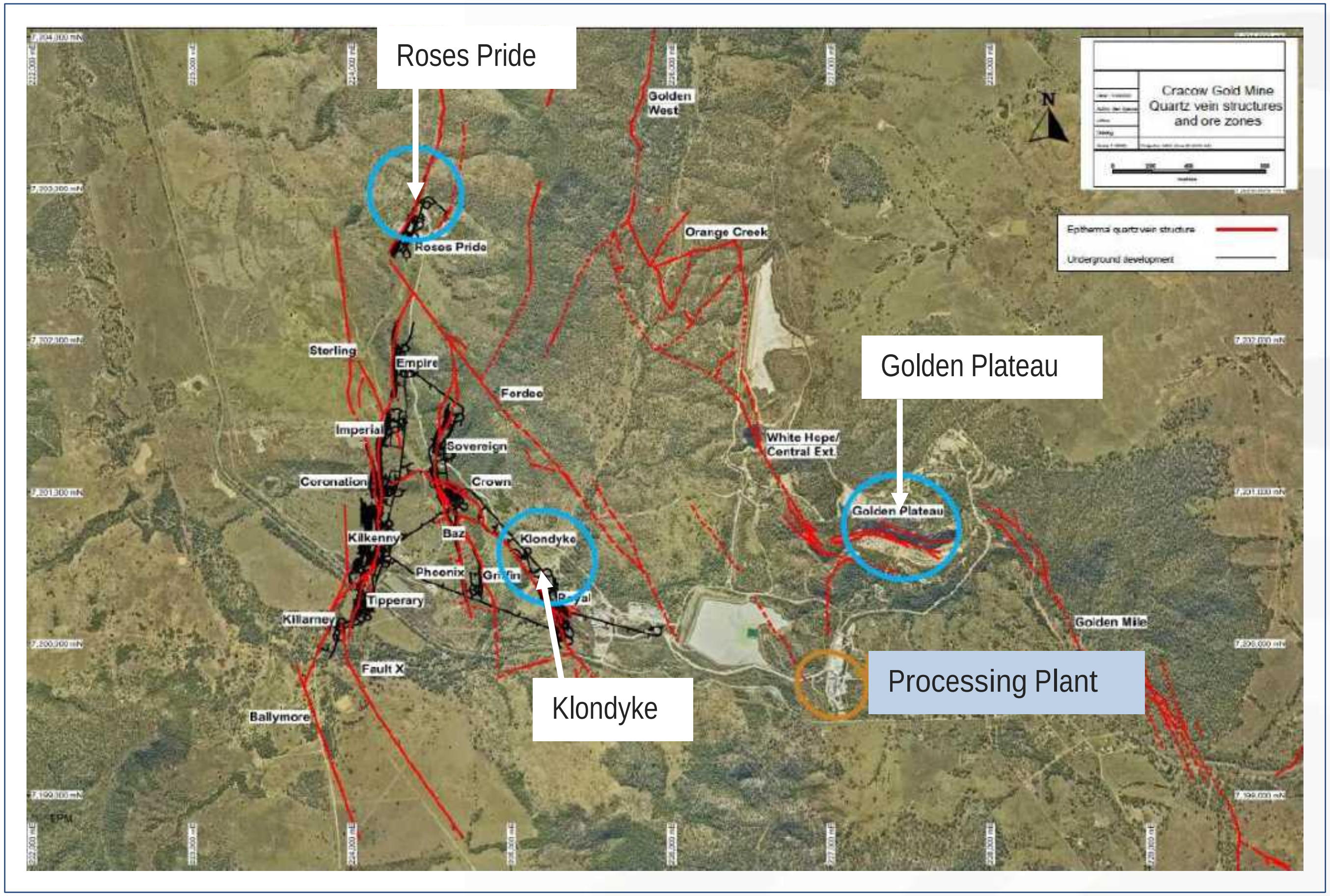
Open pit targets

Near mine opportunities (open pit)

Aim: By June 2021 convert open pit targets to Indicated Mineral Resource status for feasibility studies

Part of an aggressive A$13m exploration spend:

- **Golden Plateau**
  - large mineralised system with approx. 800-850 koz mined
  - mineralised system remains open down plunge
  - drill density appropriate to an Inferred Mineral Resource status (data quality issues prevent JORC classification)
  - A$3m drill program
- **Klondyke and Roses Pride**
  - Up plunge extensions to mineralisation previously mined underground
  - A$2m drill program planned to achieve Mineral Resource status



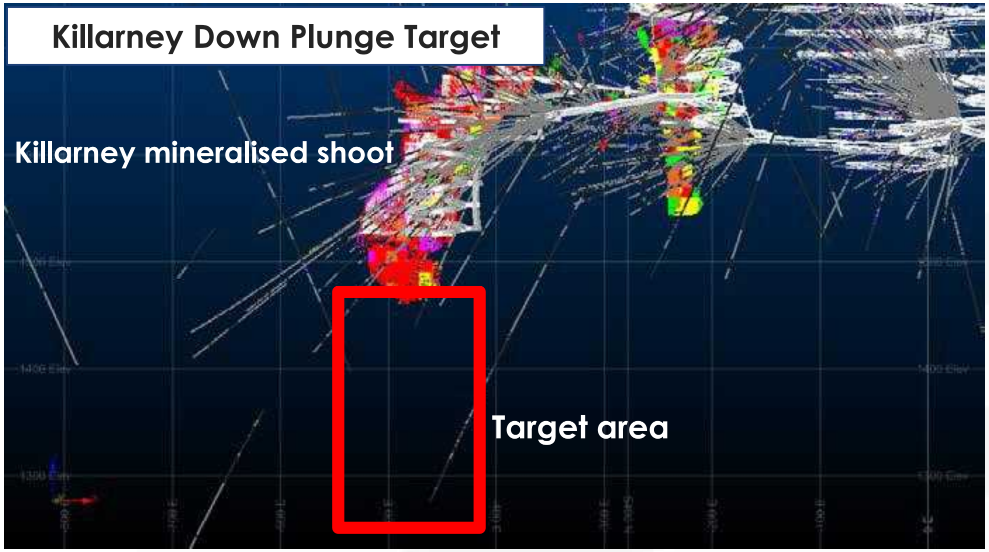
Defining feed for years 3 and 4 (cont.)

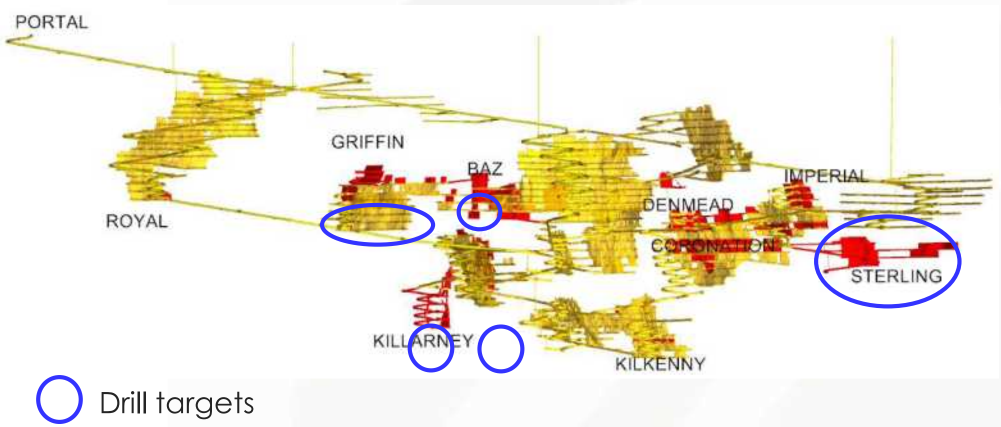
Underground Extension Targets

Aim: By June 2022 drill test all currently identified near mine exploration target and conversion to Mineral Resource status

Multiple drill ready targets identified peripheral to current Mineral Resource:

- **Killarney**
  - mineralisation open down plunge beneath current Mineral Resource
- **Kenneth**
  - new drill target located between Killarney and Kilkenny
  - based on an updated stratigraphic model placing favourable lithology window below current drilling footprint
- **Sterling**
  - sparsely drilled in comparison to other underground deposits
- **Baz / Phoenix / Griffin**
  - along strike / down plunge from current Mineral Resource



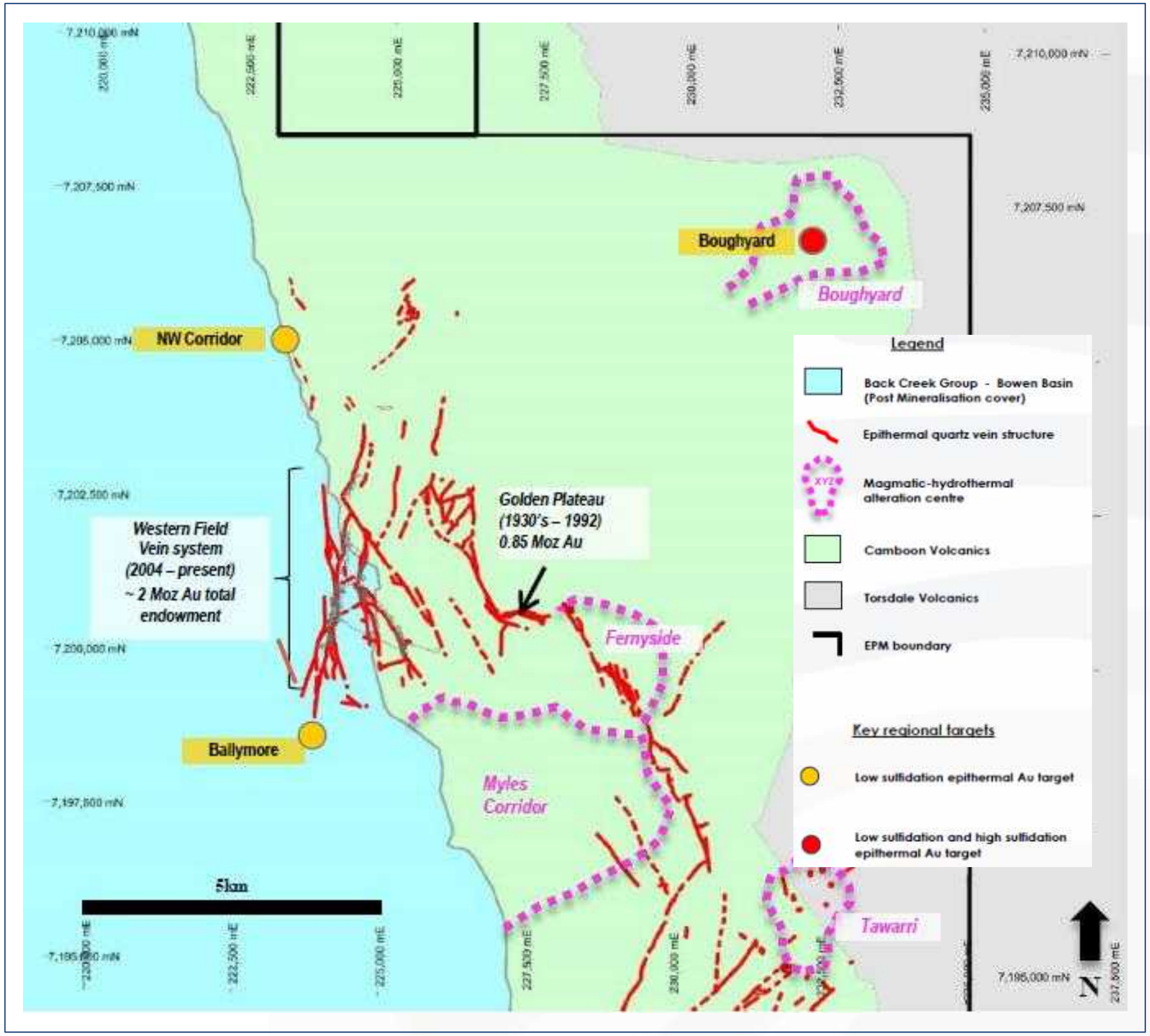


Longer term - feeding the mill from year 5 and beyond

Greenfield exploration opportunities outside the 2.5-3.0 Moz discovered to date[1]

A highly prospective tenement package which remains under explored. Priority targets:

- **Ballymore**
  - newly identified structure along southern margin of the current mining footprint
  - limited drilling returned encouraging:
    - evidence of epithermal vein textures
    - anomalous pathfinder elements including gold
- **North West Corridor**
  - outcropping epithermal quartz veining and alteration
  - anomalous pathfinder elements from rock chip sampling
  - +1.5 km of untested strike within prospective lithology
- **Boughyard**
  - large (~3.0 km x 1.5 km) alteration system open to south and west
  - regional analogue to the alteration system spatially related to the 2.5 – 3.0 Moz Cracow Goldfield



(1) Includes historically mined and current reported Mineral Resource.

Aeris management team has the right experience for Cracow

Andre Labuschagne
Executive Chairman

- Experienced mining executive with a career spanning more than 30 years, primarily in the gold industry
- Held various executive roles in South Africa, PNG, Fiji and Australia for a number of leading gold companies, including Emperor Gold Mines, DRD Gold and AngloGold Ashanti
- Previously Managing Director of Norton Gold Fields Limited where he led the company's growth to a significant Australian gold producer, prior to its sale to a major Chinese gold company in 2012

Rob Brainsbury
Chief Financial Officer

- Over 30 years experience in the mining and mining services sectors
- Held senior roles with companies including Rio Tinto, Xstrata, MIM Holdings and BIS Industrial Logistics
- Prior to joining Aeris Resources, Rob was the Chief Financial Officer and Company Secretary at Norton Gold Fields Limited
- Qualified accountant and holds a Bachelor of Business degree with majors in Accounting and Marketing

Ian Sheppard
Chief Operating Officer

- Most recently held General Manager roles with Norton Gold Fields Limited and PanAust Limited
- Prior to this Ian spent over seven years with Ok Tedi Mining in PNG as General Manager and Executive Manager with responsibility at various times for operations, technical services, business development and exploration
- Member of the Australian Institute of Mining and Metallurgy and has more than 30 years of experience in mine operations, technical studies and business development gained in gold, base metals and iron ore

John Miller
Tritton General Manager

- Mining engineer with over 30 years of experience in both underground and surface mining operations
- Has experience in Australia, Asia, Africa and the United States in both large and smaller operations

Bradley Cox
Geology Manager

- Geologist with more than 15 years of experience spanning exploration, deposit development and mining in greenfields, site delivery, studies and corporate resource evaluation roles
- Previously held senior roles with Newcrest Mining Limited, Lihir Gold Limited and Ballarat Goldfields NL. He has also worked with MIM Holdings (now Xstrata-Glencore), BHP Billiton and Central Queensland Magnetite NL

Summary

1

A highly compelling investment opportunity

- ✓ Established, low risk, high grade gold mine in an attractive location
- ✓ Accretive transaction which immediately delivers significant free cashflow
- ✓ Favourable mine geology and highly prospective exploration package provides for continued profitable production and upside over the longer term

2

Right asset and skill-set to unlock high impact synergies

- ✓ Aeris' management has a proven track record operating Tritton and other gold mines which will be applied to driving value creation at Cracow (both operating improvements and reserve extensions)
- ✓ Identified high value combination cost synergies from integrating Cracow into the Aeris platform
- ✓ Cracow to benefit from greater investment capital priority and focus

3

Resets the platform for defensive growth and re-rating

- ✓ Equity raising and debt restructure will significantly improve Aeris' credit profile with future cashflow generation to support both growth capital and deleveraging
- ✓ Diversified cashflow profile provides for renewed investment at Tritton and other growth projects
- ✓ A stronger platform for continued industry consolidation through future M&A

Section 3: Update on Aeris Resources

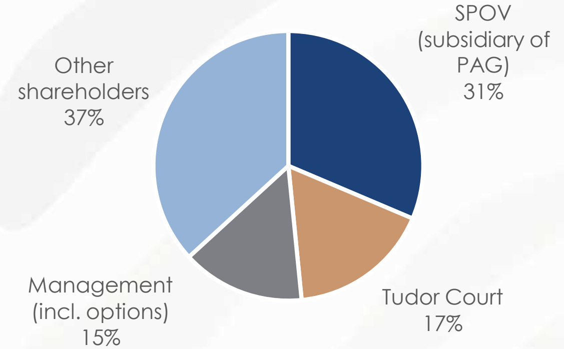
Corporate overview

- Aeris' Tritton copper operation comprises:
  - Tritton and Murrawombie underground mines, producing high quality copper / gold concentrate
  - 1.8 Mtpa processing plant and associated surface infrastructure
  - 2,160 km^2 highly prospective exploration tenement package
- FY20F production guidance of 23.5 – 24.5 kt of copper
- Multiple identified mine life extension opportunities
- Over 750 kt copper (including current Mineral Resource deposits) discovered on tenement package to-date

Aeris Resources	Units	
Share price (as at 1 June 2020)	A$/sh	0.043
Fully diluted Shares on issue	#m	632.8
Market cap	**A$m**	**27.2**
(+) Debt (as at 31 December 2019)	A$m	55.3
(-) Cash (as at 31 December 2019)	A$m	(8.6)
Enterprise value	**A$m**	**74.0**

Share price performance

Shareholding structure (fully diluted)



Fully diluted shares: 632.8 million

Source: Capital IQ.

