

ASX Code: AMI

# Acquisition of Peak Mines

*Building a Leading Cobalt Gold and Base Metals Producer*



Investor Presentation – 21 November 2017

Jim Simpson, Managing Director & CEO

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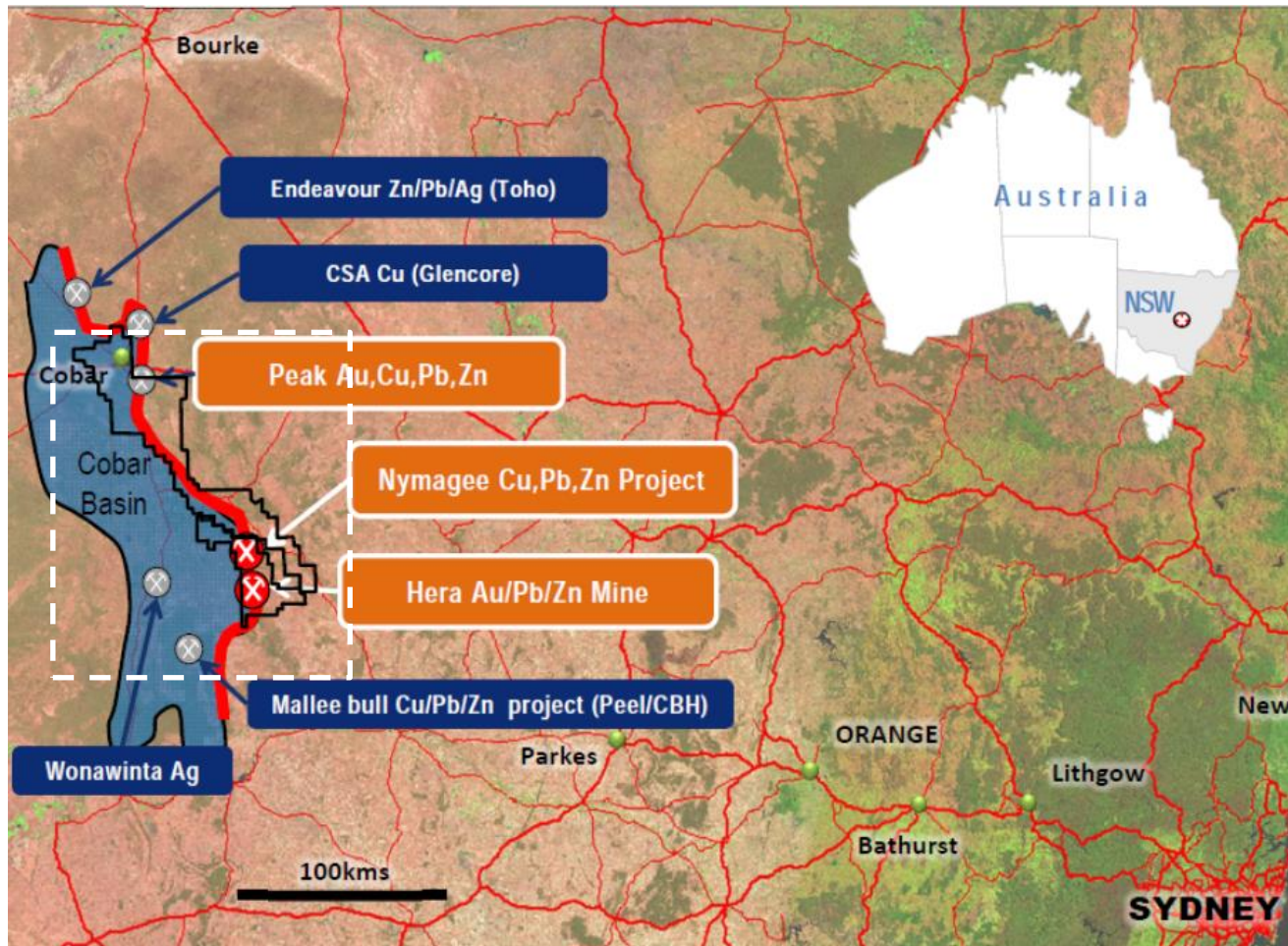
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# Dominant Presence in a Highly Endowed Province

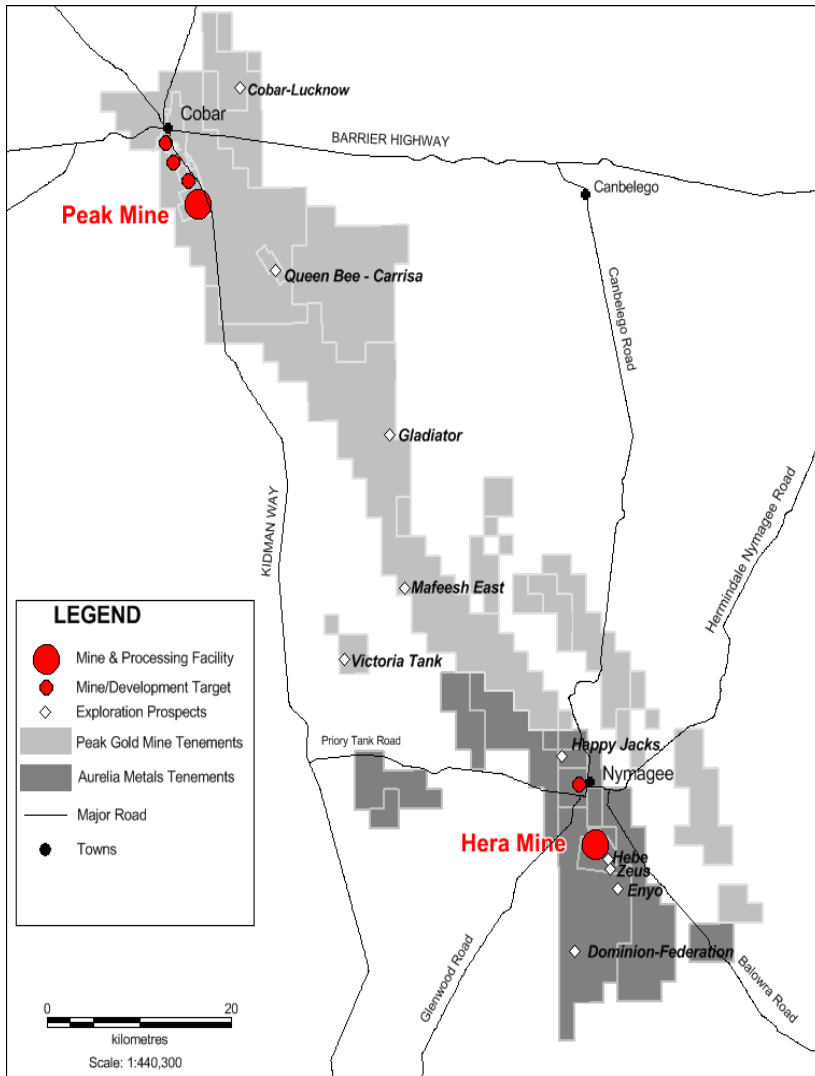
- Expands Aurelia's exploration acreage in the highly prospective Cobar region to 1,385 km<sup>2</sup>
- A number of near-mine and regional targets identified





# The Perfect Growth Opportunity for Aurelia

**Acquisition positions Aurelia with a dominant landholding in a highly endowed mineral province**



## Neighbouring Operations

Located 75km (90km by road) north of Aurelia's Hera operations, offering significant operational synergies

## Diversifies Production

Aurelia will have two wholly-owned operating mines and processing facilities in the Cobar basin

## Provides Increased Copper Exposure

Potential for higher Cu production at Peak establishes Aurelia as a producer of gold, copper, lead and zinc

## Growth in Production

Group production outlook for FY19 of 100-125koz Au (gold equivalent production of 185-210koz Au)

## Strong Cash Flow Generator

Peak positioned to generate strong free cash flow. FY19 AISC outlook of A\$900 – A\$1,100/oz Au

## Unique Insight

Aurelia's CEO has an intimate knowledge of Peak, as ex-GM of the operations for more than 5yrs

## Regional Foothold

Regional consolidation in the Cobar Basin

- Binding Agreement to acquire 100% of the Peak Mines operations in Cobar, NSW from New Gold Inc.
- Establishes Aurelia as a significant gold and base metals producer
- Aurelia will control a dominant landholding in a highly endowed mineral province with two wholly-owned operating mines and processing facilities
- Group production FY19 outlook of 185,000 – 210,000oz Au Eq at AISC of A\$900 - A\$1,100/oz
- Peak has been in operation for 25 years with a consistent history of reserve replacement

## Transaction Details

- Purchase price of US\$58M (~A\$75.5M<sup>1</sup>) cash plus other acquisition costs (incl environmental bonds of A\$25M), funded by:
  - A\$45M Investec Senior Debt (*underwritten and credit approved*)
  - Up to A\$70M equity raising
    - Institutional Placement to raise up to \$42M
    - Placement to Pacific Road Capital up to approx \$28M<sup>2</sup>
    - Share Purchase Plan (SPP) to eligible shareholders
  - **Strong endorsement by major shareholders, Pacific Road Capital<sup>2</sup> and Glencore**



<sup>1</sup> Based on exchange rate of 1 USD = 0.7683 AUD

<sup>2</sup> Pacific Road has provided a letter of support for the placement and acquisition, including its intent to subscribe for up to the amount of shares at the placement which takes its and its associate's interest in Aurelia to 36.7% upon completion of the placement and SPP, subject to shareholder approval.

