



11 June 2020

[Name of security holder]  
[Security holder's address]

Dear Shareholder

**Aeris Resources Limited ACN 147 131 977 - Accelerated renounceable entitlement offer - Notice to Ineligible Retail Shareholders**

On Thursday, 4 June 2020 Aeris Resources Limited (**Aeris** or the **Company**) announced an accelerated renounceable rights issue to eligible shareholders, on the basis of 2.02 new fully paid ordinary shares for every 1 share held, at an issue price of \$0.03 per share, to raise approximately \$32.7 million (**Entitlement Offer**). Approximately 1,089,540,761 fully paid ordinary shares will be offered under the Entitlement Offer.

The Entitlement Offer is fully underwritten by Bell Potter Securities Limited and Euroz Securities Limited, with sub-underwriting of the Retail Offer provided by the Company's largest shareholder, Special Portfolio Opportunity V Limited (a subsidiary of a fund managed by PAG) and additional institutional and professional investors.

The Entitlement Offer is being made without a prospectus or disclosure document in accordance with section 708AA of the *Corporations Act 2001* (Cth) (**Corporations Act**) as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 (**ASIC Instrument**).

The Entitlement Offer consists of an entitlement offer to eligible institutional shareholders (**Institutional Offer**), and an entitlement offer to eligible retail shareholders (**Retail Offer**). The Institutional Offer was conducted between 4 June 2020 and 5 June 2020, with the results announced on the ASX on 9 June 2020. The Institutional Offer has raised approximately \$22.7 million already, with a further \$7.3 million raised under a separate placement at the same issue price of \$0.03 per new share (**Placement**). New shares issued under the Institutional Offer and the Placement are anticipated to be issued on 15 June 2020 and quoted on the ASX on 16 June 2020.

Upon completion of the Entitlement Offer and the Placement, the issued capital of Aeris will comprise approximately 1,873,254,981 shares and 93,410,609 unlisted options (exercisable at \$nil each with an expiry date of 31 December 2021).

The new shares will rank equally in all respects with Aeris' existing shares. If an eligible shareholder's entitlement results in a fraction of a new share, the shareholder's entitlement will be rounded up to the nearest whole number. There will be no change to the dividend policy of the Company as a result of the Entitlement Offer.

Entitlements to new shares pursuant to the Entitlement Offer will not be traded on the ASX.

An offer booklet in relation to the Retail Offer will be lodged with the ASX and mailed to Eligible Retail Shareholders on or around Thursday, 11 June 2020.



### ***Eligibility Criteria***

Eligible retail shareholders are shareholders who:

1. are a registered as a holder of existing shares in the Company as at 7.00pm (Sydney time) on Tuesday 9 June 2020 (**Record Date**);
2. have a registered address on the Company's share register in Australia, New Zealand, United Kingdom, Singapore and Hong Kong (**Eligible Retail Shareholders**);
3. are not in the United States and are not acting for the account or benefit of a person in the United States;
4. are eligible under all applicable securities laws to receive an offer under the Retail Offer,

**(Eligible Retail Shareholders).**

Shareholders who are not Eligible Retail Shareholders are ineligible retail shareholders (**Ineligible Retail Shareholders**).

The restrictions upon eligibility under the Entitlement Offer arise because of legal and regulatory requirements in countries other than those listed above and the potential costs to the company and complexity of complying with these legal and regulatory requirements compared to the relatively small number of shareholders in those countries, the relatively small number of existing Company shares they hold and the relatively low value of the New Shares to which those shareholders would otherwise be entitled.

The Company has determined, pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules and section 9A of the Corporation Act as modified by the ASIC Instrument, that it would be unreasonable to make or extend offer to shareholders in certain countries under the Entitlement Offer.

According to our records, you do not satisfy the eligibility criteria above for an Eligible Retail Shareholder and accordingly you are an Ineligible Retail Shareholder and the Company wishes to advise that in accordance with ASX Listing Rule 7.7.1(b) and section 9A(3) of the Corporations Act, the Entitlement Offer will not be extended to you and you will not be able to subscribe for new Shares under the Entitlement Offer. You will not be sent the offer document relating to the Entitlement Offer.

### **Nominee**

The Company has appointed Euroz Securities Limited (Nominee) to act as a nominee for the purposes of section 615 of the Corporations Act and ASX Listing Rule 7.7.1, who will arrange for the sale of entitlements which would otherwise have been available to Ineligible Retail Shareholders under the Entitlement Offer through the Retail Shortfall Bookbuild and for the payment of any Retail Premium to those Shareholders, less any applicable withholding tax. There is no guarantee that any proceeds will be realised from the sale of the entitlements that would otherwise have been offered to Ineligible Retail Shareholders.



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

We thank you for your continued support and trust that you understand the Company's position on this matter.

Please contact the Company Secretary, Robert Brainsbury, on +61 7 3034 6200 if you have any queries regarding the Entitlement Offer or your eligibility to participate in the Entitlement Offer.

Yours faithfully

A handwritten signature in blue ink, appearing to read "A. Labuschagne", with a long horizontal flourish extending to the right.

Andre Labuschagne  
Executive Chairman  
Aeris Resources Limited