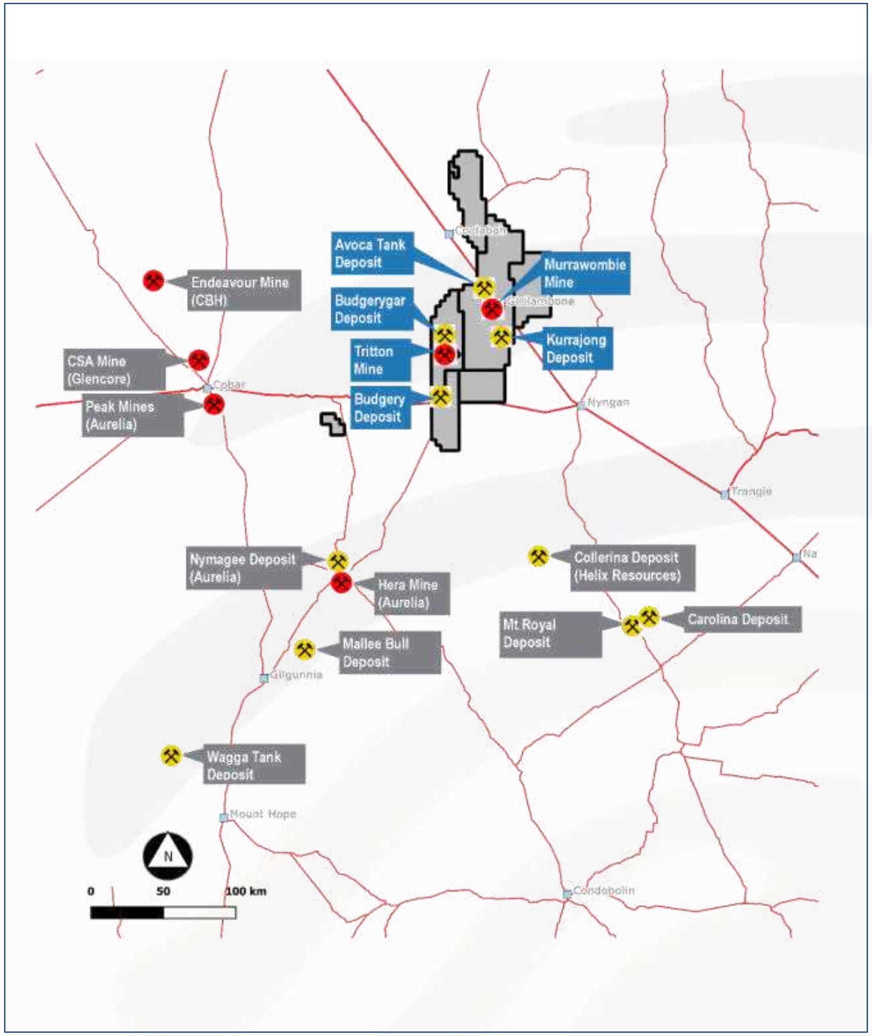
Established copper mine in highly prospective region

Tritton Copper Operations

- First production in 2005 with >320 kt Cu produced to date
- Highly endowed tenement package
- >750 kt copper discovered on tenements to date
- Tritton is a >20 Mt copper dominant deposit
- Murrawombie is a >10 Mt deposit
- Mining projects pipeline including Avoca Tank, Budgery and Budgerygar deposits

Western NSW Region (Girilambone and Cobar Basins)

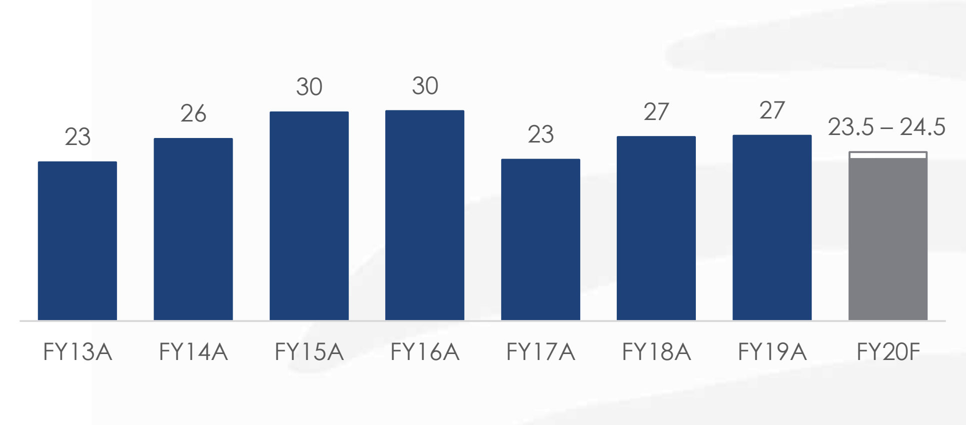
- Highly endowed region with notable producers and explorers:
  - CSA Mines (Glencore plc)
  - Peak and Hera Mines (Aurelia Metals Limited)
  - Mallee Bull / Southern Nights exploration projects (Peel Mining Limited)
  - Collerina Copper Project (Helix Resources Limited)



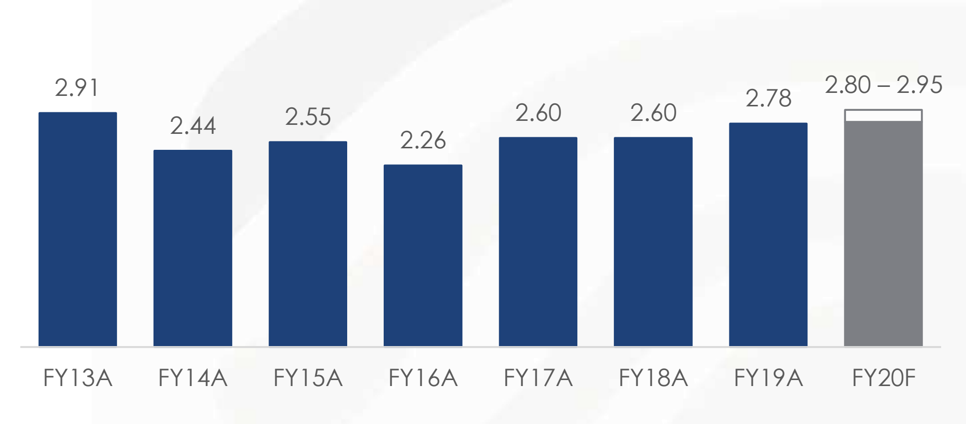
Tritton – a consistent producer

- Current management has a track record for achieving or bettering production targets
- FY19 copper production of 26.9 kt – initial guidance was 24.5 kt
- FY20 copper production guidance of 23.5 – 24.5 kt
- Mining the Tritton and Murrawombie underground mines
- 1.8 Mt per annum processing plant @ copper recoveries of c.94.5%
- High quality copper concentrate shipped from Port Waratah (Newcastle)
- Stable and locally domiciled workforce and supportive regional communities

Tritton production (kt)

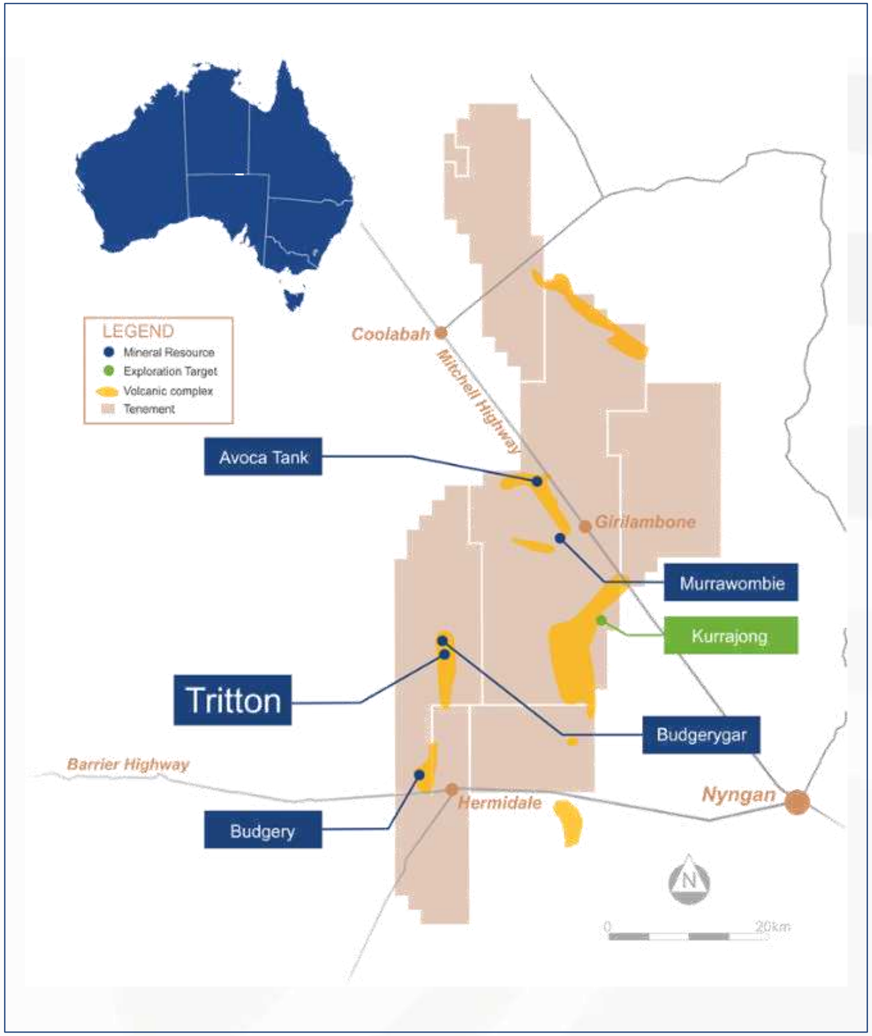


Tritton C1 cash costs (A$/lb)



Tritton – 4 year plan with potential to extend mine life

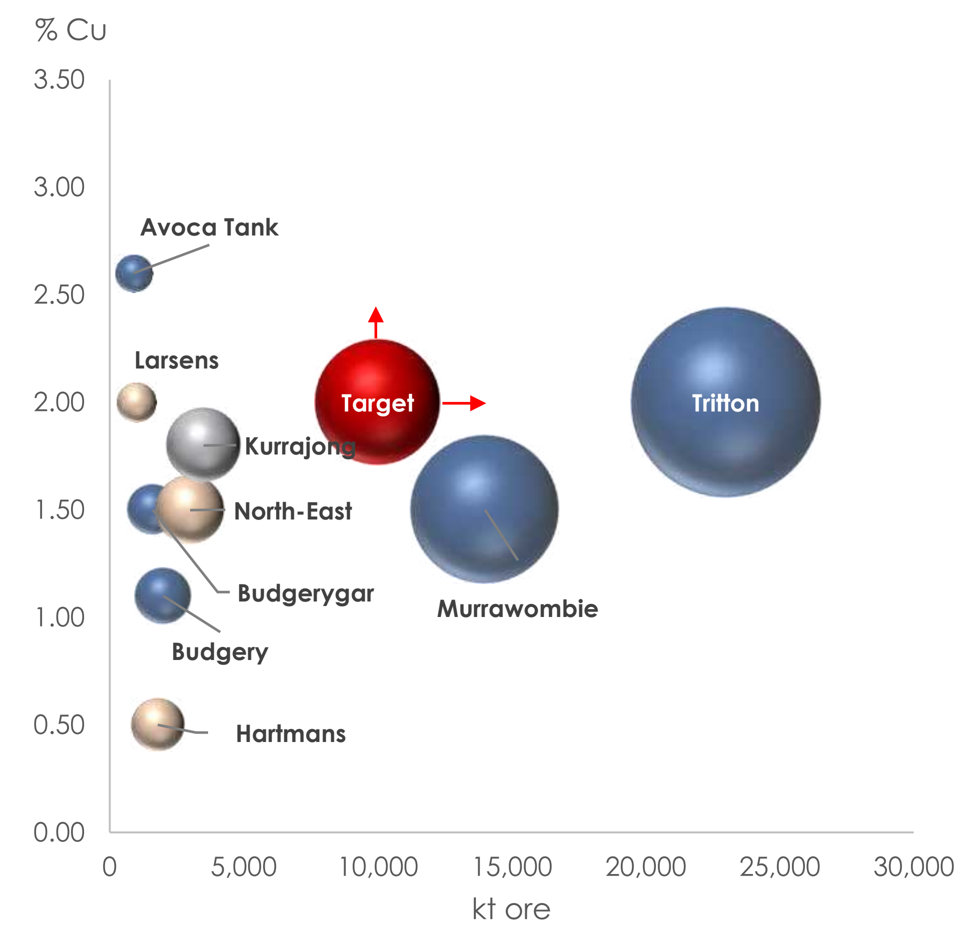
- Existing copper metal inventory:
  - Ore Reserve: 6.7 Mt @1.5% Cu[1]
  - Mineral Resource: 19.8 Mt @ 1.5% Cu[1]
- Four year production plan[2]
- Potential to extend mine life:
  - Tritton and Murrawombie brownfields extensions
  - Avoca Tank and Budgery deposits
  - Budgerygar (deposit accessible from Tritton infrastructure)
  - Kurrajong (exploration target of 3 – 4 Mt @ 1.5% – 2% Cu[3])
  - greenfields exploration – focused on discovering "Tritton-scale" deposits in underexplored southern and northern sections of the tenement package (i.e. +10 Mt @ >2% Copper)