## Two High Grade Mining Operations: Peak & Hera

### Aurelia Production target for FY18

(Hera 12 months and Peak 6 months):

- **75,000 – 90,000 ounces gold**
- **125,000 – 140,000 Au Eq.<sup>(ii)</sup>**
- **AISC<sup>(i)</sup> of A\$900-A\$1,100/oz**

### Aurelia Production outlook for FY19

(Hera and Peak 12 months):

- **100,000 – 125,000 ounces gold**
- **185,000 – 210,000 Au Eq.<sup>(ii)</sup>**
- **AISC<sup>(i)</sup> of A\$900-A\$1,100/oz**



(i) AISC/oz only relates to “Gold Production (oz)”. AISC (All-in Sustaining Cost) is a non-AIFRS definition and includes all site operating costs, concentrate transport and smelter costs, ore and finished goods inventory movements, royalty expenses, sustaining capital expenses, corporate and administration expenses, less by-products credits, calculated on a gold sold basis. Items excluded include growth capital, working capital movements, tax payments and financing cash flows. Base metal sales are accounted for as a by-product credit. The timing of base metal shipments will create volatility in the Company’s reported AISC due to timing of base metal by-product credits and concentrate inventory movements

(ii) Gold equivalent is based on payable metal production converted into gold equivalent production using US\$1229/oz gold, US\$16.9/oz silver, US\$1800/t Pb, US\$2,500/t Zn and US\$5,500/t Cu. Note that smelter treatment charges, smelter refining charges and transport costs are not included in this equivalent estimate.

Source of Funds		Use of Funds	
Investec senior debt	\$45M	Acquisition price	\$75.5M
Investec bond guarantee	\$25M	Replacement of environmental bonds	\$25M
Placement to Pacific Road	\$28M	Peak working capital	\$10M
Institutional/Other Placement	\$42M	Transaction costs	\$6.9M
		Stamp Duty	\$3.8M
		Corporate Working capital	\$18.8M
<b>Total New Capital</b>	<b>\$140M</b>	<b>Total</b>	<b>\$140M</b>

## Equity Sources

- **Two Tranche Share placement to raise up to \$70M outlined below. A Share Purchase Plan will also be offered to eligible shareholders.** (SPP proceeds are not required to settle the acquisition)
- The Placement will be conducted in two tranches, comprising:
  - *Tranche 1* – an unconditional placement to sophisticated and professional investors utilising Aurelia's ASX Listing Rule 7.1 and ASX Listing Rule 7.1A capacity;
  - *Tranche 2*, comprising:
    - A conditional placement to sophisticated and professional investors subject to shareholder approval under ASX Listing Rule 7.1; and
    - A conditional placement to Pacific Road subject to shareholder approval under ASX Listing Rule 10.11.
- Shareholder approvals for Tranche 2 will be sought at an extraordinary general meeting to be called by Aurelia in the near future.
- **Pacific Road Capital has provided a letter of support for the transaction, including a firm commitment to subscribe for up to the amount of shares at the placement which takes its and its associate's relevant interest in Aurelia to 36.7% upon completion of the placement and SPP, subject to shareholder approval.**
- **Glencore has provided Aurelia with a letter of support for the capital raising and acquisition.**



Facility	Amount
Senior Debt Facility	A\$45 million
Corporate Amortising Loan (to refinance the Senior Debt Facility)	A\$85 million
Guarantee Facility	A\$25 million

- **New underwritten debt facilities (credit approved) secured from the Investec Group (“Investec”) to settle the acquisition, and provide flexibility to restructure existing debt obligations in the first half of 2018**

## Senior Debt Facility:

- \$45M, senior secured over the Peak assets
- To be refinanced by 30 June 2018 through the Corporate Amortising Loan (described below)

## Corporate Amortising Loan:

- A\$85M facility to be used following satisfaction of the conditions precedent, to refinance the Senior Debt Facility (used to fund the acquisition), and provide additional debt capacity to restructure existing debt obligations during the first half of 2018
- From initial drawdown of the Senior Debt Facility, maturity of the combined facility will be 30 months

## Guarantee Facility:

- A\$25M Guarantee Facility initially to fund the Performance Bonds required to be provided in relation to Peak’s rehabilitation obligations
- The Guarantee Facility increases to A\$30M once draw down of the Corporate Amortising Loan occurs, to facilitate refinancing of Aurelia’s current cash backed Performance Bond for Hera

# Pro-Forma Net Debt Position & Shares on Issue

	Assuming \$70M Placement
Existing debt balance	\$84M
Peak Senior Debt	\$45M
<b>Pro-forma Net Debt (24 Oct 2017)</b>	<b>\$129M</b>
Cash at bank <sup>1</sup>	\$19M
Equity raising (pre-costs)	\$70M
Cash funding of Peak Acquisition <sup>2</sup>	(\$31M)
Peak working capital	(\$10M)
Peak transaction costs	(\$7M)
Peak stamp duty	(\$4M)
<b>Pro-forma Cash Balance (24 Oct 2017)</b>	<b>\$37M</b>
<b>Pro-Forma Net Debt (24 Oct 2017)</b>	<b>\$92M</b>

**Notes:**

All figures rounded to the nearest \$1 million. Cash flow does not include any proceeds from SPP.

Cash and debt balances in the table above do not reflect Hera cash inflow from 24 October 2017 to completion of the Peak acquisition.

<sup>1</sup> As announced on ASX on 24th October 2017 after voluntary repayment of \$15M debt repayment to Glencore

<sup>2</sup> Based on a A\$75.5M cash acquisition price, less \$45M in debt funding from the new Investec debt facility

# Indicative Transaction Timetable

Event	Date
Trading Halt: Announcement of Acquisition of Peak Mines	Tuesday, 21 November 2017
Institutional placement bookbuild	Tuesday, 21 November 2017
Announce placement details to ASX & Trading Halt lifted	Wednesday, 22 November 2017
Settlement of institutional placement (Tranche 1)	Monday, 27 November 2017
General Meeting to ratify Tranche 1 placement, approve Tranche 2 conditional placement and Tranche 2 conditional placement to Pacific Road Capital*	Around 22 January 2018
Settlement of institutional placement (tranche 2) – subject to shareholder approval	Late January 2018
Settlement of the Acquisition	Expected to be first quarter of 2018

\* Further details on the General Meeting and Notice of Meeting will be provided to shareholders shortly.

\*\* Dates are indicative and subject to change.



# Key Consolidated Metrics



# Aurelia Consolidated Resources & Reserves

Aurelia - Total Resources		Gold	Lead	Zinc	Silver	Copper
	Tonnes (kt)	(g/t)	(%)	(%)	(g/t)	(%)
Measured	605	3.0	2.8	4.0	24	N/A
Indicated	1,729	3.0	2.3	3.4	16	N/A
Inferred	599	1.9	3.2	4.6	46	N/A
<b>Hera Total MI&amp;I Resources</b>	<b>2,934</b>	<b>2.8</b>	<b>2.6</b>	<b>3.8</b>	<b>24</b>	<b>N/A</b>
<b>Nymagee Total MI&amp;I Resources</b>	<b>8,100</b>	<b>N/A</b>	<b>0.3</b>	<b>0.7</b>	<b>9</b>	<b>1.2</b>

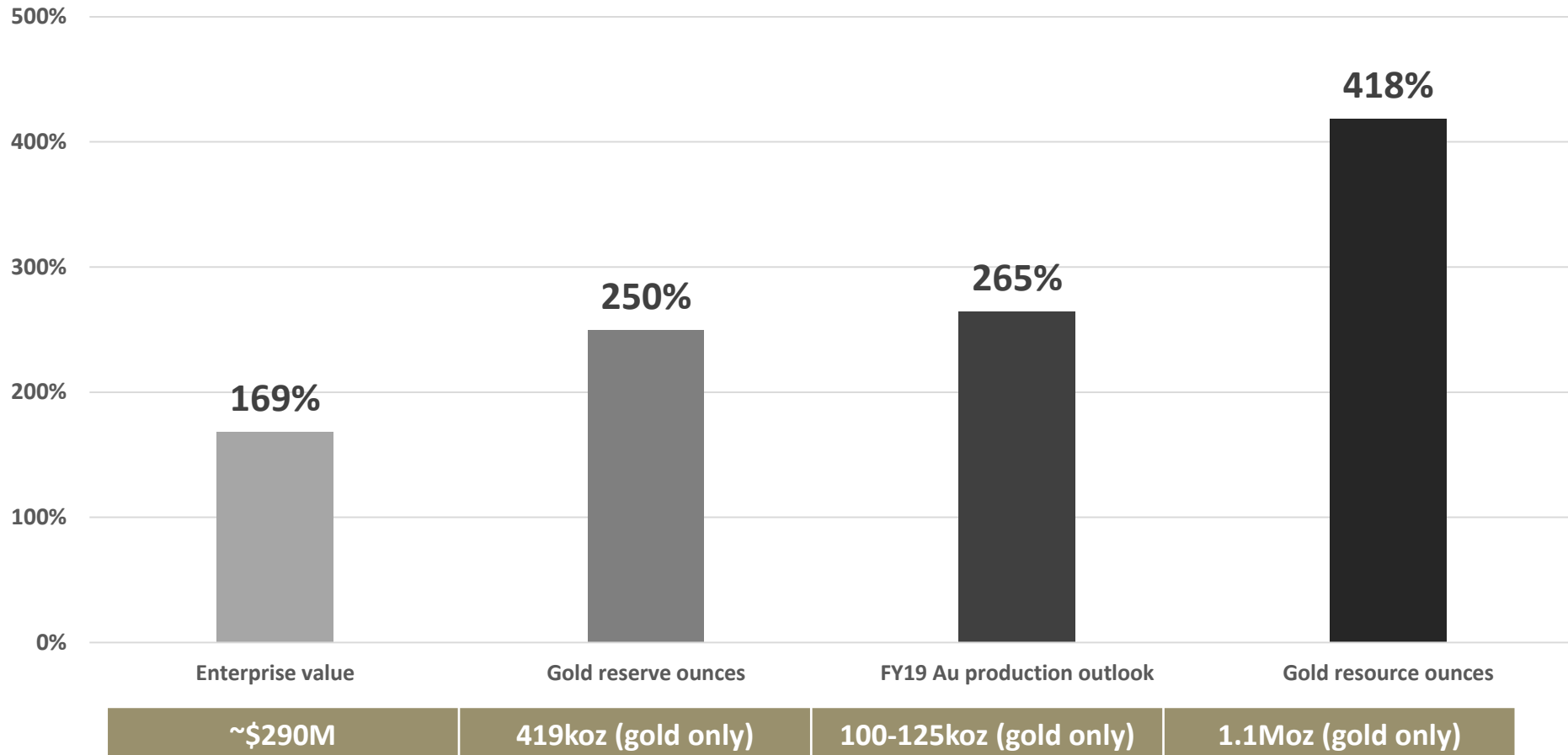
- 117% growth in Mineral Resource tonnes
- 187% growth in Reserve tonnes

Aurelia - Total Reserves		Gold	Lead	Zinc	Silver
	Tonnes (Kt)	(g/t)	(%)	(%)	(g/t)
<b>Total Proven &amp; Probable Reserves</b>	<b>1,476</b>	<b>3.53</b>	<b>2.74</b>	<b>4.05</b>	<b>21</b>

Peak Mines - Total Resources		Gold	Silver	Copper	Lead	Zinc	Gold	Silver	Copper	Lead	Zinc
	Tonnes (Kt)	(g/t)	(g/t)	(%)	(%)	(%)	(Koz)	(Koz)	(Mlbs)	(Mlbs)	(Mlbs)
Measured & Indicated	7,200	2.67	7.6	1.54%	N/A	N/A	620	1,800	250	N/A	N/A
Inferred (excl Zn-Pb zone)	4,200	1.39	6.6	1.81%	N/A	N/A	190	880	170	N/A	N/A
<b>Total MI&amp;I Resources</b>	<b>11,400</b>	<b>2.23</b>	<b>7.23</b>	<b>1.64%</b>	<b>N/A</b>	<b>N/A</b>	<b>810</b>	<b>2,680</b>	<b>420</b>	<b>N/A</b>	<b>N/A</b>
Inferred (Zn-Pb zone)	1,510	0.69	34.6	0.34%	5.78%	6.42%	34	1,720	11	214	189

Peak Mines - Total Reserves		Gold	Silver	Copper	Lead	Zinc	Gold	Silver	Copper	Lead	Zinc
	Tonnes (Kt)	(g/t)	(g/t)	(%)	(%)	(%)	(Koz)	(Koz)	(Mlbs)	(Mlbs)	(Mlbs)
<b>Total Proven &amp; Probable Reserves</b>	<b>2,761</b>	<b>2.83</b>	<b>9.62</b>	<b>1.32%</b>	<b>N/A</b>	<b>N/A</b>	<b>251</b>	<b>854</b>	<b>81</b>	<b>N/A</b>	<b>N/A</b>

## Indicative post-acquisition metrics relative to Aurelia pre-acquisition



**Notes:**

- Indicative scale of post-acquisition entity relative to existing Aurelia operations.
- Reserve and resources are as at 31 December 2016 for Peak and 30 June 2017 for Aurelia. Peak reserves and resources estimated in accordance with the CIM Standards, which are incorporated by reference in NI 43-101. Refer to Competent Persons Statement in relation to Aurelia reserves and resources estimate.



# Overview of Peak Mines

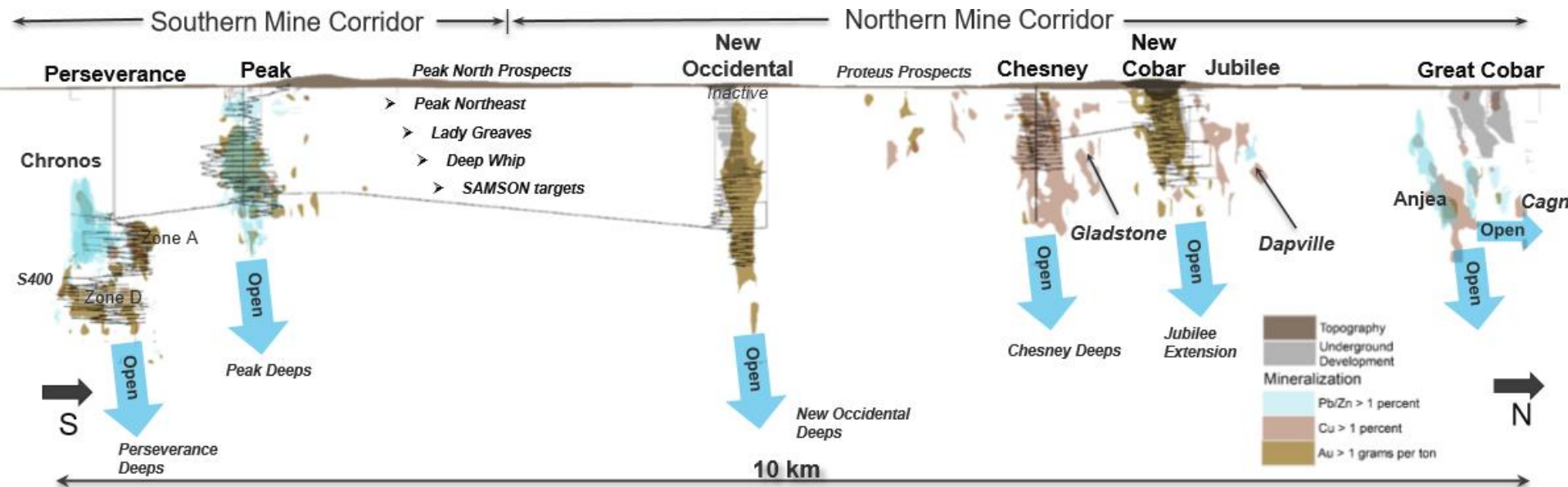
- **Peak is a series of polymetallic high grade ore bodies dominated by gold, copper and zinc**
  - Gold-rich ore sources in the Southern Corridor
  - Copper-rich ore sources in the Northern Corridor
- **Significant infrastructure already developed – replacement cost of plant and infrastructure of A\$390M, including c\$60M in underground mobile fleet**
- **750ktpa process plant located at the Peak mine site**
- **Metal recoveries are ~90% for gold and ~ 87% for copper**
  - Gold and silver are recovered in a gravity circuit with Knelson concentrators to produce gold dore bars
  - Gold, silver and copper are also recovered as a copper concentrate in a conventional flotation circuit
  - A third method of gold and silver recovery is by cyanidation in a tank leach circuit
  - In addition to a copper concentrate, Peak has recently been producing a lead concentrate from the processing of high grade gold/lead/zinc Chronos ore