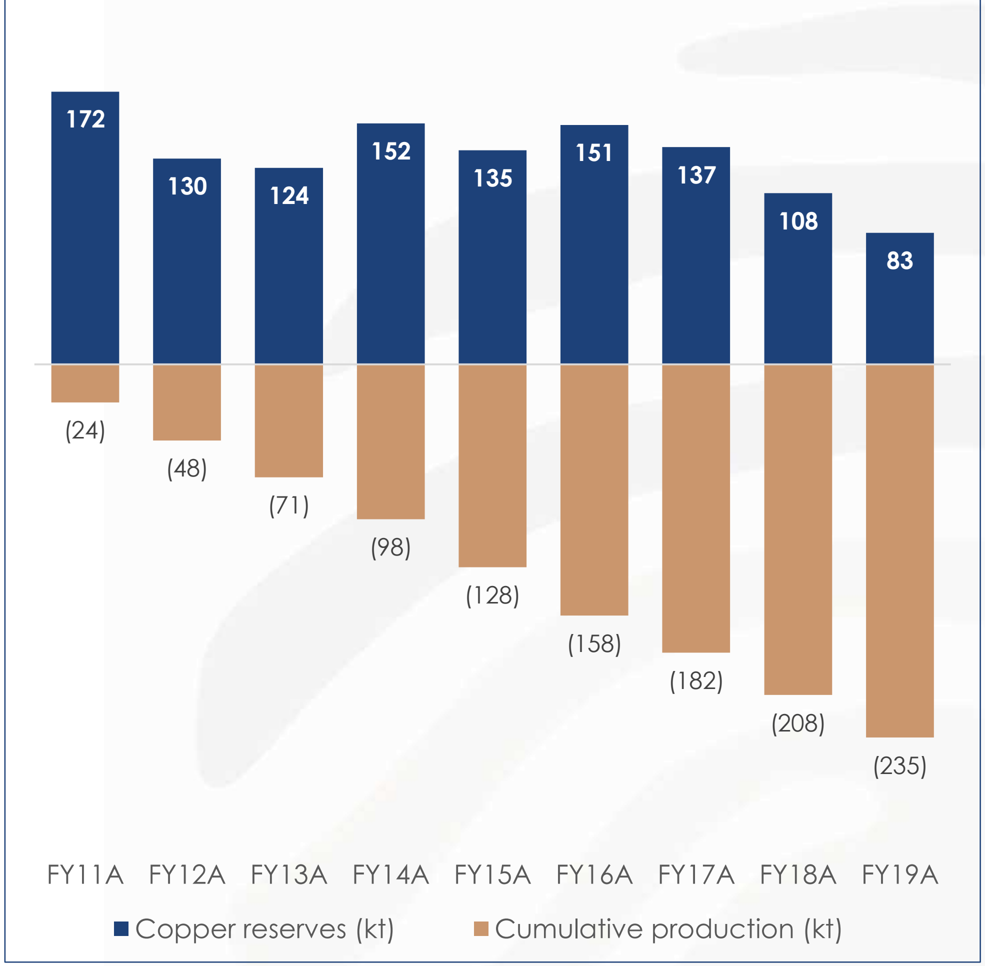
(1) As at 30 June 2019 – see slides 59-60 for breakdown.
(2) See Compliance Statements on slide 3 of this presentation.
(3) See Aeris' ASX Release 8 July 2019.

Tritton – consistent track record of mine life extensions

Copper discoveries on Tritton tenements



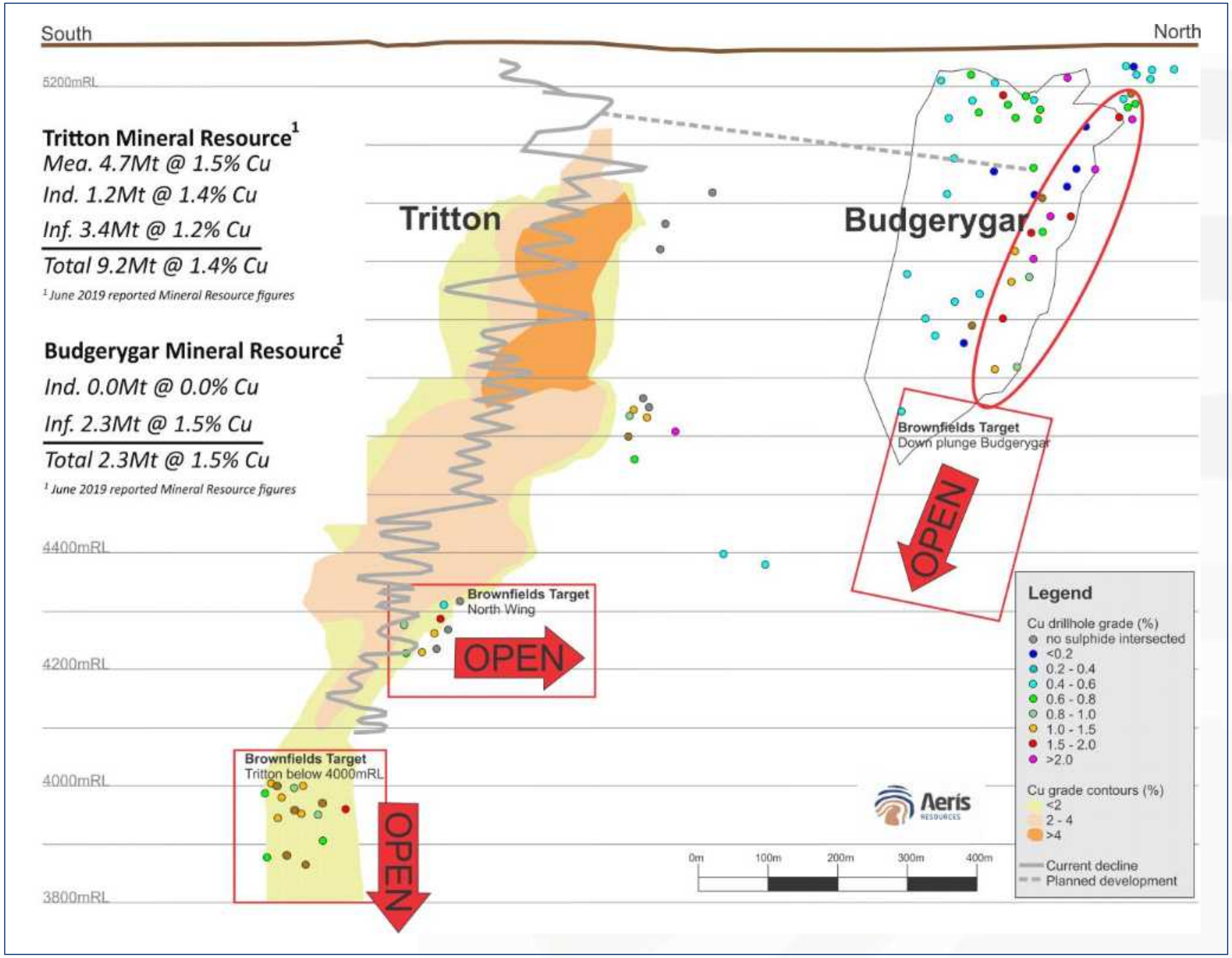
History of mine life extensions



Tritton – brownfields exploration (Tritton and Budgerygar)

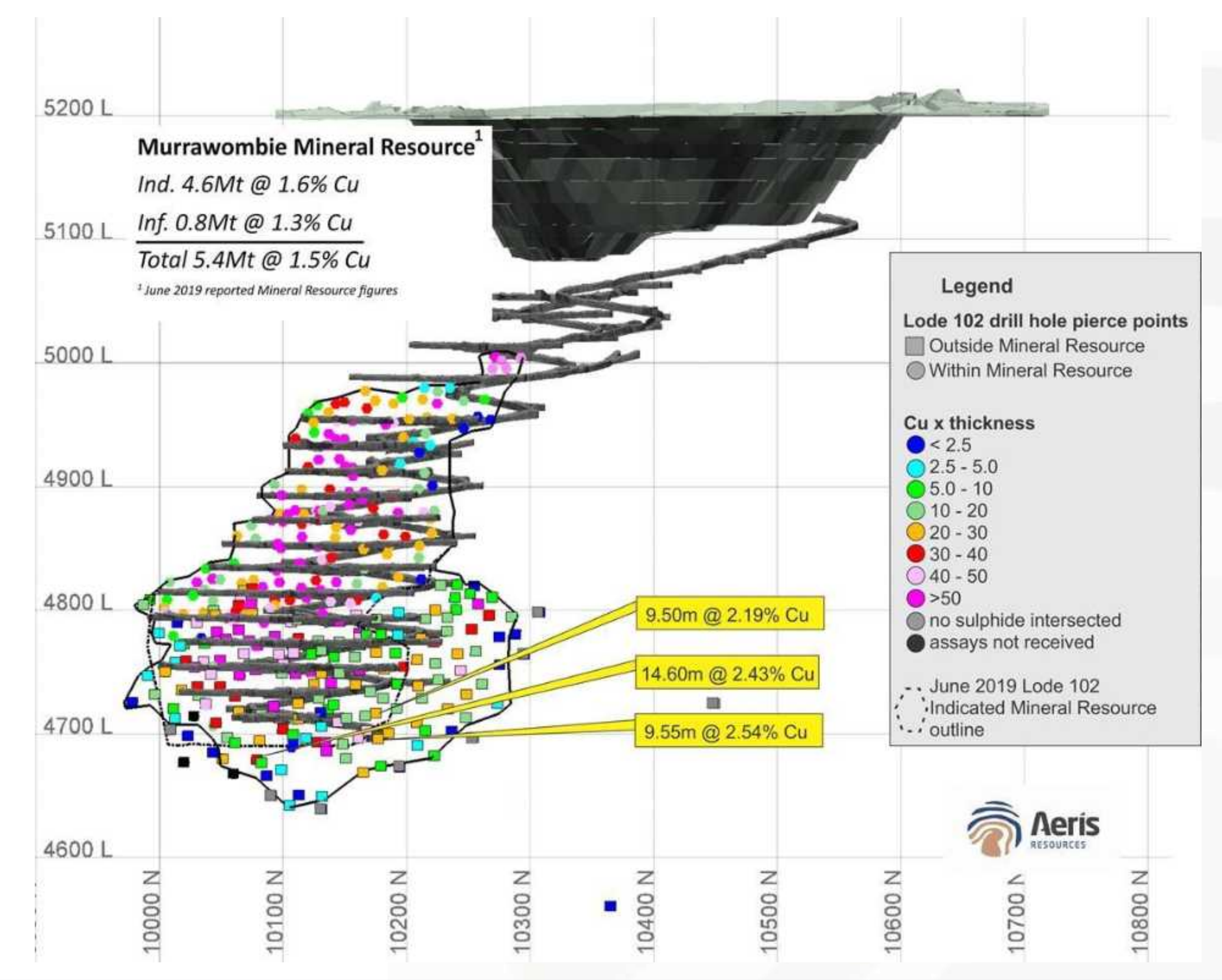
Life of Mine extension opportunities at Tritton:

- Tritton at depth (high grade shoots) and North Wing
  - exploration drilling in FY21
- Corridor between Tritton and Budgerygar
- Budgerygar deposit:
  - exploration drive from Tritton
  - drill to upgrade Mineral Resource status



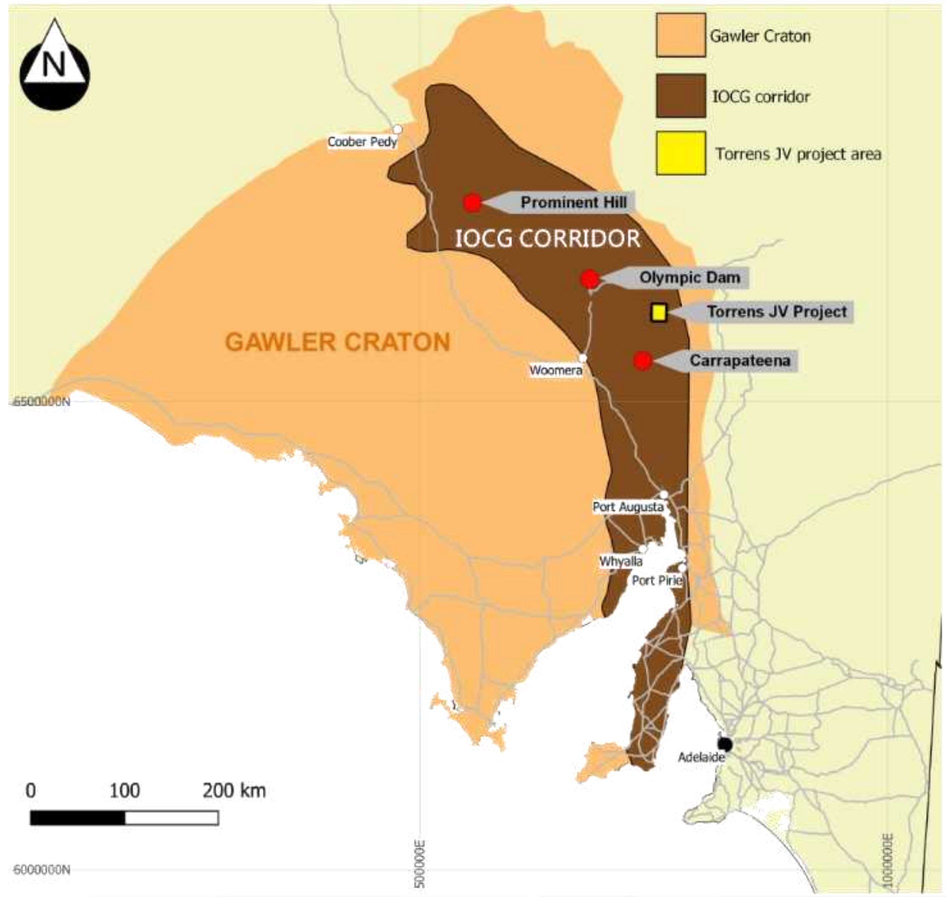
Tritton – brownfields exploration (Murrawombie)

- Geologically performing better than expected
- Open at depth and to the North
- Recent grade control drilling hit good copper intersections outside of current Mineral Resource envelope
- Exploration drilling planned for FY21:
  - holes planned to test extensions to the north and down plunge



Torrens Project (AIS 70%) – IOCG target in Gawler Craton (SA)

- Aeris holds a 70% interest and is the manager of the Torrens Project through a JV with Argonaut Resources NL (30%)
- Torrens is located on Eastern Gawler Craton IOCG corridor in South Australia, which hosts several large scale deposits and world class copper-gold operations:
  - Olympic Dam
  - Carrapateena
  - Prominent Hill
- Torrens Project contains a regionally significant coincident magnetic and gravity footprint (120km²):
  - bigger footprint than Olympic Dam
  - in total 28 geophysical anomalies identified from latest geophysical survey
- Approval permit for drilling up to 70 deep diamond drill holes
- Approximately 50kms from BHP's Oak Dam discovery



Section 4: Equity Capital Raising

Transaction funding

Purchase price	• Aeris has entered into an agreement to acquire 100% of Cracow: – A$60m cash at completion – deferred cash payment of A$15m on 30 June 2022 – 10% net value royalty from 1 July 2022 to 30 June 2027, capped at A$50m(1)
Closing conditions	• FIRB (if required)
Completion date	• Completion of the transaction is currently expected to occur on 30 June 2020 with a transitional services agreement for a period of up to 3 months to allow for a smooth transition of the asset
Financial and operational impact	• Revenue mix diversified from >90% copper currently to a balanced copper/gold exposure • Pro forma production(2): – FY21F production: 23.5 – 24.5 kt copper and 70 – 75 koz gold – FY22F production: 21 – 22 kt copper and 57 – 62 koz gold • Pro forma EBITDA of A$272m – A$282m for the first two years to 30 June 2022(2) • Pro forma net mine cashflow of A$137 – A$155m for the first two years to 30 June 2022(2)(3)

Transaction sources of funds	
Secured acquisition facility	A$30.0m
Underwritten placement	A$7.3m
Underwritten renounceable entitlement offer	A$32.7m
Total sources	**A$70.0m**

Transaction uses of funds	
Cash consideration due at close	A$60.0m
Stamp duty / transaction costs	A$10.0m
Total uses	**A$70.0m**

(1) Net value royalty is defined as the gross revenue less C1 direct cash cost, multiplied by 10%.
(2) FY21F and FY22F forecast based on Aeris' mine plans for Cracow and Tritton on a pre-synergies basis, assuming forward curve pricing for gold (average US$1,721/oz), CRU's forecast price for copper (average US$6,118/t) and AUD:USD of 0.665 (average).
(3) Net mine cashflow is defined as operating mine cashflow less sustaining and major capital expenditures (pre-tax).