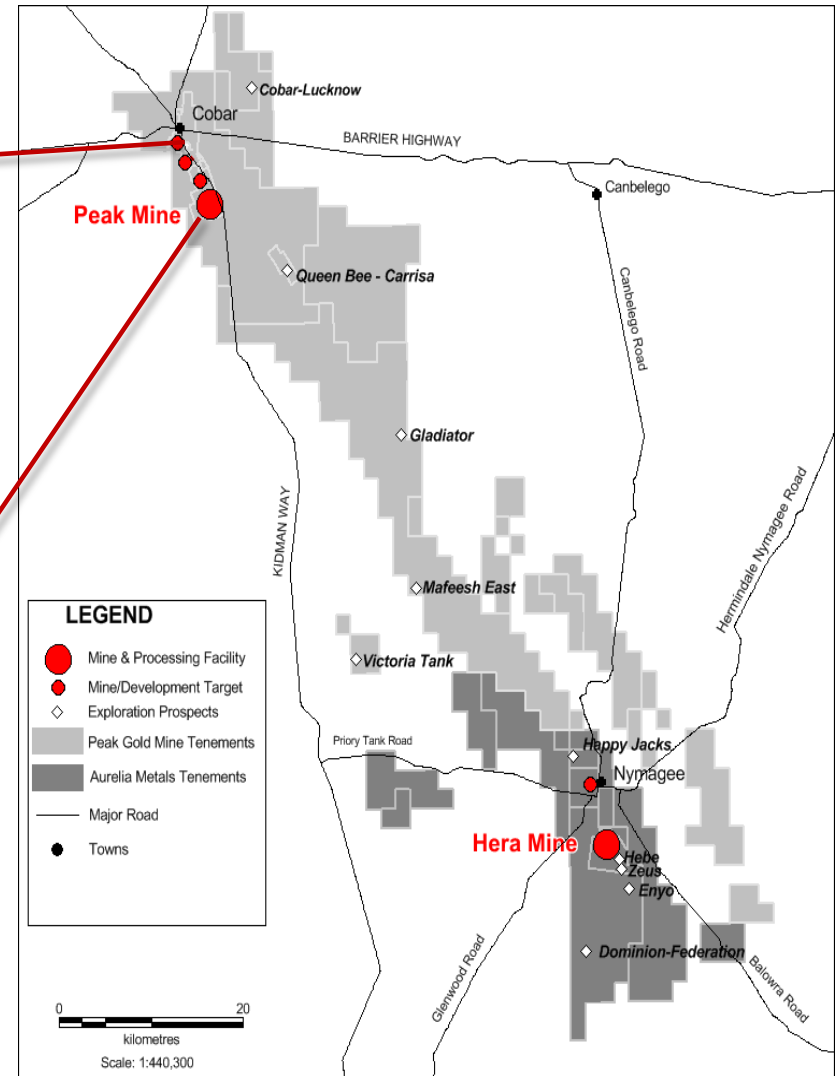
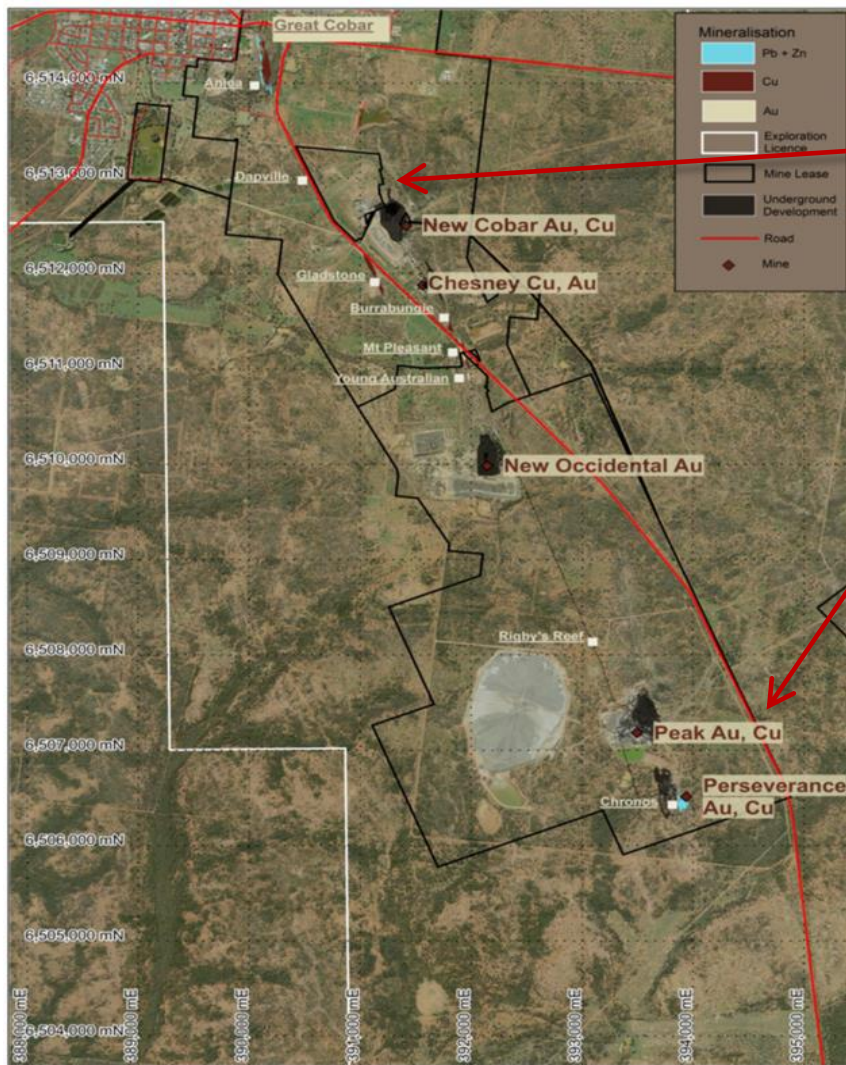
# Peak Mines - A 10km Corridor of High Grade Mines

- A tier-1 mining operation in a premier gold and base metals district
  - A continuous and highly profitable mining history of more than 25 years
  - Over 2.8Moz gold and 215Mlbs copper produced
- Mining from two underground mines currently:
  - I. Perseverance/Chronos/Peak
  - II. New Cobar/Chesney/Jubilee
- Mining Inventory indicating potential for an eight year mine life
- Significant scope to discover further ore sources within this highly mineralised 10km corridor, including extensions at depth in Perseverance, Peak, Chesney, New Cobar and Great Cobar and up dip at Chronos and discoveries not yet included into mine plan (Gladstone and Dapville)
- Great Cobar is a copper, gold, lead, zinc opportunity, similar to the Company's existing Nymagee copper, lead, zinc project



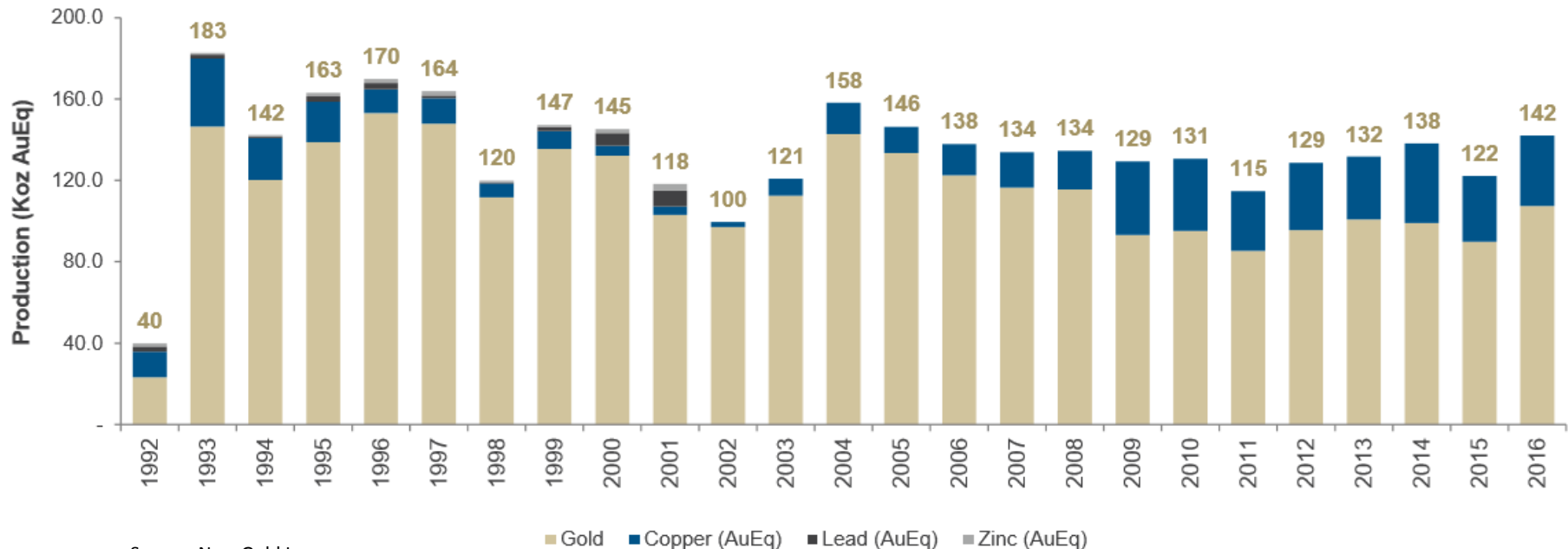
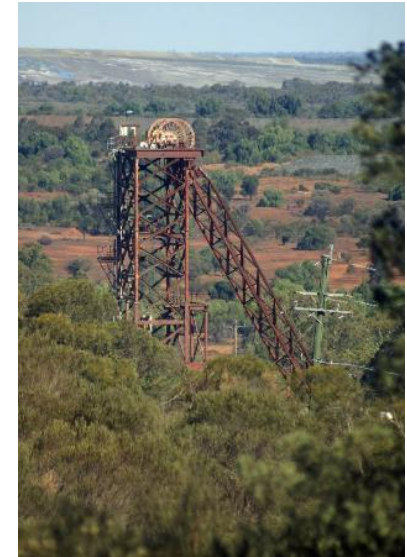
# A Large Cobar Footprint

- Aurelia will acquire 100% interest in licences covering 1,050km<sup>2</sup> in the Cobar Gold Fields
- Licences extend north-south over a 100km trend of prospective ground along the eastern margin of the Cobar Basin



# A Strong Production History

- Peak has averaged over 100kozpa gold and 8.6Mlbs copper production since commissioning in 1992
  - Over 2.8Moz gold produced
  - Over 213Mlbs copper produced
- History of reserve replacement
- 2016 production of 107koz Au and 15Mlbs of copper at AISC of US\$736/oz
- 2017E production of 85-95 Koz gold and 15 Mlbs of copper (New Gold estimate)



Source: New Gold Inc.