Equity raising overview

Offer structure and size	• Fully underwritten equity raising comprising a Placement and Entitlement Offer: – a placement of c.244.3 million shares to raise c.A$7.3m – a 2.02 for 1 pro-rata, accelerated, renounceable Entitlement Offer to raise c.A$32.7m • Approximately 1,333.9 million new ordinary shares ("**New Shares**") will be issued
Offer Price	• The Placement and Entitlement Offer will be offered at A$0.03 per New Share ("**Offer Price**") – 30.2% discount to last close of A$0.043 on Monday, 1 June 2020 – 12.5% discount to TERP of A$0.034(1)
Institutional investors	• The Placement and Institutional Entitlement Offer will be conducted on Thursday, 4 June 2020 – entitlements not taken up and entitlements of ineligible institutional shareholders will be sold in the institutional shortfall bookbuild(2)
Retail Entitlement Offer	• Retail Entitlement Offer to existing eligible retail shareholders • The Retail Entitlement Offer will open from Thursday, 11 June 2020 and close Monday, 22 June 2020 – entitlements not taken up and entitlements of ineligible retail shareholders will be sold in the retail shortfall bookbuild to be conducted on Thursday, 25 June 2020(2) • Under the Retail Entitlement Offer, eligible retail shareholders that take up their full entitlement may also apply for additional New Shares in excess of their entitlement
Commitments	• 3 largest shareholders representing c.60% of existing shares on issue have committed to participating in the Offer, subject to no shareholder having greater than 19.99% interest post completion of the Offer
Underwriting	• The Offer is fully underwritten by Bell Potter and Euroz (together the "**Underwriters**")
Ranking	• New Shares will rank equally with existing ordinary shares from their time of issue
Record Date	• 7.00 pm (Sydney time) on Tuesday, 9 June 2020 ("**Record Date**")

(1) The Theoretical Ex-Rights Price (TERP) is the theoretical price at which Aeris shares should trade immediately after the ex-date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not equate to TERP. The TERP excludes New Shares to be issued under the Placement.

(2) These entitlements will be offered for sale in the relevant shortfall bookbuild and any premium (being any amount paid in respect of the sale of the entitlements) will be paid to non-participating and ineligible shareholders, net of any applicable withholding tax.

Equity raising indicative timetable

Key events	Indicative dates (2020)
Trading halt continues and announcement of the Transaction and the Equity Raising	Thursday, 4 June
Placement bookbuild and Institutional Entitlement Offer opens	Thursday, 4 June
Placement bookbuild and Institutional Entitlement Offer closes (4.00 pm Sydney time)	Thursday, 4 June
Institutional Entitlement Offer shortfall bookbuild	Friday, 5 June
Trading halt lifted	Tuesday, 9 June
Record Date for the Retail Entitlement Offer (7.00 pm Sydney time)	Tuesday, 9 June
Retail Entitlement Offer opens	Thursday, 11 June
Retail Entitlement Offer booklet dispatched	Thursday, 11 June
Settlement of Placement, Institutional Entitlement Offer and Institutional Entitlement Offer shortfall	Friday, 12 June
Issue of New Shares under the Placement, Institutional Entitlement Offer and Institutional Entitlement Offer shortfall	Monday, 15 June
Retail Entitlement Offer closes	Monday, 22 June
Announcement of results of the Retail Entitlement Offer	Thursday, 25 June
Retail Entitlement Offer shortfall bookbuild	Thursday, 25 June
Settlement of Retail Entitlement Offer and Retail Entitlement Offer shortfall	Tuesday, 30 June
Issue of New Shares Under the Retail Entitlement Offer and Retail Entitlement Offer shortfall	Wednesday, 1 July
Quotation of New Shares under the Retail Entitlement Offer and Retail Entitlement Offer shortfall	Thursday, 2 July
Retail premium (if any) despatched	Thursday, 2 July

Note: The dates referred to above are indicative and may change. Unless indicated otherwise, all dates are Sydney, Australia time.

Pro forma capital structure

	Units	Aeris standalone (as at 31 Dec 2019)	Transaction adjustments	Pro forma Aeris
Cash	A$m	8.6	0.0	8.6
Borrowings(1)	A$m	55.3	30.0	85.3
Net debt / (cash)	**A$m**	**46.7**	**30.0**	**76.7**
Ordinary shares outstanding(2)	#m	539.4	1,333.9	1,873.3
Share price / Offer Price(3)	A$/sh	0.043		0.030
Enterprise value(4)	**A$m**	**69.9**		**132.9**

(1) Borrowings include amounts drawn from Aeris' existing facilities (c.A$45.5m), and includes amounts classified as Borrowings from the adoption of AASB16 Leases which became effective 1 July 2019, totalling A$9.7m. Borrowings classified as current total A$4.6m and non-current total A$50.7m. At Transaction completion, A$30m acquisition bridge debt facility will be drawn to part fund the acquisition consideration provided by Special Portfolio Opportunity V Limited, a subsidiary of a fund managed by PAG.
(2) Current number of shares quoted on the ASX and excludes 93.4m options. New ordinary shares issued under the Offer to part fund the Transaction.
(3) Share price is the closing price of Aeris on the ASX on 1 June 2020. Offer Price is the issue price under the Offer (A$40m).
(4) Market capitalisation plus net debt/(cash).

Section 5: Key risks

Key risks

Introduction

- There are risks involved with participating in the Offer and holding Shares in Aeris Resources Limited (the "**Company**", "**Aeris**", "**we**" or "**us**"). Certain of these risks are specific to an investment in the Company and others are specific to investing in and holding shares. The occurrence of these risks may have an adverse impact on the Group's business, results of operations, financial condition and the price of Shares.
- The risks detailed below may change after the date of this document and other risks relevant to the Company and its subsidiaries (the "**Group**") and the Shares may emerge which may have an adverse impact on the Group and the price of the Shares. In particular, investors should note that the unprecedented uncertainties and risks created by the COVID-19 pandemic could materially change the Group's risk profile at any point after the date of this document and adversely impact the financial position and prospects of the Group in the future.
- The risks set out in this section are not exhaustive. Other risks may materially affect the future performance of the Group and the price of the Shares. Additional risks and uncertainties not presently known to management or that management currently believe not to be material may also affect Aeris' business. Accordingly, no assurances or guarantees of future performance, profitability, distributions, or returns of capital are given by Aeris or any other person.

Transaction and offer risks

Transaction risk

The Transaction may consume a large amount of management time and attention, and the Transaction may fail to meet strategic objectives, or achieve expected financial and operational performance.

Aeris has undertaken financial, operational, business and other analyses of whether to pursue the Transaction. There is a risk that such analyses, and the estimates and assumptions made by Aeris during the course of the analyses, leads to conclusions or forecasts that are inaccurate or which will not be realised in due course. To the extent that the actual results achieved by Aeris differ from those indicated by Aeris' analysis of the Transaction, there is a risk the profitability and future earnings of the operations of Aeris may differ from the estimates and forecasts made by Aeris.

Due diligence risk

Aeris has performed certain due diligence on Cracow. There is a risk that due diligence conducted has not identified issues that would have been material to the decision to enter into the Transaction. A material adverse issue which was not identified prior to the completion of the Transaction could have an adverse impact on the financial performance or operations of Cracow. As is usual in the conduct of acquisitions, the due diligence process undertaken by Aeris identified a number of risks associated with the Transaction, which the Company had to evaluate and managed. The mechanisms used by Aeris to manage these risks included in certain circumstances the acceptance of the risk as tolerable on commercial grounds such as materiality. There is a risk that the approach taken by Aeris may be insufficient to mitigate the risk, or that the materiality of these risks may have been underestimated, and hence they may have a material adverse impact on Aeris' earning and financial position.

The due diligence process relied in part on the review of financial and operational information provided by Evolution. Despite making reasonable efforts, Aeris has not been able to verify the accuracy, reliability or completeness of all the information which was provided to it against independent data. If any of the data or information provided to and relied upon by Aeris in its due diligence process proves to be incomplete, incorrect, inaccurate or misleading, there is a risk that the actual financial position and performance of Aeris may be materially different to the financial position and performance expected by Aeris.

The information reviewed by Aeris includes forward looking information. While Aeris has been able to review some of the foundations for the forward-looking information relating to Aeris, forward looking information is inherently unreliable and based on assumptions that may change in the future.

Ability to utilise tax losses

Aeris has gross tax losses of A$256m as at 30 June 2019. These tax losses are subject to Australian tax loss recoupment and there is no guarantee that the Company will be able to utilise these tax losses.

Counterparty and contractual risk

The ability of Aeris to achieve its stated objectives will depend on the performance by the parties of their obligations under the Transaction agreement ("**SPA**") and other agreements related to the Transaction. If any party defaults in the performance of their obligations, it may be necessary for Aeris to approach a court to seek a legal remedy, which can be costly.

If the Transaction completes, there can be no guarantee as to the on-going financial capacity of Evolution. In these circumstances, if a warranty or other claim was made under an agreement in respect of the Transaction, there is a risk that funds may not be available to meet that claim. Any inability to recover amounts claimed could materially adversely affect Aeris' financial position and distributions.

Transaction and offer risks (cont.)

Equity underwriting risk

Aeris has entered into an underwriting agreement under which the Underwriters have agreed to fully underwrite the Offer, subject to the terms and conditions of the underwriting agreement. Prior to settlement of the Retail Entitlement Offer, there are certain events which, if they were to occur, may affect the Underwriters' obligations to underwrite the Entitlement Offer. If certain conditions are not satisfied or certain events occur under the underwriting agreement, the Underwriter may terminate the agreement which may require Aeris to search for alternative financing. The ability of the Underwriters to terminate the underwriting agreement in respect of some events (including breach of the underwriting agreement by Aeris, market disruption or regulatory action) will depend (amongst other things) on whether the event has or is likely to have a material adverse effect on the success, settlement or marketing of the Offer, or could reasonably be expected to give rise to a contravention by, or liability for, the Underwriters under applicable law. If the underwriting agreement is terminated for any reason, then Aeris may not receive the full amount of the proceeds expected under the Offer, its financial position might change and it might need to take other steps to raise capital or to fund the Transaction.

Risk of not taking up Entitlement Offer

Entitlements cannot be traded on ASX or privately transferred. If eligible retail shareholders do not take up all or part of their available entitlements, individuals' percentage shareholding in Aeris will be diluted (in addition to the dilution which will take place as a result of the Placement).

Change of control risk

Contracts to which Lion Mining Pty Limited ("**Lion Mining**"), the entity in which the Company is acquiring 100% of its share capital pursuant to the Transaction, is a party may contain change of control clauses, which may be triggered by the Transaction and require counterparty consent. There is a risk that a counterparty may not provide its consent to the Transaction, which in turn may trigger a termination right in favour of that counterparty or that the counterparty may require a payment from Aeris or renegotiation of the terms of the contract to obtain such consent. If any material contracts containing a change of control clause are terminated by the counterparty or renegotiated or less favourable term, it may have an adverse impact on Aeris' financial performance and prospects.

Integration risk

The integration of a business with substantial assets such as Cracow carries risk, including potential delays or costs in implementing necessary changes, and difficulties in integrating various operations. The success of the Transaction, and the ability to realise the expected benefits of the Transaction, is dependent on the effective and timely integration of the Cracow operation into Aeris' existing business operations.

While Aeris has undertaken analysis in relation to the synergy benefits of the Transaction, they remain Aeris' estimate of the synergy benefits expected to be achievable as part of the Transaction, and there is a risk that the actual synergies able to be realised as part of the Transaction may be less than expected or delayed, or that the expected synergy benefits of the Transaction may not materialise at all or cost more to achieve than originally expected.

A failure to fully integrate the Cracow asset, or a delay in the integration process, could impose unexpected costs that may adversely affect the financial performance and position of Aeris.

Historical liabilities

If the Transaction completes, Aeris will become directly or indirectly liable for any liabilities that Lion Mining has incurred in the past, including liabilities which were not identified during its due diligence or which are greater than expected, for which insurance may not be adequate or available, and for which Aeris may not have post-closing recourse under the SPA. These could include liabilities relating to environmental claims or breaches, contamination, current or future litigation, regulatory actions, health and safety claims, warranty or performance claims and other liabilities. Such liabilities may adversely affect the financial performance or position of Aeris post-Transaction.

COVID-19

The global economic outlook is facing uncertainty due to the current COVID-19 (novel Coronavirus) pandemic, which has been having, and is likely to continue to have, a significant impact on global capital markets, commodity prices and foreign exchange rates.

While to date COVID-19 has not had any material impact on the Company's operations, should any Company personnel or contractors be infected, it could result in the Company's operations being suspended or otherwise disrupted for an unknown period of time, which may have an adverse impact on the Company's operations as well as an adverse impact on the financial condition of the Company.

Supply chain disruptions resulting from the COVID-19 pandemic and measures implemented by governmental authorities around the world to limit the transmission of the virus (such as travel bans and quarantining) may, in addition to the general level of economic uncertainty caused by the COVID-19 pandemic, also adversely impact the Company's operations, financial position and prospects.

Product sales and commodity price risk

Aeris derives its revenues mainly from the sale of copper, gold and/or associated minerals. Consequently, Aeris's potential future earnings, profitability and growth are likely to be closely related to the demand for and price of copper, gold and/or associated minerals.

Copper and gold is a traded commodity in Australia and its long-term price may rise or fall.

Additionally, Aeris's prospects and perceived value will be influenced from time to time by the prevailing short-term prices of the commodities targeted in its exploration programs. Commodity prices fluctuate and are affected by factors including supply and demand for mineral products, hedge activities associated with commodity markets, the costs of production and general global economic and financial market conditions.

These factors may cause volatility which in turn, may affect the Company's ability to finance its future exploration and/or bring Aeris's products to market.

Aeris may enter into hedging arrangements from time to time to partially protect against changes in the copper or gold price.

Exchange rate risk

A number of the Company's commercial arrangements, including copper sale arrangements and finance arrangements, are based on US dollars. The Company also acquires equipment from overseas using foreign currency. Accordingly, the revenues, earnings, costs, expenses, assets and liabilities of the Company may be exposed adversely to exchange rate fluctuation. Further, the future value of the Company's Shares may fluctuate in accordance with movements in the exchange rates and interest rates.

Risks related to an investment in Aeris (cont.)

Operational and cost risk

The Company is a producer of copper and gold which is sold under commercial contracts. The Company's immediate plans and objectives are dependent upon a continuation of such production generating operating surpluses to assist the Company in funding its planned expenditure programs. Whether it can do so will depend largely upon an efficient and successful, operation and exploitation of the resources and associated business activities and management of commercial factors.

Operation and exploitation may from time to time be hampered on occasions by unforeseen operating risks, as would any other industry. For example, force majeure events, power outages, critical equipment or pipe failures, and environmental hazards such as noise, odours, hazardous substances spills, other weather events, industrial accidents and other accidents, unforeseen cost changes and other incidents beyond the control of Aeris can negatively impact on the Company's activities, thereby affecting its profitability and ultimately, the value of its securities.

Ultimate success depends on the discovery and delineation of economically recoverable mineral resources, establishment of efficient exploration operations, obtaining necessary titles and access to projects, as well as government and other regulatory approvals.

The exploration and mining activities of the Company may be affected by a number of factors, including but not limited to geological conditions; seasonal weather patterns; equipment difficulties and failures, technical difficulties and failures; continued availability of the necessary technical equipment, plant and appropriately skilled and experienced technicians; improper, defective and negligent use of technical plant and equipment; improper, defective and negligent conduct by employees, consultants and contractors; adverse changes in government policy or legislation; and access to the required level of funding.

Uncertainty of development of projects and exploration risk

Mineral exploration and development are high risk undertakings and involve significant risks. The Company's performance depends on the successful exploration and/or acquisition of resources or reserves and commercial production therefrom. There can be no assurances that the Company's exploration programs described in this Offer Document or those relating to any projects or tenements that the Company may acquire in the future, will result in the discovery of a significant base metal and/or precious metal deposit, and even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

Specifically, the medium and long term plans at the Cracow mine are dependent upon being able to convert known mineralisation into mineable Ore Reserves as well as extending the known mineralisation through exploration. There can be no guarantee that exploration activities will ultimately result in successful mineable projects being discovered.

Aeris' potential future earnings, profitability and commercialisation of base metal and/or precious metal reserves and resources will be dependent on the successful discovery and subsequent extraction of those resources to the extent that may be required to fulfil commercial obligations.

Successful commodity development and production is dependent on obtaining all necessary consent and approvals and the successful design, construction and operation of efficient gathering, processing and transportation facilities. No assurance can be given that the Company will be able to obtain all necessary consents and approvals in a timely manner, or at all.

Acquisition risk

The Company's growth plans require the availability of appropriate and suitable acquisition targets and the Company being able to successfully negotiate the acquisition of those targets. There is no guarantee that that Company will be able to identify and acquire suitable acquisition targets or that successful acquisitions will be able to be efficiently integrated into the operations of the Company. The failure to make and integrate suitable acquisitions could impact the Company's operations and financial results.

Risks related to an investment in Aeris (cont.)

Regulatory risk and government policy

The availability and rights to explore and produce base metal and/or precious metal, as well as operational profitability generally, can be affected by changes in government policy that are beyond the control of Aeris.

The governments of the relevant States and Territories in which Aeris has interests conduct reviews from time to time of policies in connection with the granting and administration of petroleum tenements. Changing attitudes to environmental, land care, cultural heritage or traditional religious artefacts and indigenous land rights issues, together with the nature of the political process, provide the possibility for future policy changes. There is a risk that such changes may affect the Company's exploration, development or operational plans or, indeed, its rights and/or obligations with respect to the tenements.

Health and safety risk

As with any mining project, there are health and safety risks associated with the Company's operations in Australia. The Company manages these risks, through the application of structured health and safety management systems. As the operator of plant and equipment, the Company has specific legislative obligations to ensure that its personnel and contractors operate in a safe working environment.

Insurance risk

The Company maintains insurance within ranges of coverage the Company believes to be consistent with industry practice and having regard to the nature of activities being conducted. No assurance, however, can be given that the Company will be able to continue to obtain such insurance coverage at reasonable rates or that any coverage it arranges will be adequate and available to cover any such claims.

Competition risk

Aeris is one of a large number of exploration and mining companies that operate in the base metals and precious metals industry in Australia. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which may positively or negatively affect the operating and financial performance of the Company's projects and business. There can be no assurance that the Company can compete effectively with other base metals and precious metals exploration and mining companies in the search for reserves and resources of base metals and precious metals.

Business risks

There are risks inherent in doing business, such as unexpected changes in regulatory requirements, trade barriers, longer payment cycles, problems in collecting accounts receivable, network and infrastructure issues, natural disasters, and potentially adverse tax consequences, any of which could adversely impact on the success of Aeris' operations.

Risks related to an investment in Aeris (cont.)

Contractual and joint venture risks

Aeris's ability to efficiently conduct its operations in a number of respects depends upon third party product and service providers and contracts. Accordingly, in some circumstances, contractual arrangements have been entered into by Aeris and its subsidiaries. As in any contractual relationship, the ability for Aeris to ultimately receive benefits from these contracts is dependent upon the relevant third party complying with its contractual obligations.

To the extent that such third parties default in their obligations, it may be necessary for Aeris to enforce its rights under any of the contracts and pursue legal action. Such legal action may be costly and no guarantee can be given by Aeris that a legal remedy will ultimately be granted on appropriate terms.

Additionally, some existing contractual arrangements have been entered into by Aeris and its subsidiaries may be subject to the consent of third parties being obtained to enable Aeris to carry on all of its planned business and other activities and to obtain full contractual benefits.

No assurance can be given that any such required consent will be forthcoming. Failure by Aeris to obtain such consent may result in Aeris not being able to carry on all of its planned business and other activities or proceed with its rights under any of the relevant contracts requiring such consent.

A number of the Company's projects are already the subject of joint venture arrangements. Additionally, the Company may wish to develop its projects or future projects through further joint venture arrangements. Any joint ventures entered into by, or interests in joint ventures assigned to, the Company could be affected by the failure or default of any of the joint venture participants.

Tenements

A failure to adhere to the requirements to exceed certain levels of expenditure on tenements held by Aeris (or its subsidiaries) in various jurisdictions may make certain tenements subject to possible forfeiture. All granted tenements are currently in good standing and, in accordance with normal industry practice, Aeris surrenders some or all un-prospective parts of its tenements at the appropriate time so as to manage its minimum expenditure obligations and to retain the capacity to apply for additional prospective areas.

In respect of granted tenements, no assurance can be given that the Company will be successful in managing its minimum expenditure obligations and retaining such tenements.

Unforeseen expenses

The Company's cost estimates and financial forecasts include appropriate provisions for material risks and uncertainties and are considered to be fit for purpose for the proposed activities of the Company. If risks and uncertainties prove to be greater than expected, or if new currently unforeseen material risks and uncertainties arise, the expenditure proposals of the Company are likely to be adversely affected.

Reliance on key personnel

The Company has a small senior management and technical team. Its ability to deliver on its operating plans and to progress its exploration and evaluation programs within the time frames and within the costs structure as currently envisaged could be dramatically influenced by the loss of key personnel. The resulting impact from such loss would be dependent upon the quality and timing of the replacement of such personnel.

Employees

The ability of the Company to achieve its objectives depends on being able to retain certain key employees, skilled operators and tradespeople. Whilst the Company has entered into employment contracts with key employees, the retention of their services cannot be guaranteed. The loss of key employees or skilled operators and tradespeople could significantly affect the performance of the Company's operations. Labour disputes could also lead to lost production and/or increased costs.

Additional requirements for capital

The Company's capital requirements depend on numerous factors. Depending on such factors as:

- the continuation of receipt of operating revenue from its operations;
- the outcome of the Company's exploration programs; and
- the availability of third party debt finance.

The Company may require further financing in addition to amounts raised under this Offer Document.

Any additional equity financing will dilute shareholdings and debt financing (if available) and may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programs. In addition, the Company's ability to continue as a going concern may be diminished.

There is no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company and such circumstances will adversely affect the Company.

Contractors

The Company is dependent on contractors and suppliers to supply vital services to its operations. The Company is therefore exposed to the possibility of adverse developments in the business environments of its contractors and suppliers. Any disruption to services or supply may have an adverse effect on the financial performance of the Company.

Environmental risks

The Company's projects are subject to laws and regulations in relation to environmental matters. As a result, there is the risk that the Company may incur liability under these laws and regulations. The Company proposes to comply with applicable laws and regulations and conduct its programs in a responsible manner with regard to the environment.

Native Title and heritage risk

The Native Title Act 1993 (Cth) recognises certain rights of indigenous Australians over land where those rights have not been extinguished. These rights, where they exist, may impact on the ability of the Company to carry out exploration and in future, mining activities, or obtain exploration or mining licences in Australia. In applying for licences over crown land, the Company must observe the provisions of Native Title legislation.

There are also laws of the States and Territories which impose duties of care which require persons, including the Company, to take all reasonable and practical measures to avoid damaging or destroying Aboriginal cultural heritage.

In carrying out exploration and/or mining operations, the Company must observe Native Title legislation (where applicable), Aboriginal heritage legislation and heritage legislation which protects sites and objects of significance and these may delay or impact adversely on the Company's operations in Australia.

General risks

Share market risk

The market price of listed securities can be expected to rise and fall in accordance with general market conditions and factors specifically affecting the Australian resources sector and exploration companies in particular. The New Shares carry no guarantee in respect of profitability, dividends, return on capital, or the price at which they may trade on the ASX.

There are a number of factors (both national and international) that may affect the share market price and neither Aeris nor its Directors have control of those factors.

General economic conditions

Changes in the general economic climate in which Aeris operates may adversely affect the financial performance of Aeris. Factors that may contribute to that economic climate include the general level of economic activity, interest rates, inflation, supply and demand, industrial disruption and other economic factors. The price of commodities will also be of particular relevance to Aeris. These factors are beyond the control of Aeris and Aeris cannot, with any degree of certainty, predict how they will impact on Aeris.

Share price fluctuations

The market price of Aeris's securities will be subject to varied and often unpredictable influences in the share market. Both domestic and world economic conditions may affect the performance of Aeris. Factors such as the level of industrial production, inflation and interest rates impact all commodity prices.

Environmental impact

Aeris could be subject to claims due to environmental damage arising out of current or former activities at sites that Aeris owns or operates, including new projects. This could subject Aeris to potential liability and have a material adverse effect on Aeris's financial and operational performance.

Legislative change

Changes in government regulations and policies may adversely affect the financial performance or the current and proposed operations generally of Aeris.

Section 6: International Offer Restrictions

International offer restrictions

This document does not constitute an offer of New Shares of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold in the institutional entitlement offer, in any country outside Australia except to the extent permitted below.

Bermuda

No offer or invitation to subscribe for New Shares may be made to the public in Bermuda. No invitation is being made to persons resident in Bermuda for exchange control purposes to subscribe for New Shares.

British Virgin Islands

The New Shares may not be offered in the British Virgin Islands unless the Company or the person offering the New Shares on its behalf is licensed to carry on business in the British Virgin Islands. While the Company is not licensed to carry on business in the British Virgin Islands, the New Shares may be offered to existing shareholders of the Company and professional investors in the British Virgin Islands from outside the British Virgin Islands.

European Union

This document has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this document may not be made available, nor may New Shares be offered for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "**Prospectus Regulation**").

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of New Shares in the European Union is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

International offer restrictions (cont.)

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (New Zealand). This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

The New Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to "wholesale investors" within the meaning of the Financial Markets Conduct Act 2013 (New Zealand) (FMC Act) – that is, a person or entity who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

United States of America

This document has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

International offer restrictions (cont.)

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("**FSMA**")) has been published or is intended to be published in respect of the New Shares.

These securities may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" (within the meaning of Article 2(e) of the Prospectus Regulation (2017/1129/EU), replacing section 86(7) of the FSMA). This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

Section 7: Further Information on Cracow

Cracow history

1996
Formation of Cracow exploration JV between Newcrest (70%) and Sedimentary Holdings (Catalpa) (30%)

2001-02
Discovery of Crown, Sovereign, Empire and Phoenix deposits

2004
First gold production in November

2017
Strong track record of replacing mined ounces

Resource definition drilling at Coronation confirmed depth and extension of high grade minerals

1875
Gold first discovered in Cracow

1998
Discovery of Royal deposit

2003
Sep: Formation Cracow gold mine unincorporated JV between Newcrest (70%) and Catalpa (30%)

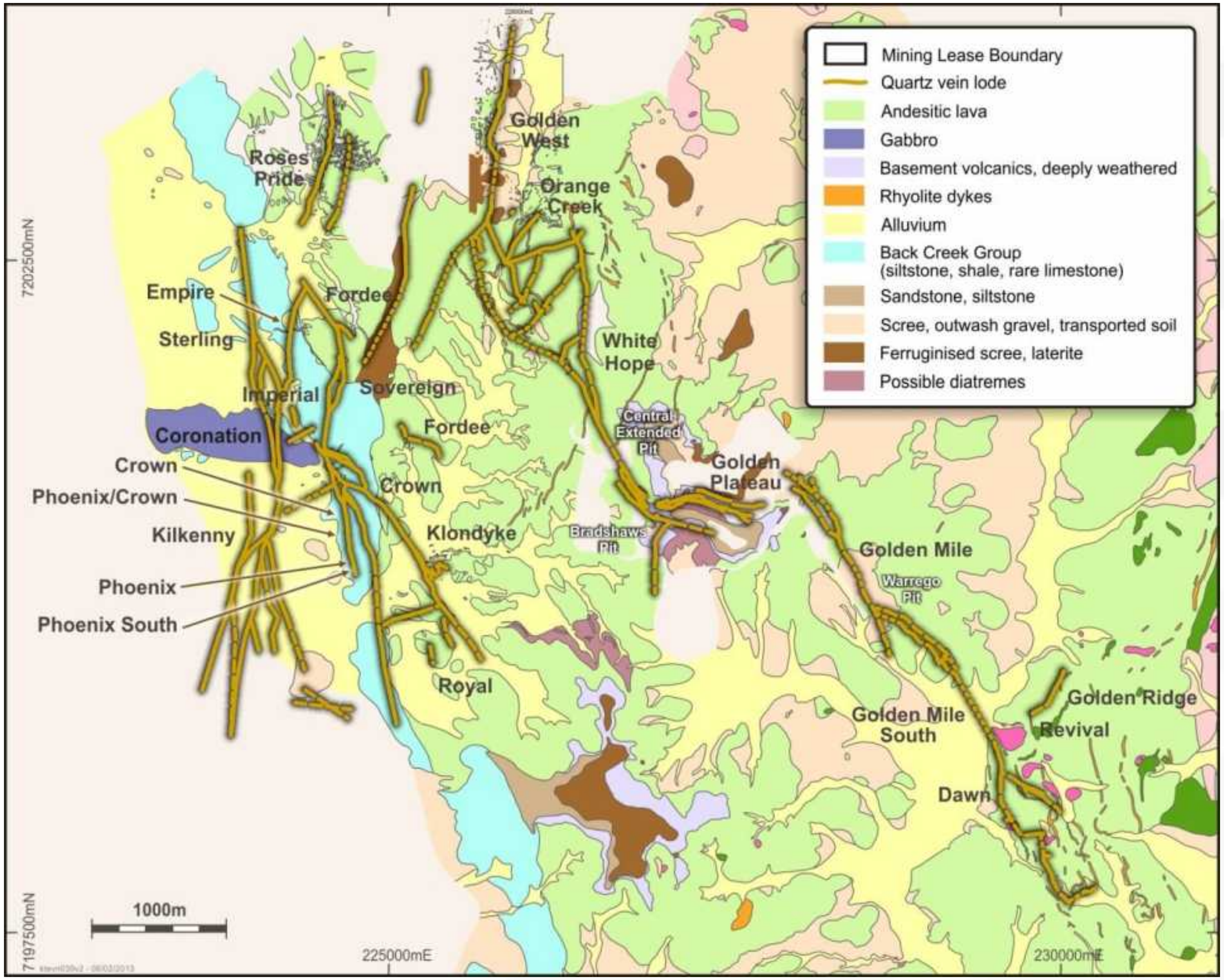
Dec: Mine development commenced

2011
Nov: Merger of Conquest and Catalpa to form Evolution Mining and concurrent acquisition of 100% of Newcrest assets, Cracow and Mt Rawdon