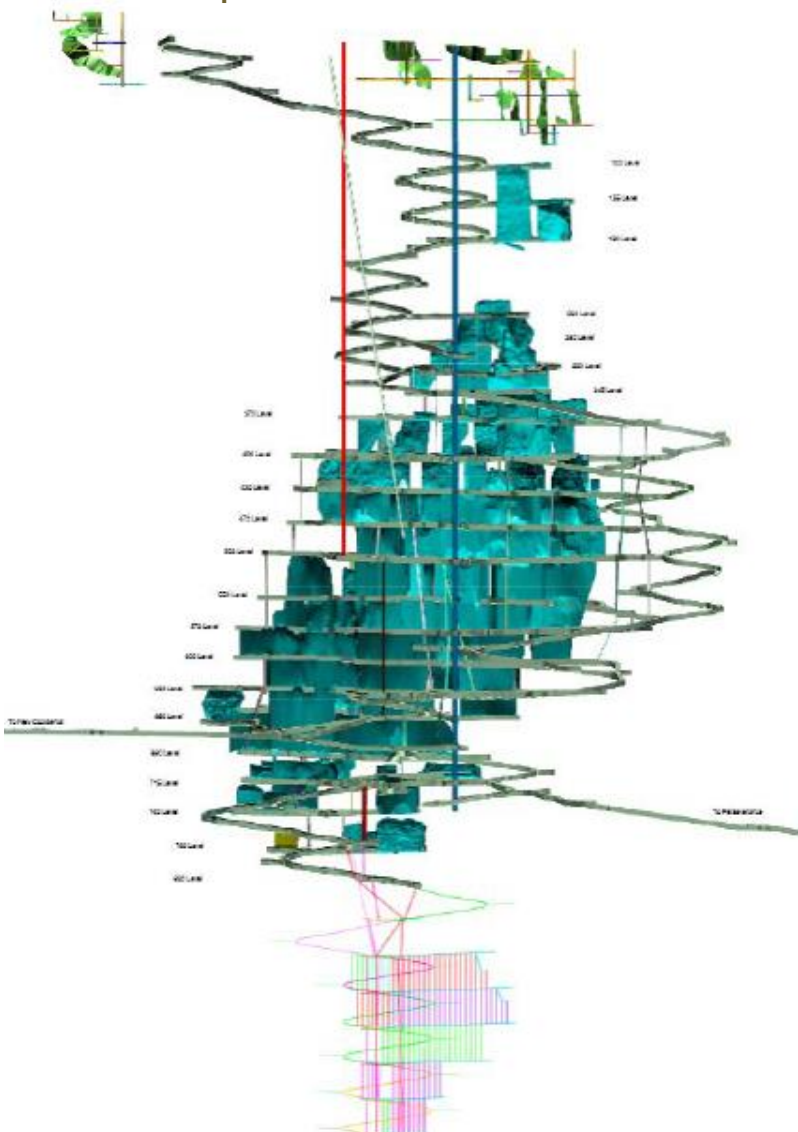




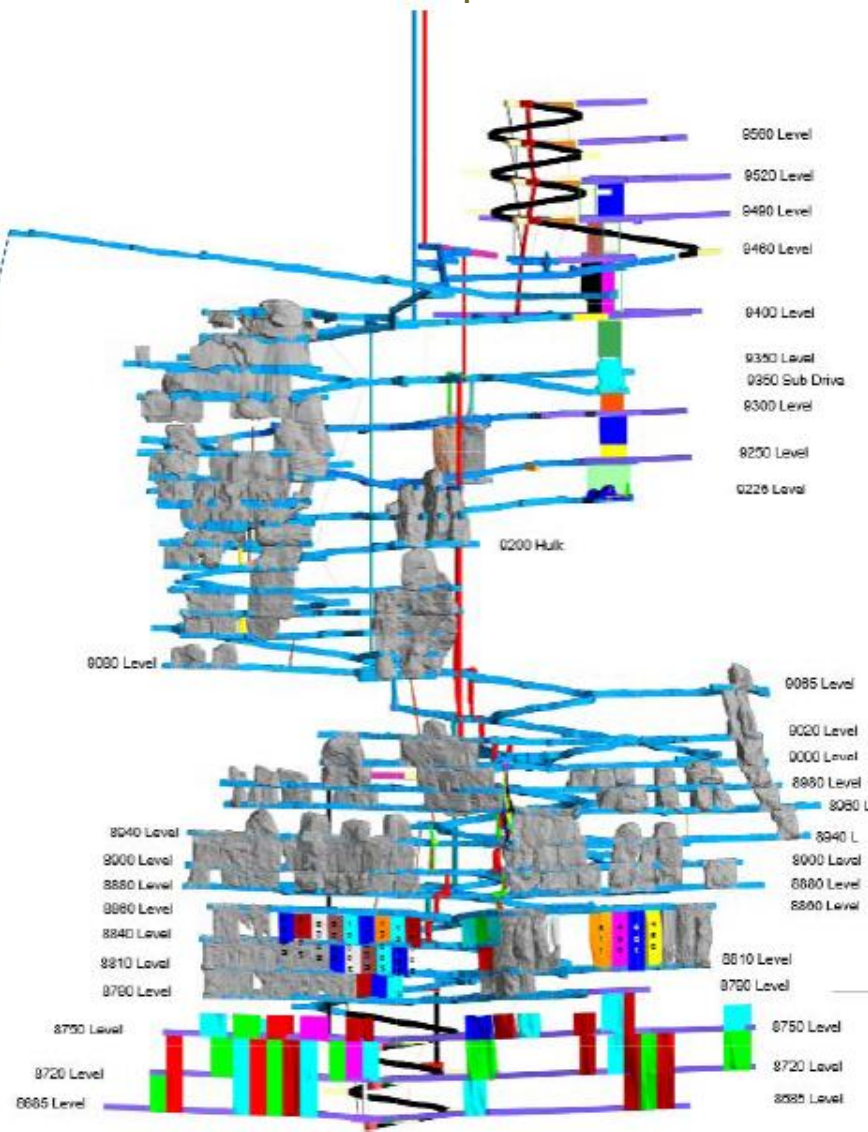
Peak Mines 750,000tpa processing facilities