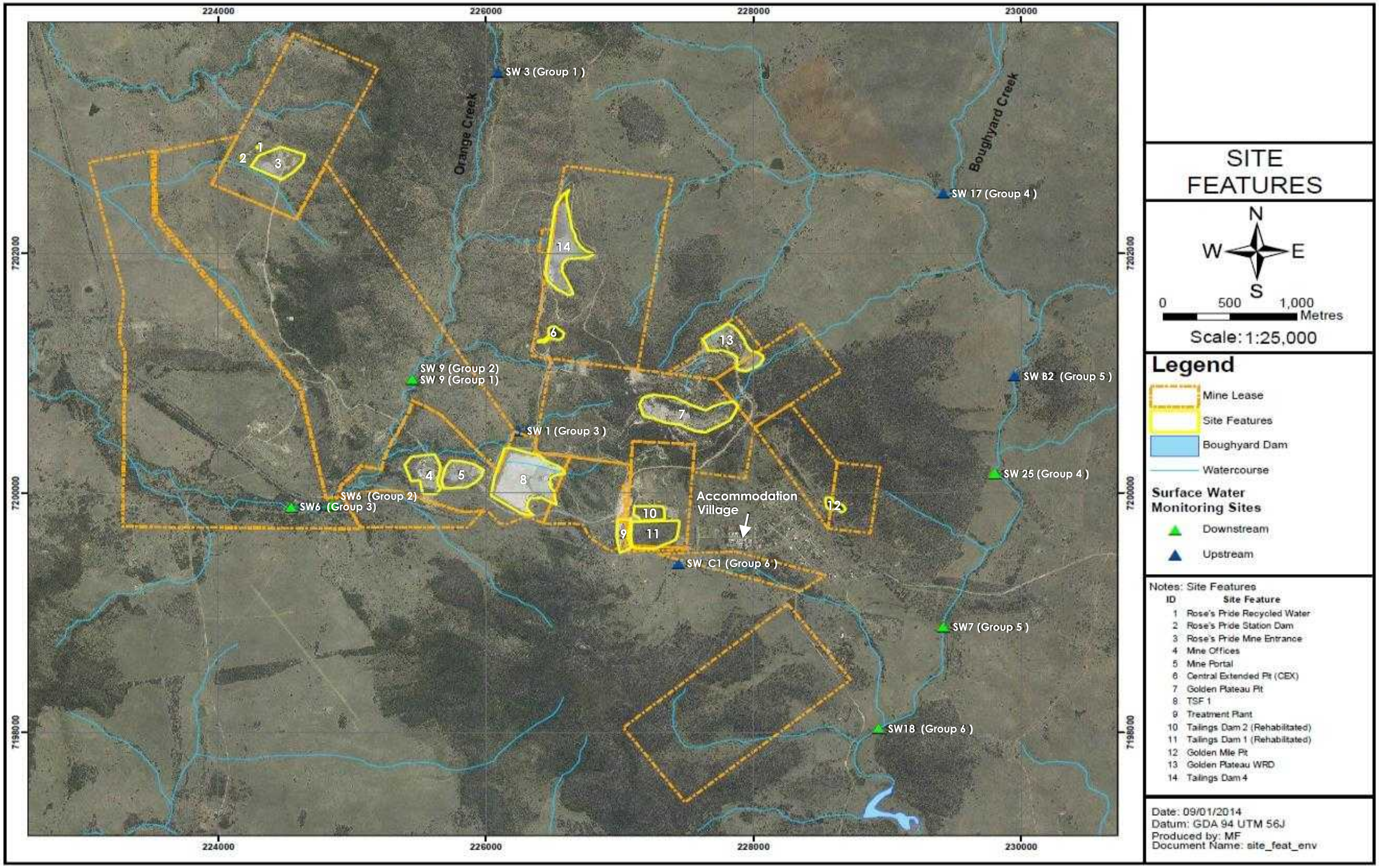
2018
Over 1.4 Moz of gold produced

Cracow geology

- Gold mineralisation is hosted in steeply dipping structurally controlled low sulphidation epithermal veins
- The Black Creek Group sediments overlie a significant portion of the mineralisation
- Highly endowed epithermal goldfield
- Historical production of greater than 1.4 million ounces

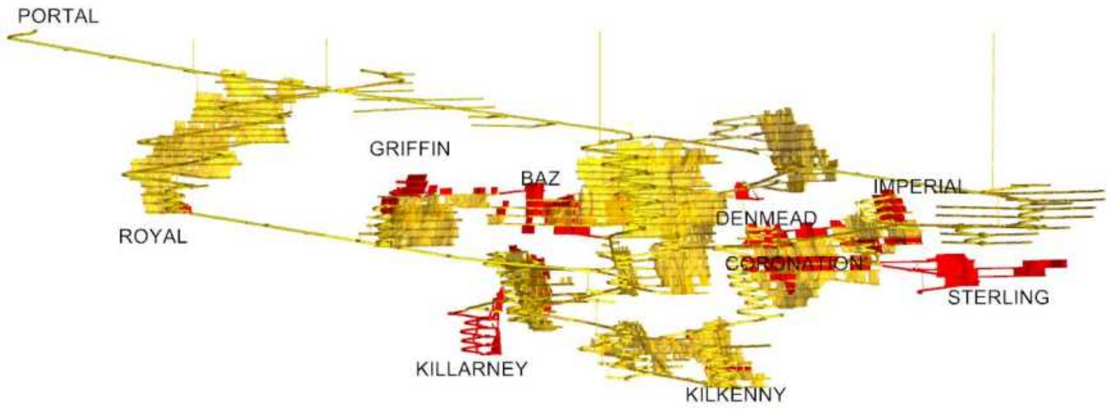


Cracow site layout



Cracow mine long section / plan views

Cracow long section

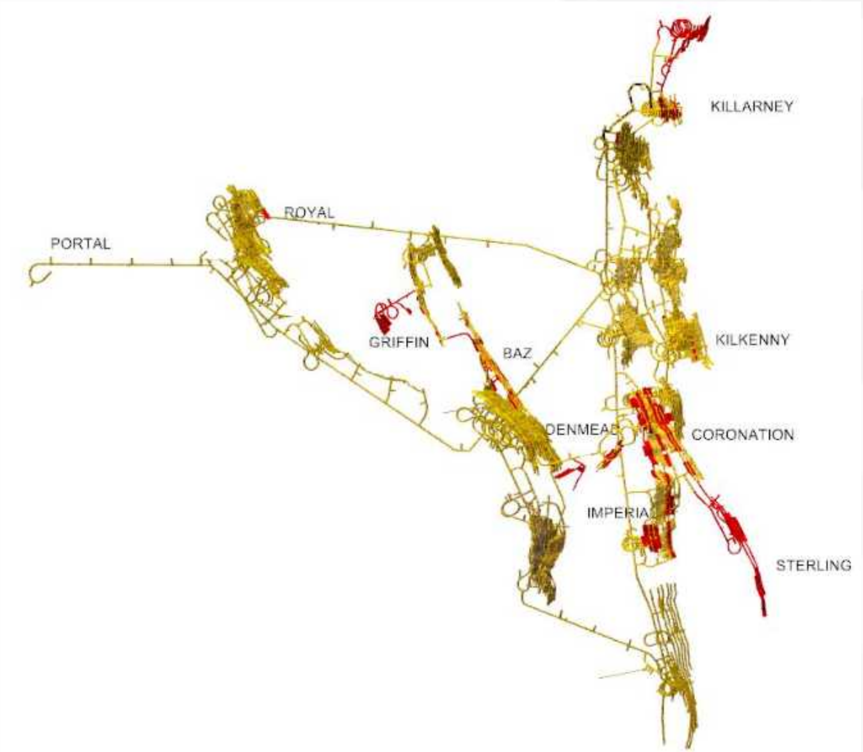


Legend

Previously mined area

Unmined area

Cracow plan view



Cracow mining and processing

Mining

- Mining accessed through single surface decline
- Ore primarily mined via a modified Avoca method with paste backfill
- 80 minute trucking cycle time
- Structural support provided by galvanised splitsets + mesh, and grouted twin strand cables
- Development rates 500 – 600m/month:
  - decline 5.2 x 5.8m / ore drives 4.0 x 4.5m
- Previously owner operated however transition to mobile equipment leasing

Processing

- 570 ktpa capacity CIP processing facility
- Three stage crushing feeding three stage grinding circuit:
  - primary / secondary ball mills
  - cyclone overflow to undergo fine grinding via stirred media Outotec HIG Mill
- Leaching / CIP circuit includes:
  - leach / adsorption circuits
  - elution, electrowinning and carbon regeneration
  - tailings detoxification and disposal
- Producing gold and silver doré

Historical operating performance summary

	Units	FY16	FY17	FY18	FY19
UG ore mined	kt	499	529	537	560
UG grade mined	/t	5.9	5.6	5.5	4.9
Total tonnes processed	kt	511	540	529	573
Grade processed	g/t	5.9	5.5	5.6	4.8
Gold recovery	%	93.1	94.6	94.3	91.5
Gold produced	koz	90.6	89.5	90.4	81.0
Silver produced	koz	50.5	38.9	39.7	38.0
Gold price achieved	A$/oz	1,584	1,634	1,640	1,749
Operating mine cash flow[1]	A$m	66.8	72.7	70.8	63.3
Net mine cash flow[1]	A$m	40.5	41.1	36.7	36.1
C1 cash cost	A$/oz	746	746	762	900
AISC	A$/oz	1,065	1,123	1,181	1,272

(1) Operating mine cash flow is defined as revenue less operating expenses. Net mine cashflow is defined as operating mine cashflow less sustaining and major capital expenditures (pre-tax).

Section 8: Appendix

Tritton – reported Mineral Resource

Aeris RESOURCES

Tritton tenement package (30 June 2019)(1)(2)

Project	Cut-off (%Cu)	Measured			Indicated			Inferred			Total Resource		
		Tonnes (kt)	Cu grade (%)	Cu metal (kt)	Tonnes (kt)	Cu grade (%)	Cu metal (kt)	Tonnes (kt)	Cu grade (%)	Cu metal (kt)	Tonnes (kt)	Cu grade (%)	Cu metal (kt)
Tritton	0.6	4,700	1.5	68	980	1.3	12	3,400	1.2	41	9,000	1.3	120
Tritton (pillars)	0.6	-	-	-	170	2.2	4	-	-	-	170	2.2	4
Murrawombie	0.6	-	-	-	4,600	1.6	73	830	1.3	10	5,400	1.5	83
Budgerygar	0.8	-	-	-	-	-	-	2,300	1.5	34	2,300	1.5	34
Budgery	0.5	-	-	-	1,700	1.1	19	300	0.9	3	2,000	1.1	22
Avoca Tank	0.6	-	-	-	770	2.9	23	130	1.0	1	900	2.6	24
Stockpile	-	42	1.6	1	-	-	-	-	-	-	42	1.6	1
Total		**4,700**	**1.5**	**68**	**8,300**	**1.6**	**130**	**6,900**	**1.3**	**89**	**19,800**	**1.5**	**290**

Other projects (30 June 2019)(1)(2)

Project	Cut-off (g/t Au)	Measured					Indicated					Inferred					Total Resource				
		Tonnes (kt)	Cu grade (%)	Au grade (g/t)	Cu metal (kt)	Au metal (koz)	Tonnes (kt)	Cu grade (%)	Au grade (g/t)	Cu metal (kt)	Au metal (koz)	Tonnes (kt)	Cu grade (%)	Au grade (g/t)	Cu metal (kt)	Au metal (koz)	Tonnes (kt)	Cu grade (%)	Au grade (g/t)	Cu metal (kt)	Au metal (koz)
Yandan	-	-	-	-	-	-	-	-	-	-	-	4,000	-	2.4	-	300	4,000	-	2.4	-	300
Total		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,000**	**-**	**2.4**	**-**	**300**	**4,000**	**-**	**2.4**	**-**	**300**

(1) Discrepancies in rounding may occur due to rounding.
(2) Mineral Resource cut-off grades: 0.6% Cu Tritton, 0.6% Cu Murrawombie, 0.6% Cu Avoca Tank, 0.6% Cu Budgerygar, 0.6% 0.5% Budgery.

Tritton – reported Ore Reserve

Tritton tenement package (30 June 2019)(1)(2)(3)(4)

Project	Type	Cut-off (%Cu)	Proven			Probable			Total Ore Reserves		
			Tonnes (kt)	Cu grade (%)	Cu metal (kt)	Tonnes (kt)	Cu grade (%)	Cu metal (kt)	Tonnes (kt)	Cu grade (%)	Cu metal (kt)
Tritton	Underground	1.2	2,400	1.5	37	600	1.4	8	3,000	1.5	45
Murrawombie	Underground	1.2	-	-	-	1,400	1.8	24	1,400	1.8	24
Murrawombie	Open Pit	0.5	-	-	-	1,600	0.9	14	1,600	0.9	14
Avoca Tank	Underground	1.2	-	-	-	700	2.5	18	700	2.5	18
Stockpile			42	1.6	1	-	-	-	42	1.6	1
Total			**2,400**	**1.5**	**37**	**4,300**	**1.5**	**65**	**6,700**	**1.5**	**100**

(1) Discrepancies in rounding may occur due to rounding.
(2) Cut-off grades vary between deposits and are selected based on economic analysis. They are not a break-even cut-off.
(3) Mineral Resources are quoted as INCLUSIVE of the Ore Reserves Estimate.
(4) All Mineral Resource that is available for conversion to Ore Reserve has been evaluated and is included in the Ore Reserve estimate where it meets economic and other criteria.

Cracow – Mineral Resource and Ore Reserve

	Cracow (31 December 2019)[1]		
	Tonnes (Mt)	Gold grade (g/t)	Gold metal (koz)
Ore Reserve			
Proven	0.39	5.95	74
Probable	0.21	5.67	38
Total	**0.61**	**5.78**	**114**
Mineral Resource			
Measured	0.33	7.99	84
Indicated	0.74	5.88	141
Inferred	1.48	2.54	121
Total	**2.55**	**4.21**	**345**

(1) Full details of the Cracow Mineral Resource and Ore Reserve are provided in the report entitled Annual Mineral Resources and Ore Reserves Statement released on 12 February 2020 and available to view at www. evolutionmining.com.au.