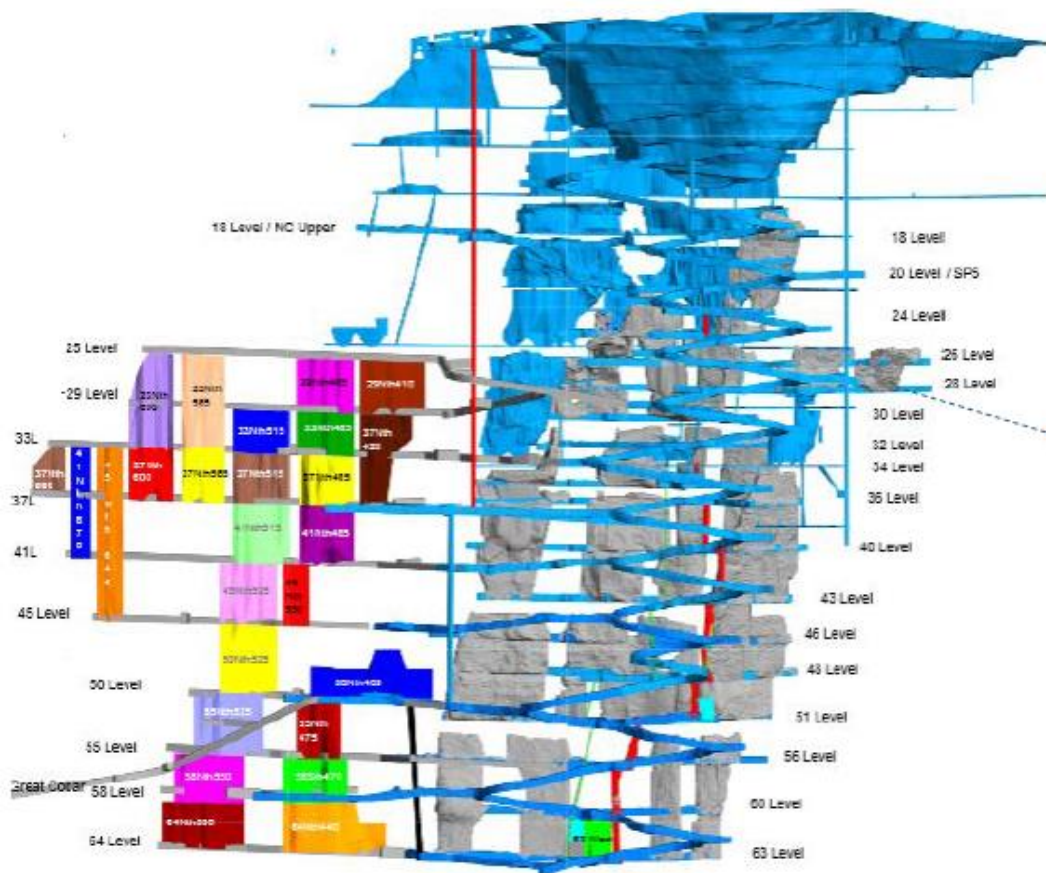
## Peak Development



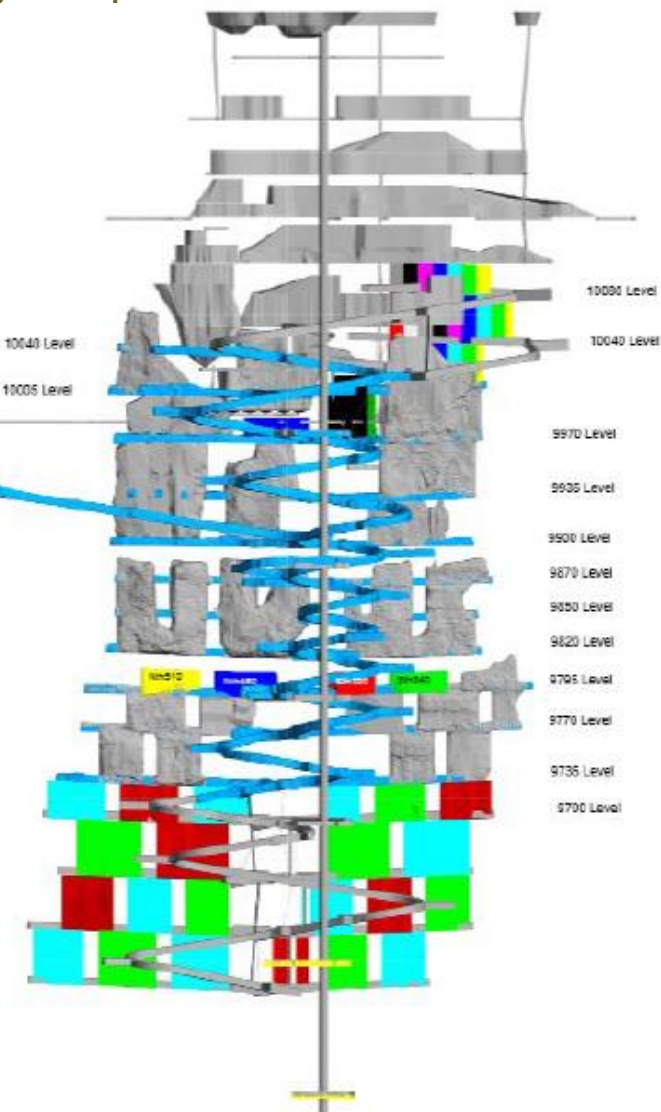
## Perseverance Development



## New Cobar and Jubilee Development



## Chesney Development



## Improved Productivity

- Opportunities identified to reduce operating costs with improved productivity

## Accelerate Chronos Pb/Zn Zone

- Accelerated processing of high grade Pb-Zn ore from Chronos, accessible through existing mine development

## Integrated Approach

- Two operating process plants offer flexibility, and an integrated approach to drive value from operations

## Near-Mine Focus and Expansion

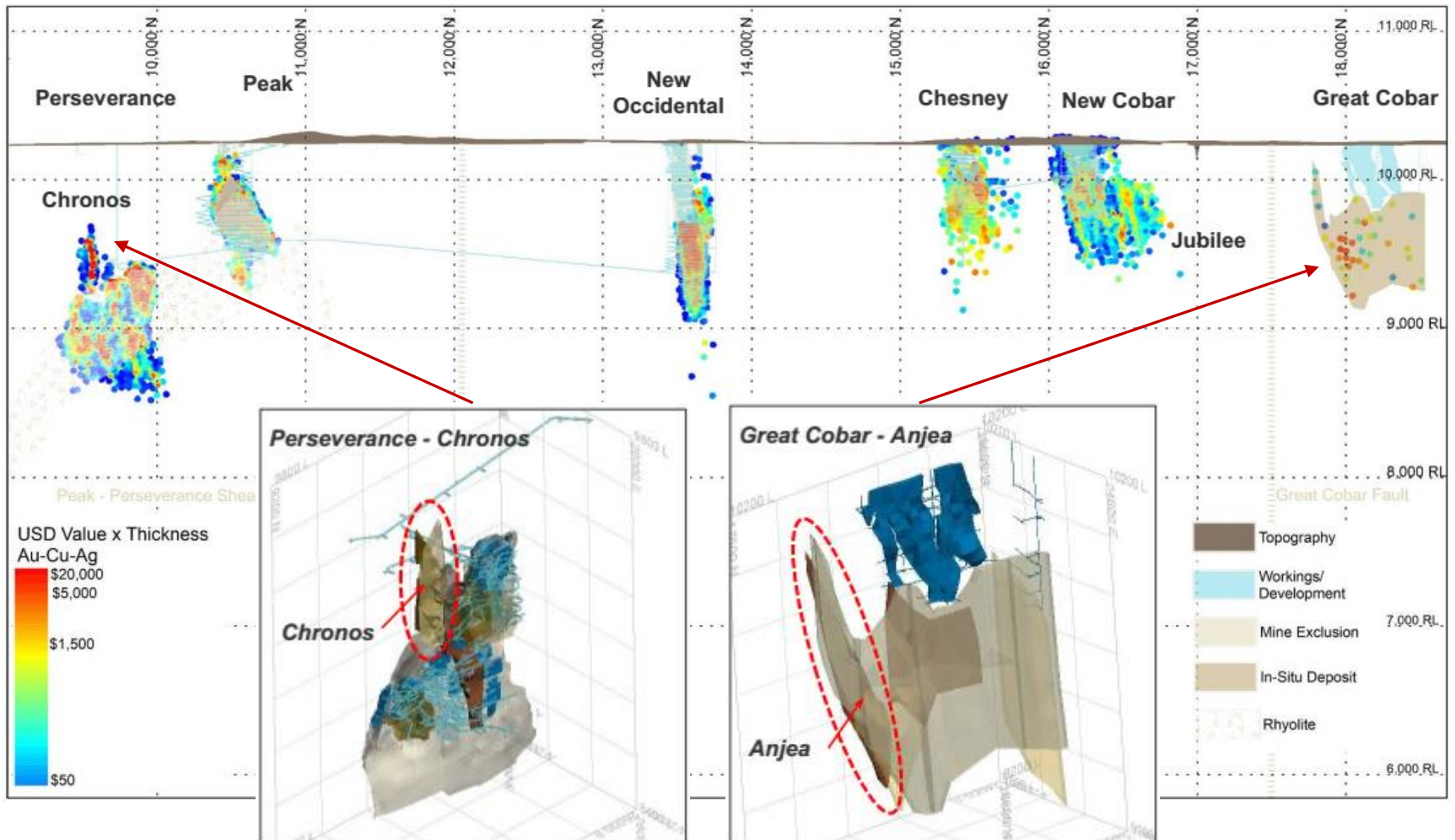
- Focus on known high grade Resources. Exploration decline planned at Great Cobar to expand mineralisation defined at Anjea, Banba and Cagn





# Opportunities to Unlock Value – Near Mine Upside

- Potential for further discovery of high grade mineralisation
  - **Chronos:** A 500m section from the current orebody to the surface is underexplored
  - **Great Cobar:** High grade lead-zinc discovered at Anjea lens in the footwall





# Investment Summary



<b>Consolidation of Cobar Basin Assets:</b>	Aurelia will become a major gold and base metals producer in the Cobar Basin
<b>Complimentary Operations:</b>	Offering ability to leverage off Aurelia's operating experience with a number of opportunities to reduce costs at Peak identified by Aurelia
<b>Growth in Production:</b>	Provides an increase in Aurelia's production outlook for FY19 to 100,000 – 125,000 ounces gold or 185,000 – 210,000 Au Eq.
<b>Growth in Resources:</b>	Aurelia's Resources and Reserves will grow to over 21.8Mt Mineral Resources (from 11Mt), and 4.2Mt Reserves (from 1.47Mt)
<b>Strong Cash flow Generator:</b>	Peak positioned to generate strong free cash flow. FY19 AISC outlook of A\$900 – A\$1,100/oz Au
<b>Copper Revenue Sooner:</b>	Immediate exposure to copper production from Peak, growing as the mine transitions into copper-rich deposits, and then growing further through future development of Nymagee
<b>Increased Flexibility:</b>	Provides Aurelia with greater optionality regarding the development options for Nymagee
<b>Commodity Diversification:</b>	Exposure to gold, copper, lead and zinc results in commodity diversification which is unique amongst small-to-mid cap resource stocks
<b>Exploration Upside:</b>	Prospective near-mine and regional exploration potential, providing potential for increased reserves and mine life
<b>Substantial Infrastructure Inherited:</b>	Replacement cost of plant and infrastructure of A\$390M, including large underground mobile fleet



# CONTACT DETAILS

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# Appendices

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No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws which may require resales to be made in accordance with exemptions from dealer registration and prospectus requirements. These resale restrictions may in some circumstances apply to resales of the New Shares outside Canada and, as a result, Canadian purchasers should seek legal advice prior to any resale of the New Shares.