Competent Persons statement

Mr Cox confirms that he is the Competent Person for all the Mineral Resource and Exploration Target estimates summarised in this Report and he has read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition). Mr Cox is a Competent Person as defined by the JORC Code, 2012 Edition, having relevant experience to the style of mineralisation and type of deposit described in the Report and to the activity for which he is accepting responsibility. Mr Cox is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM No. 220544). Mr Cox has reviewed the Report to which this Consent Statement applies. Mr Cox is a full time employee of Aeris Resources Limited.

Mr Ian Sheppard, confirms that he is the Competent Person for all the Ore Reserve estimates summarised in this Report and Mr Sheppard has read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition). Mr Sheppard is a Competent Person as defined by the JORC Code, 2012 Edition, having relevant experience to the style of mineralisation and type of deposit described in the Report and to the activity for which he is accepting responsibility. Mr Sheppard is a Member of The Australasian Institute of Mining and Metallurgy, No. 105998. Mr Sheppard has reviewed the Report to which this Consent Statement applies. Mr Sheppard is a full time employee of Aeris Resources Limited.

Mr Sheppard has disclosed to the reporting company the full nature of the relationship between himself and the company, including any issue that could be perceived by investors as a conflict of interest. Mr Sheppard has disclosed to the reporting company the full nature of the relationship between himself and the company, including any issue that could be perceived by investors as a conflict of interest. Specifically Mr Sheppard has rights to 22,418,546 share options that were issued on 15 December 2015 that will vest over five years from the issue date and may be converted to shares over time when various conditions are met. All dollar figures are in Australian dollars unless otherwise indicated.

5. Australian Tax Considerations

5.1 Introduction

This is a summary of the Australian tax consequences of the Retail Entitlement Offer for shareholders that hold their shares on capital account for Australian income tax purposes. The categories of shareholders considered in this summary are limited to individuals, companies (other than life insurance companies), trusts and complying superannuation funds.

This summary does not consider the consequences for shareholders who:

(a) acquire Entitlements otherwise than under the Retail Entitlement Offer (e.g. their Entitlements are acquired on the ASX);

(b) hold existing shares, New Shares or Entitlements in a business of share trading, dealing in securities or otherwise hold their existing shares, New Shares or Entitlements on revenue account or as trading stock;

(c) acquired existing shares in respect of which the Entitlements are issued under an employee share scheme;

(d) are subject to the 'taxation of financial arrangements' provisions in Division 230 of the *Income Tax Assessment Act 1997* (Cth) in relation to their holding of shares, New Shares or Entitlements; or

(e) in relation to a foreign tax resident, hold their shares, New Shares or Entitlements through a permanent establishment in Australia.

This summary is necessarily general in nature and is based on Australian income tax legislation and administrative practice in force as at the date of this Offer Document. It does not take into account any financial objectives, tax positions or investment needs of any particular shareholders and should not be construed as being investment, legal or tax advice to any particular shareholder.

As the taxation implications of the Retail Entitlement Offer will depend upon a shareholder's particular circumstances, shareholders should seek and rely upon their own professional taxation advice before concluding on the particular taxation treatment that will apply to them.

Shareholders that are subject to tax in a jurisdiction outside Australia may be subject to tax consequences in that jurisdiction in respect of the Retail Entitlement Offer that are not covered by this summary. This summary also does not consider the application of any of Australia's double tax treaties. Such shareholders should seek and rely upon their own professional taxation advice in relation to the taxation implications of the Retail Entitlement Offer in any jurisdictions that are relevant to them.

Neither the Company nor any of its officers or employees, nor its taxation or other advisers accepts any liability or responsibility in respect of any statement concerning the taxation consequences of the Retail Entitlement Offer.

5.2 Income Tax Consequences of Entitlements

Australian tax resident shareholders

Issue of Entitlements

The issue of Entitlements to Australian tax resident shareholders should not, of itself, give rise to any amount of assessable income or capital gain for shareholders.

Exercise of Entitlements

The exercise of Entitlements should not, of itself, result in any amount being included in a shareholder's assessable income and should not give rise to any capital gain under the capital gains tax (CGT) provisions.

Eligible Retail Shareholders that exercise their Entitlements will receive New Shares. The amount paid to exercise Entitlements (i.e. the Offer Price) and certain incidental acquisition costs should form the cost base of the New Shares acquired through exercise for CGT purposes.

Sale of Entitlements through Retail Shortfall Bookbuild

Retail shareholders who do not or cannot exercise their Entitlements will have their Entitlements offered for sale on their behalf in the Retail Shortfall Bookbuild on or around 25 June 2020 and any amount paid for the Entitlement will be remitted to them as a Retail Premium.

Pursuant to Taxation Ruling TR 2017/4, the Retail Premium received should be treated as the realisation of a CGT asset and be subject to tax under the CGT rules. Where the Retail Premium received exceeds the CGT cost base of the Entitlement, the shareholder should derive a capital gain.

The shareholder should be treated as having acquired the Entitlement when they acquired the original shares which created the right to the Entitlement. Therefore, qualifying shareholders (such as individuals, trusts and complying superannuation funds) may be eligible for a CGT discount on any capital gain to the extent the Entitlement relates to original shares that have been held for at least 12 months. Specific advice should be sought by shareholders in relation to the application of the CGT discount in their circumstances.

A capital loss may be incurred where the Retail Premium received is less that the CGT cost base of the Entitlement. Capital losses may be offset against capital gains derived in the same or future income years subject to satisfaction of the tax loss utilisation rules.

Foreign tax resident shareholders

Issue of Entitlements

No Australian income tax or CGT liability should arise to foreign tax resident shareholders as a result of being issued Entitlements.

Exercise of Entitlements

No Australian income tax or CGT liability should arise to foreign tax resident shareholders, who exercise their Entitlements by accepting the Retail Entitlement Offer.

Sale through Retail Shortfall Bookbuild

Pursuant to Taxation Ruling TR 2017/4, any Retail Premium received should be treated as the realisation of a capital asset and subject to tax under the CGT rules.

On the basis that, at the time of the issue of Entitlements, more than 50% of the market value of the assets of the Company is represented (directly or indirectly) by real property interests in Australia or certain mining, quarrying and prospecting rights in Australia, the Entitlements should be considered to be Taxable Australian Property for the purposes of Subdivision 855 of the *Income Tax Assessment Act 1997* (Cth) in respect of a foreign tax resident who, together with associates, has a holding of at least 10% membership interest in the Company for a 12 month period during the 24 months before the disposal of the entitlement (non-portfolio interest).

Where the foreign tax resident does not have a non-portfolio interest, any capital gain derived by the foreign tax resident should not generally be taxable in Australia.

Where the foreign tax resident does have a non-portfolio interest, then the foreign tax resident should be subject to tax in Australia on any capital gain on the Retail Premium. Foreign tax residents and temporary Australian residents are generally not entitled to discount capital gains, however specific tax advice should be obtained.

Foreign tax resident shareholders who do have a non-portfolio interest in the circumstances described above should seek specific Australian tax advice. Foreign tax resident shareholders that have previously been Australian residents should also seek specific Australian tax advice.

There may be a requirement under the foreign resident withholding rules to withhold tax at 12.5% of the Retail Premium received where the Entitlements are considered Taxable Australian Property, except where the transaction is on an approved Stock Exchange such as the ASX. Shareholders should seek specific Australian tax advice in relation to this regime.

5.3 Income Tax Consequences of New Shares

The New Shares are ordinary shares and the income tax consequences of holding New Shares (e.g. the receipt of dividends on New Shares and the consequences on disposal of New Shares) will reflect those which arise for holders of existing shares.

Australian tax resident shareholders

Dividends

Dividends paid on the New Shares should be frankable for imputation purposes provided that the Company has sufficient franking credits available. Generally, provided that a shareholder is a 'qualified person' and the Commissioner does not make a determination under the dividend streaming rules to deny the benefit of the franking credits to the shareholder, the shareholder:

(a) should include the amount of the dividend as well as an amount equal to the franking credits attached to the dividend in their assessable income in the income year in which they receive the dividend; and

(b) should qualify for a tax offset equal to the franking credits attached to the dividend, which can be applied against their income tax liability for the relevant income year.

A shareholder should be a 'qualified person' if either the 'holding period rule' or the 'related payments rule' are satisfied. Generally:

(a) to satisfy the 'holding period rule', a shareholder must have held their New Shares 'at risk' for a continuous period of at least 45 days (excluding the day of disposal) within a period beginning on the day after the day on which they acquired and ending on the 45th day after they become ex-dividend. To be held 'at risk', a shareholder must retain 30% or more of the risks and benefits associated with holding their New Shares. Where a shareholder undertakes risk management strategies in relation to their New Shares (e.g. by the use of limited recourse loans, options or other derivatives), the shareholder's ability to satisfy the 'at risk' requirement of the 'holding period rule' may be affected; and

(c) under the 'related payments rule', a shareholder who is obliged to make a 'related payment' (essentially a payment passing on the benefit of the dividend to another person), in respect of a dividend must hold the New Shares 'at risk' for at least 45 days (not including the days of acquisition and disposal) within each period beginning 45 days before and ending 45 days after they become ex-dividend.

A shareholder who is an individual is automatically treated as a 'qualified person' for these purposes if the total amount of the tax offsets in respect of all franked amounts to which the shareholder is entitled in an income year does not exceed $5,000. This is referred to as the 'small shareholder rule'. However, a shareholder will not be a 'qualified person' under the small shareholder rule if 'related payments' have been made, or will be made, in respect of such amounts.

Disposal of New Shares

In relation to the tax consequences on disposal of New Shares, any gain or loss realised on disposal should be taxable under the CGT provisions. The cost base for New Shares should be the amount paid for them (i.e. the Offer Price) together with certain incidental costs of acquisition and disposal. The New Shares should be treated as having been acquired on the date the relevant shareholder exercised their Entitlements to buy the New Shares (i.e. the date the shareholder returned their completed Entitlement and Acceptance Form). This means that the New Shares need to be held for at least 12 months after this date in order for qualifying shareholders (such as individuals, trusts and complying superannuation funds) to be eligible for the CGT discount concession on disposal of the New Shares.

Foreign tax resident shareholders

Dividends paid on New Shares should not be subject to Australian non-resident withholding tax to the extent the dividends are franked.

To the extent an unfranked dividend is paid to foreign tax resident shareholders, withholding tax will be payable. The rate of withholding tax is 30%. However foreign tax resident shareholders may be entitled to a reduction in the rate of withholding tax if they are resident in a country which has a double taxation agreement with Australia.

Disposal of New Shares (less than 10% interest)

In relation to the tax consequences on the disposal of New Shares, a foreign tax resident shareholder who does not have a non-portfolio interest in the Company should generally not be taxable on any capital gain realised on the disposal of their New Shares. Any capital loss incurred should also not be deductible for tax purposes.

Disposal of New Shares (10% or greater interest)

Where, at the time of the disposal of the New Shares, more than 50% of the market value of the assets of the Company is represented (directly or indirectly) by real property interests in Australia or certain mining, quarrying and prospecting rights in Australia, a foreign tax resident shareholder who has a non-portfolio interest in the Company should generally be subject to tax under the CGT provisions on any capital gain derived on the disposal of their New Shares. The cost base for New Shares should be the amount paid for them (i.e. the Offer Price) together with certain incidental costs of acquisition and disposal. The foreign tax resident shareholder should not be eligible for any CGT discount on their disposal of the New Shares.

Where the foreign tax resident has a non-portfolio interest in the Company, capital losses may be able to be offset against capital gains derived in the same or future income years subject to satisfaction of the tax loss utilisation rules.

Where the foreign tax resident has a non-portfolio interest in the Company, a purchaser may have foreign resident withholding obligations and be required to withhold tax at 12.5% of the gross proceeds on the disposal of the New shares, except where the transaction is on an approved Stock Exchange such as the ASX.

5.4 Provision of TFN or ABN

Australian tax legislation imposes withholding tax (currently at a rate of 47%) on the payment of distributions on certain types of investments, such as the unfranked part of any dividend, where no TFN or ABN (if applicable) has been provided.

A shareholder is not required to provide their TFN or ABN to the Company.

5.5 Other Australian Taxes

GST and stamp duty are not payable on the issue, receipt, exercise, sale, transfer or disposal of New Shares or Entitlements. GST is not payable in relation to the payment of dividends by the Company.

6. Additional Information

6.1 Underwriting Agreement

The Company has engaged the Underwriters, Bell Potter and Euroz, as the joint underwriters for the Entitlement Offer under the underwriting agreement dated 4 June 2020 (**Underwriting Agreement**).

The Underwriting Agreement is subject to standard terms and conditions.

The key terms of the Underwriting Agreement are as follows:

(a) each of the Underwriters is severally liable for their respective portion of the underwritten amount, which is allocated equally between the Underwriters;

(b) the fees payable under the Underwriting Agreement to each Underwriter are as follows:

(1) a management fee equal to 2% of the gross funds raised under the Placement, the Institutional Entitlement Offer and the Retail Entitlement Offer (**Management Fee**);

(2) an underwriting fee equal to 3% of the gross funds raised under the Placement, the Institutional Entitlement Offer and the Retail Entitlement Offer (**Equity Raising Fee**); and

(3) a discretionary equity raising fee equal to 0.5% of the gross funds raised under the Placement, the Institutional Entitlement Offer and the Retail Entitlement Offer (**Discretionary Fee**),

to be paid in equal proportions between the Underwriters. The Discretionary Fee is payable at the discretion of the Company and will be communicated to the Underwriters prior to the settlement date for the relevant component of the Entitlement Offer.

(c) The Company has agreed to reimburse the Underwriters in respect of expenses incurred incidental to the Placement and the Offer up to $20,000, with expenses in excess of $5,000 requiring approval by the Company. The Company also indemnifies the Underwriters and related persons against losses, liabilities and claims in respect of the Placement and the Offer;

(d) The Underwriters will not be required to take up New Shares to the extent that to do so would cause the Underwriters to have to give notice under or cause of breach of the FATA, FIRB policy or the takeover provisions of the Corporations Act provided that this will not prevent the Underwriters from needing to comply with their obligations to procure subscribers for New Shares under the Underwriting Agreement;

(e) The underwriting is conditional upon a number of conditions precedent, including:

(1) the Company entering into the Share Purchase Agreement;

(2) procedural conditions including the lodgement of documentation with ASIC and ASX, compliance with timetables and delivery of shortfall notices;

(3) each of the Major Shareholders (being PAG, Tudor Court and DGJ Keet) having entered into the applicable sub-underwriting and/or firm commitment confirmation in the form agreed with the Underwriters; and

(4) the underwriting of the Retail Entitlement Offer is conditional on the Company issuing the New Shares under the Institutional Entitlement Offer;

(f) the Underwriters can appoint sub-underwriters in consultation with the Company;

(g) the Underwriters are to undertake an institutional bookbuild (as to volume but not price) in relation to the shortfall from the Institutional Entitlement Offer;

(h) the underwriting obligations can be terminated by the Underwriters in a number of circumstances including if:

(1) the Share Purchase Agreement is terminated or purported to be terminated;

(2) an event after the execution of the Underwriting Agreement makes it illegal or commercially impossible (including in respect of COVID-19) for the Underwriters to satisfy a material obligation under the Underwriting Agreement;

(3) an obligation arises on the Company to give ASX a notice in accordance with section 708AA(12)(a) of the Corporations Act;

(4) a material statement in the offer materials is or becomes misleading or deceptive in a material respect, or the offer material omits any material information it is required to contain, or any expression of an opinion or intention in the offer materials is not fairly and properly supported in a material respect or there are no reasonable grounds for making any material statement in the offer materials relating to future matters;

(5) quotation of the New Shares is not granted within the required timeframe;

(6) a delay in the timetable without the prior consent of the Underwriters;

(7) an alteration in the capital structure of the Company without the consent of the Underwriters;

(8) a director or member of the senior management of the Company is charged with an indictable offence or found to have engaged in fraudulent conduct;

(9) a change in the board or senior management of the Company occurs;

(10) the Company suffers an insolvency event;

(11) the Company fails to comply with any law or material agreement which is likely to prohibit or materially restrict the business of the Company or the Offer;

(12) a person brings an application to the Takeovers Panel in relation to the Offer or the Company;

(13) ASIC or any person issues or threatens to issue proceedings in relation to the Offer or commences any formal inquiry or investigation into the Offer;

(14) any adverse change occurs which materially impacts or is likely to impact, the assets, operational or financial position of the Company;

(15) any debt facility is terminated or amended (other than with respect to the debt facility amendments as part of the Acquisition) without the consent of the Underwriters, or there is default under any debt or financing arrangement, including any default or review event which results in acceleration of the repayment of the debt;

(16) at any time prior to 4.00pm on the Second Settlement Date, the S&P/ASX200 index is after the date of the Underwriting Agreement at a level that is 10% or more below its level on the trading day prior to the date of the Underwriting Agreement; and

(17) where the Company is prevented from allotting or issuing the New Shares under the ASX Listing Rules or any other laws;

(i) the underwriting obligations can also be terminated by the Underwriters in a number of circumstances where the Underwriters determine that the circumstances could have a material adverse effect on the success of the Offer, or on the business, financial position or prospects of the Company, or could lead to a contravention by the Underwriters or liability for the Underwriters under the Corporations Act including circumstances relating to a change in law, a change of control of the Company, hostilities or market disruption in identified major countries;

(j) the right of termination is separate for each of the Underwriters. A remaining underwriter is not obligated to assume the obligations of a terminating underwriter, but can elect to assume those obligations or can nominate a replacement underwriter to assume those obligations;

(k) the Company indemnifies the Underwriters and related persons against losses, liabilities and claims in respect of the Placement and the Offer; and

(l) the Company gives various warranties, representations and covenants in favour of the Underwriters that are considered standard for an agreement of this nature.

6.2 Sub-underwriting Agreement - PAG

The Underwriters entered into a sub-underwriting agreement with PAG dated 3 June 2020 (**Sub-underwriting Agreement**) whereby PAG has agreed to participate as a sub-underwriter of the Retail Offer up to the maximum amount of $5,275,329.63.

The Sub-Underwriting Agreement is subject to standard terms and conditions.

The key terms of the Sub-underwriting Agreement are as follows:

(a) PAG agrees to sub-underwrite the Retail Offer to a maximum amount of $5,275,329.63 (**Sub-Underwriting Firm Commitment**);

(b) PAG will not receive a sub-underwriting fee equal to the extent of any of the Sub-Underwritten Firm Commitment; and

(c) the sub-underwriting obligations can only be terminated if the Underwriters' obligations under the Underwriting Agreement cease or are terminated.

6.3 Major Shareholder Commitment Letters

The Underwriters have entered into a firm commitment letter with Tudor Court dated 3 June 2020 (**Tudor Court Firm Commitment**). Under which Tudor Court agreed to provide a firm commitment to subscribe for:

(a) 48,843,523 New Shares under the Placement; and

(b) 217,801,142 of New Shares under the Institutional Offer.

The Tudor Court Firm Commitment is subject to terms and conditions standard of this type of arrangement. The firm commitment obligations can only be terminated if the Underwriters' obligations under the Underwriting Agreement cease or are terminated.

In addition, the Company has into a subscription agreement with DGJ Keet (**Keet Firm Commitment**) under which DGJ Keet agreed to provide a firm commitment to subscribe for:

(c) 12,170,105 New Shares under the Placement; and

(d) 54,268,460 New Shares under the Institutional Offer.

The Keet Firm Commitment was subject to the lodgement of an announcement regarding the Offer with ASX or before 8 June 2020 and was otherwise on standard terms.

6.4 **Section 708AA Corporations Act**

The Company is a disclosing entity and therefore subject to regular reporting and disclosure obligations under the *Corporations Act*. Under those obligations, the Company is obliged to comply with all applicable continuous disclosure and reporting requirements in the Listing Rules.

This Offer is being undertaken pursuant to section 708AA of the *Corporations Act*. This section enables disclosing entities to undertake a rights issue in relation to securities in a class of securities which has been quoted by ASX at all times during the 12 months before the date of the Offer. Apart from formal matters a notice under section 708AA(2)(f) need only:

(a) contain information that is excluded information as at the date of the Offer Document pursuant to section 708AA(8) and (9); and

(b) state:

  (1) the potential effect the issue of the New Shares will have on the control of the Company; and

  (2) the consequences of that effect.

A notice under section 708AA(2)(f) was lodged with the ASX on 4 June 2020.

This Offer Document does not contain a summary of the principal rights and liabilities of holders of the New Shares. Please refer to the Constitution for the rights and liabilities attaching to the Shares. A copy of the Constitution is available from the Company on request and at www.aerisresources.com.au.

6.5 **Expenses of the Offer**

All expenses connected with the Offer are being borne by the Company. Total expenses of the Offer are estimated to be in the order of $2,300,000 (including the Underwriters' fees, see section 6.1 above).

6.6 **Privacy**

By submitting an Entitlement and Acceptance Form for shares you are providing to the Company personal information about yourself. If you do not provide complete and accurate personal information, your application may not be able to be processed.

The Company maintains the register of members of the Company through Link Market Services Limited an external service provider. The Company requires Link to comply with the National Privacy Principles with performing these services. The Company's register is required under the *Corporations Act* to contain certain personal information about you such as your name and address and number of shares and options held. In addition the Company collects personal information from members such as, but not limited to, contact details, bank accounts and membership details and tax file numbers.

This information is used to carry out registry functions such as payment of dividends, sending annual and half yearly reports, notices of meetings, newsletters and notifications to the Australian Taxation Office. In addition, contact information will be used from time to time to inform members of new initiatives concerning the Company.

The Company understands how important it is to keep your personal information private. The Company will only disclose personal information we have about you:

(a) when you agree to the disclosure;

(b) when used for the purposes for which it was collected;

(c) when disclosure is required or authorised by law;

(d) to other members in the Aeris group of companies;

(e) to your broker;

(f) to external service suppliers who supply services in connection with the administration of the Company's register such as mailing houses and printers, Australia Post and financial institutions.

You have the right to access, update and correct your personal information held by the Company and Link, except in limited circumstances. If you wish to access, update or correct your personal information held by Link or by the Company please contact our respective offices.

If you have any questions concerning how the Company handles your personal information please contact the Company.

6.7 Consents and disclaimers

Written consents to the issue of this Offer Document have been given and at the time of this Offer Document have not been withdrawn by the following parties:

Bell Potter has given and has not withdrawn its consent to be named in this Offer Document as one of the Joint Lead Managers and Underwriters to the Entitlement Offer in the form and context in which it is named. It takes no responsibility for any part of the Offer Document other than references to its name.

Euroz has given and has not withdrawn its consent to be named in this Offer Document as one of the Joint Lead Managers, Underwriters and Nominee to the Entitlement Offer in the form and context in which it is named. It takes no responsibility for any part of the Offer Document other than references to its name.

Jefferies has given and has not withdrawn its consent to be named in this Offer Document as the Financial Adviser to the Company in the form and context in which it is named. It takes no responsibility for any part of the Offer Document other than references to its name.

HopgoodGanim Lawyers have given and have not withdrawn their consent to be named in this Offer Document as legal advisers to the Offer in the form and context in which they are named. They take no responsibility for any part of the Offer Document other than references to their name.

PricewaterhouseCoopers has given and has not withdrawn its consent to be named in this Offer Document as the auditors of the Company in the form and context in which it is named. It takes no responsibility for any part of the Offer Document other than references to its name.

Link Market Services Limited has given and, at the date of this Offer Document, has not withdrawn, its written consent to be named as Share Registrar in the form and context in which it is named. It has had no involvement in the preparation of any part of the Offer Document other than being named as Share Registrar to the Company and has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of the Offer Document.

6.8 Directors' statement

This Offer Document is issued by Aeris Resources Limited. Each director has consented to the lodgement of the Offer Document with ASX.

Signed on the date of this Offer Document on behalf of Aeris Resources Limited by:

....
André Labuschagne
Director

7. Definitions and glossary

Terms and abbreviations used in this Offer Document have the following meaning:

Acceptance	An acceptance of Entitlements
Acceptance Money	The Offer Price multiplied by the number of New Shares applied for
Acquisition	The acquisition by the Company of 100% of the Cracow gold mine from Evolution Mining Limited.
Additional New Share	A New Share issued under the Retail Entitlement Shortfall Facility.
Applicant	A person who submits an Entitlement and Acceptance Form in accordance with this Offer Document
Application Money	The aggregate amount payable for the New Shares applied for by an Applicant, calculated as multiplying the Offer Price by the number of New Shares applied for
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited and the Australian Securities Exchange
ASX Listing Rules	The official listing rules of the ASX
ASX Settlement	ASX Settlement Pty Ltd
ASX Settlement Operating Rules	The operating rules of ASX Settlement
Bell Potter	Bell Potter Securities Limited
Business Day	A day, other than a Saturday, Sunday or public holiday, on which banks are open for general banking business in Sydney
Closing Date	The date by which valid acceptances must be received by the Share Registry being 22 June 2020 or such other date determined by the Board and the Joint Lead Managers
Company or Aeris	Aeris Resources Limited ACN 147 131 977
Constitution	The Constitution of the Company
Corporations Act	*Corporations Act* 2001 (Cth)
Directors or Board	The Board of directors of Aeris from time to time
DGJ Keet	DGJ Keet Investments Limited
Eligible Shareholder	An Eligible Institutional Shareholder or Eligible Retail Shareholder (as the context requires or permits)
Eligible Institutional Shareholder	A Shareholder who: (a) is an institutional or sophisticated Shareholder on the commencement of the Institutional Entitlement Offer with a registered address in either Australia, New Zealand, British Virgin Islands, United Kingdom, Ireland, Bermuda, Singapore, Hong Kong and the United States; and (b) has received an offer under the Institutional Entitlement Offer (either directly or through a nominee).

Eligible Retail Shareholder	A Retail Shareholder of the Company on the Record Date whose registered address is in Australia, New Zealand, United Kingdom, Singapore or Hong Kong.
Entitlement and Acceptance Form or Form	An entitlement and acceptance form in the form accompanying this Offer Document
Entitlements	The entitlement to subscribe for New Shares under the Entitlement Offer
Entitlement Offer	An accelerated renounceable Entitlement Offer to Eligible Shareholders of 2.02 New Shares for every 1 Share held at an Offer Price of $0.03 per New Share to raise approximately $32.7 million before costs.
Euroz	Euroz Securities Limited
Existing Options	All existing options to subscribe for Shares currently on issue as at the date of this Offer Document
Fractional Entitlement	The extent that the Entitlement Offer results in an Entitlement to a fraction of a New Share
Group	The Company and each of its wholly owned subsidiaries
Ineligible Shareholders	Shareholders as at the Record Date who are not Eligible Shareholders
Institutional Entitlement	Entitlements under the Institutional Entitlement Offer
Institutional Entitlement Offer	The offer of Shares to Eligible Institutional Shareholders under the Entitlement Offer
Jefferies	Jefferies (Australia) Pty Ltd
Joint Lead Managers	Bell Potter and Euroz
Law	The *Corporations Act* or any relevant and applicable law in Australia
New Shares	The Shares offered under this Offer Document
Offer Document	This offer document.
Offer Price	$0.03 for each New Share applied for
Official List	The official list of entities that ASX has admitted and not removed
Official Quotation	Quotation on the Official List
Opening Date	11 June 2020
Option Holders	The holders of Existing Options
Options	Options on issue in the Company from time to time
PAG	Special Portfolio Opportunity V Limited, a subsidiary of a fund managed by PAG
Placement	A placement by the Company of approximately 244,337,605 Shares to institutional investors at the Offer Price, raising approximately $7.3 million
Record Date	7.00pm Sydney time on 9 June 2020
Register	Company Register of Aeris
Relevant Interest	Has the meaning given to that term in the *Corporations Act*

Retail Entitlement	Entitlements under the Retail Entitlement Offer
Retail Entitlement Offer	The offer of New Shares in accordance with this Offer Document as part of the Entitlement Offer
Retail Entitlement Shortfall	The shortfall between the number of New Shares applied for under the Retail Entitlement Offer and the number of New Shares offered to Eligible Retail Shareholders under the Retail Entitlement Offer
Retail Entitlement Shortfall Facility	The facility described in section 1.5 under which Eligible Retail Shareholders may apply for Additional New Shares in excess of their Entitlement.
Retail Shareholder	A Shareholder of the Company on the Record Date who is not an Eligible Institutional Shareholder
Retail Shortfall Bookbuild	The back-end shortfall facility which will sell the retail entitlements which are not taken up at the close of the Retail Entitlement Offer Closing Date
Securities	Has the same meaning as in section 92 of the *Corporations Act*
Share Registry or Link	Link Market Services Limited
Shares	The ordinary shares on issue in Aeris from time to time
Shareholders	The holders of Shares from time to time
Sub-Underwriting Agreement	Has the meaning given in section 1.15
Tudor Court	Tudor Court Limited
Underwriters	Bell Potter and Euroz
Underwriting Agreement	Has the meaning given in section 6.1
US Securities Act	US Securities Act of 1933, as amended
Vested Options	Existing Options which have vested in favour of the Option Holder as at the date of this Offer Document

Corporate Directory

Directors	Legal Advisers to the Offer	Auditors
André Labuschagne (Executive Chairman) Marcus Derwin (Non-Executive Director) Alistair Morrison (Non-Executive Director) Michele Muscillo (Non-Executive Director)	HopgoodGanim Lawyers Level 8 Waterfront Place 1 Eagle Street Brisbane QLD 4000 Tel: + 61 7 3024 0000 www.hopgoodganim.com.au	PricewaterhouseCoopers 480 Queen Street Brisbane QLD 4000 Tel: 1300 799 615 www.pwc.com.au
Administration and Registered Office	**Joint Lead Manager and Underwriter**	**Joint Lead Manager and Underwriter**
Suite 22, Level 2 HQ South Tower 520 Wickham Street Fortitude Valley QLD 4006 Tel: +61 7 3034 6200 Fax: +61 7 3034 6290 www.aerisresources.com.au	Bell Potter Securities Limited*101* Collins Street Melbourne, Victoria 3000 Tel: +61 3 9256 8700 www.bellpotter.com.au	Euroz Securities Limited Level 18 Alluvion 58 Mounts Bay Road Perth, Western Australia 6000 Tel: +61 8 9488 1400 www.euroz.com
Financial Adviser	**Share Registry**	
Jefferies (Australia) Pty Ltd Level 22, 60 Martin Place Sydney NSW 2000 Tel: +61 2 9364 2800 www.jefferies.com	Link Market Services Limited GPO Box 3560 Sydney NSW 2001	