The Company as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

### *Statutory rights of action for damages and rescission*

Securities legislation in certain of the Provinces may provide purchasers with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, when an offering memorandum that is delivered to purchasers contains a misrepresentation. These rights and remedies must be exercised within prescribed time limits and are subject to the defenses contained in applicable securities legislation. Prospective purchasers should refer to the applicable provisions of the securities legislation of their respective Province for the particulars of these rights or consult with a legal adviser.



The following is a summary of the statutory rights of rescission or to damages, or both, available to purchasers in Ontario. In Ontario, every purchaser of the New Shares purchased pursuant to this document (other than (a) a "Canadian financial institution" or a "Schedule III bank" (each as defined in NI 45-106), (b) the Business Development Bank of Canada or (c) a subsidiary of any person referred to in (a) or (b) above, if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary) shall have a statutory right of action for damages and/or rescission against the Company if this document or any amendment thereto contains a misrepresentation. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against the Company. This right of action for rescission or damages is in addition to and without derogation from any other right the purchaser may have at law. In particular, Section 130.1 of the Securities Act (Ontario) provides that, if this document contains a misrepresentation, a purchaser who purchases the New Shares during the period of distribution shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has a right of action for damages or, alternatively, may elect to exercise a right of rescission against the Company, provided that (a) the Company will not be liable if it proves that the purchaser purchased the New Shares with knowledge of the misrepresentation; (b) in an action for damages, the Company is not liable for all or any portion of the damages that the Company proves does not represent the depreciation in value of the New Shares as a result of the misrepresentation relied upon; and (c) in no case shall the amount recoverable exceed the price at which the New Shares were offered.

Section 138 of the *Securities Act* (Ontario) provides that no action shall be commenced to enforce these rights more than (a) in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action or (b) in the case of any action, other than an action for rescission, the earlier of (i) 180 days after the purchaser first had knowledge of the fact giving rise to the cause of action or (ii) three years after the date of the transaction that gave rise to the cause of action. These rights are in addition to and not in derogation from any other right the purchaser may have.

*Certain Canadian income tax considerations.* Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Shares as any discussion of taxation related matters in this document is not a comprehensive description and there are a number of substantive Canadian tax compliance requirements for investors in the Provinces.

*Language of documents in Canada.* Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

## 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 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.

## **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 (the "FMC Act"). 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 a person 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) a "relevant person" (as defined in section 275(2) of 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.

## Switzerland

The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under the listing rules of any stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland.

The New Shares will only be offered to regulated financial intermediaries such as banks, securities dealers, insurance institutions and fund management companies as well as institutional investors with professional treasury operations. This document is personal to the recipient and not for general circulation in Switzerland.

Neither this document nor any other offering or marketing material relating to the New Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority.

## 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.

This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of the FSMA) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This document should not be distributed, published 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 investments to which this document relates are available only to, and any offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

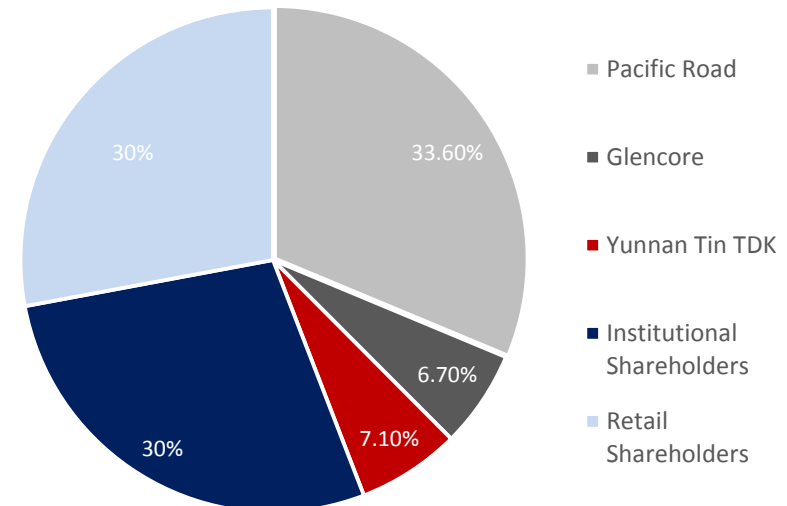
# Appendix 2: AMI Capital Structure

	Current
Shares on Issue	430.9m
Options on Issue <sup>A</sup>	10.0m
Performance Rights	6.6m
<b>Market Capitalisation (\$A)</b> (at share price of \$0.25)	<b>\$107.7m</b>
Cash - 24 Oct 2017 (A\$m)	\$19.0m
Debt (A\$m) <sup>B, C</sup>	\$84.4m
<b>Enterprise Value (\$Am)</b>	<b>\$173.1m</b>

<sup>A</sup> Exercise price of 1.25 cents each, expiring 28 September 2020.

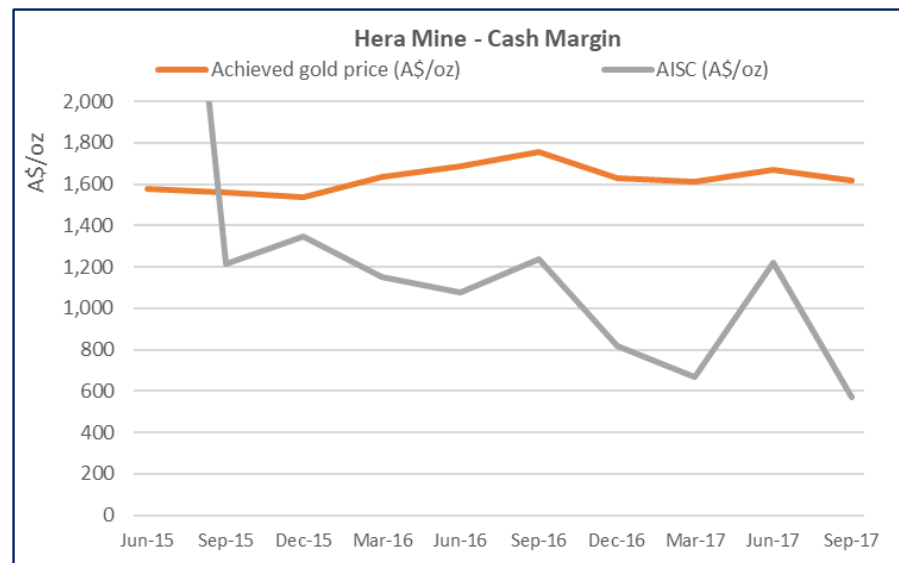
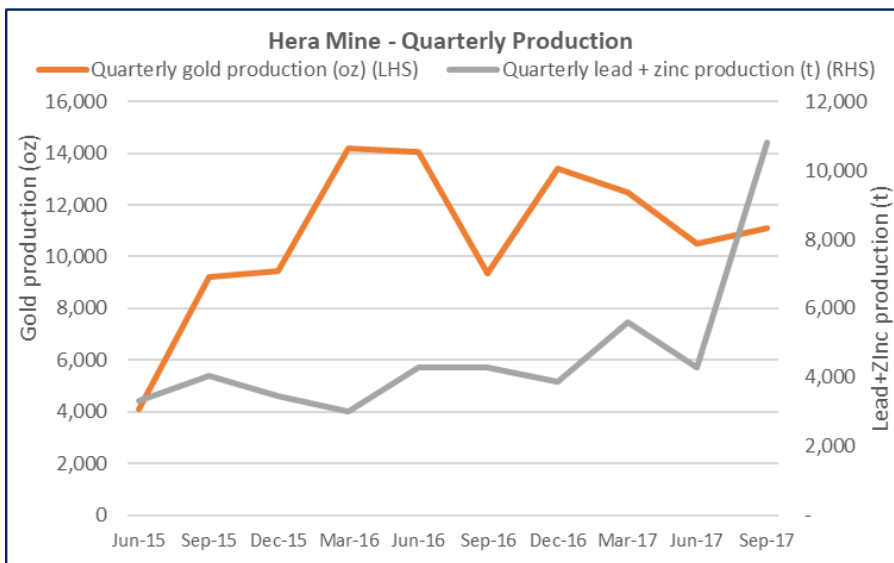
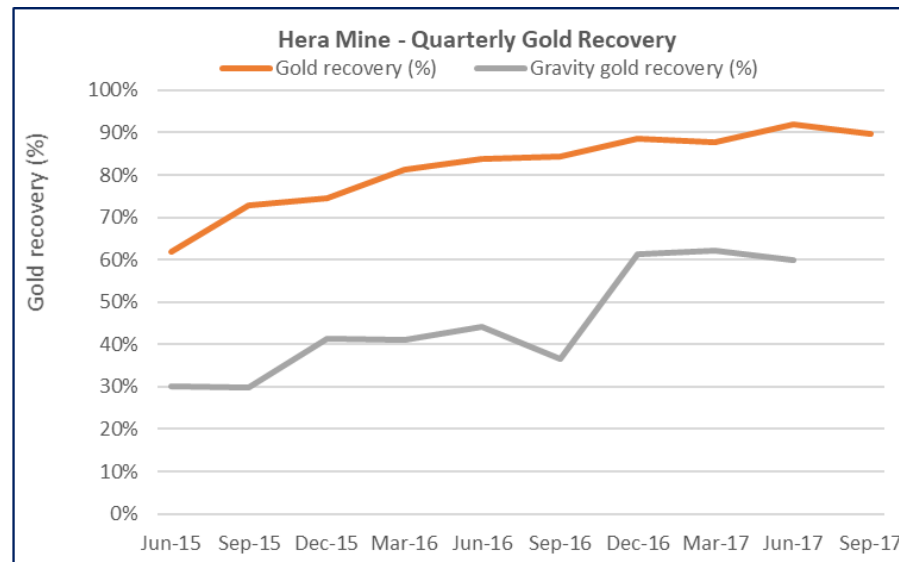
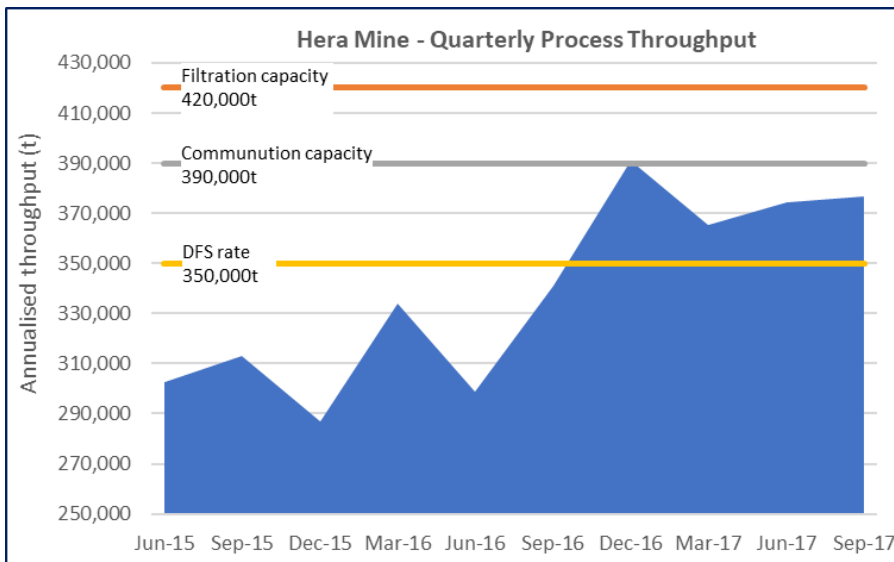
<sup>B</sup> \$84.4m in existing debt facilities with Glencore (as last updated in ASX announcement date 24 October 2017)

<sup>C</sup> \$46.7m of the Glencore debt facilities is convertible into AMI shares (at AMI's election) at the 60 day volume weighted average price of the Company's shares price to the issue of a conversion notice.





# Appendix 3: Hera Operating Statistics



# Appendix 4: Peak Mines Operating Results

		CY16A	CY17A (9mths to Sept 17)	CY17 New Gold Guidance
<b>Tonnes mined</b>	000 tonnes	755	408	
<b>Tonnes processed</b>	000 tonnes	736	468	
<b>Gold grade</b>	g/t	4.82	5.00	
<b>Gold recovery</b>	%	93.3%	93%	
<b>Gold production</b>	Koz	107.4	68.8	85 – 95
<b>Copper grade</b>	%	1.03%	1.00%	
<b>Copper recovery</b>	%	90.1%	89%	
<b>Copper production</b>	Mlbs	15.0	10.2	c.15
<b>All-in sustaining cost (after credits)</b>	\$US/oz	\$736/oz	\$988/oz	\$975 – 1,015/oz

(i) Historical data has been sourced from New Gold Inc's regulatory filings in Canada with SEDAR (System for Electronic Document Analysis and Retrieval - [www.sedar.com](http://www.sedar.com)) and from New Gold Inc's website [www.newgold.com](http://www.newgold.com).



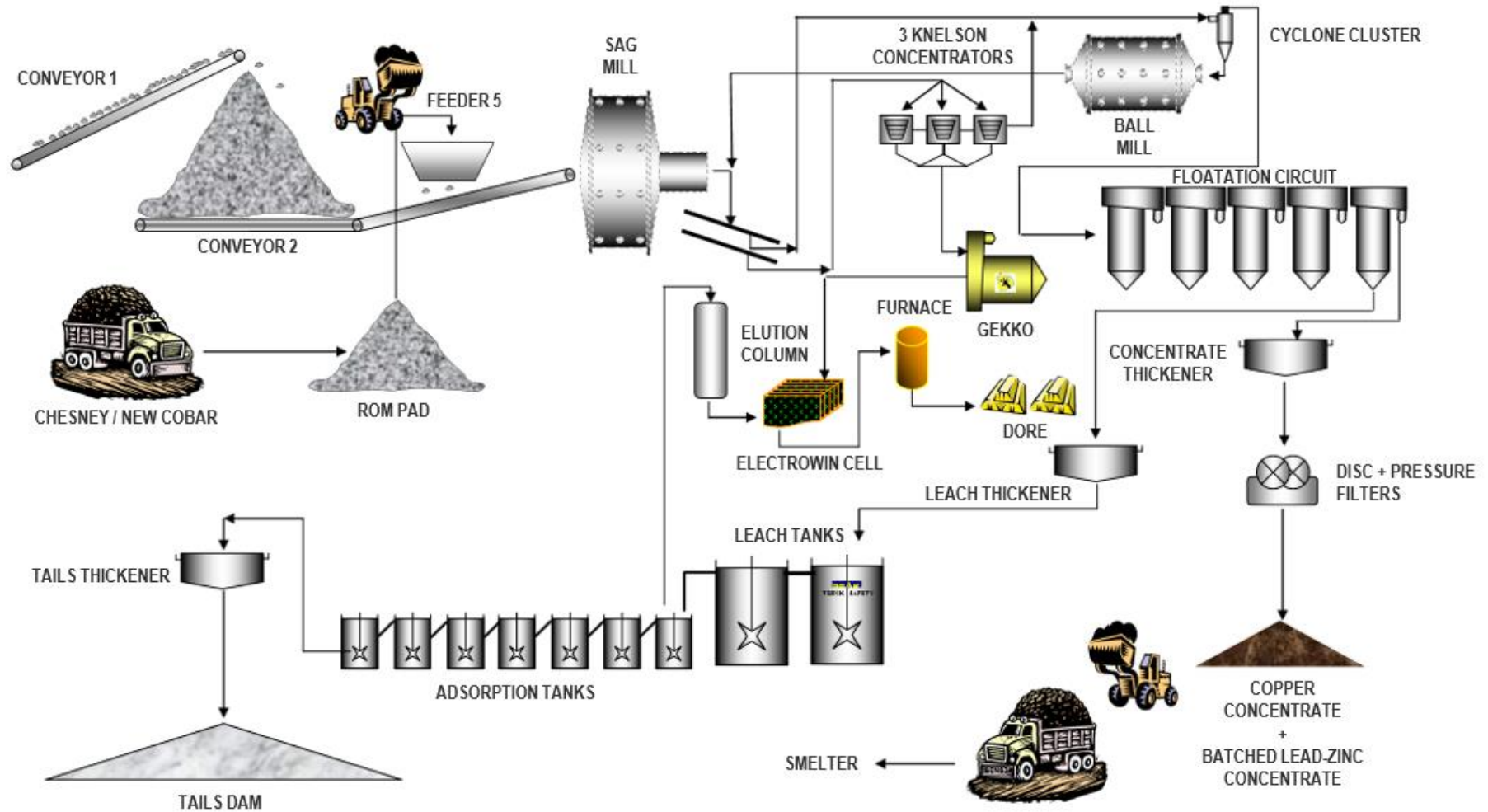
# Appendix 5: Peak Mines Infrastructure

- Replacement cost of plant & infrastructure A\$390M (including c\$60M for underground mobile fleet)
- Mine infrastructure includes:
  - Underground crusher
  - Workshops
  - Pumping stations
  - Surface declines
  - 680 load station and conveyance
  - Winder/shaft/men and haulage convertance
  - Electrical substations
  - 2 x underground cribsrooms
  - 3 x emergency winders
  - 3x primary fan infrastructure
- Mobile fleet includes:
  - 6 x Cat R2900G loaders
  - 4 x Tamrock Jumbo drill rigs
  - 7 x Cat Haul trucks
  - 2 x Tamrock Long Hole drill rigs
  - Plus other mobile support equipment





# Appendix 6: Peak Mines – Process Flowsheet





## **Cobb Johnstone – Chairman**

- Appointed to the Board in November 2016
- Mining engineer with extensive experience building and operating mines in Africa, Australia, Asia and South America. He held the position of Chief Operating Officer for African copper miner Equinox Minerals until its acquisition by Barrick Gold in mid-2011, and Chief Operating Officer for China-focussed gold miner Sino Gold Mining until its acquisition by Eldorado in late 2009.
- Mr Johnstone's distinguished career spans more than 30 years and he has served as General Manager of some of Australia's largest mines including the Kalgoorlie Super Pit in Western Australia, Olympic Dam in South Australia and Northparkes in New South Wales.
- Mr Johnstone is currently a Non-Executive Director of Evolution Mining, Australia's second largest gold mining company.

## **Jim Simpson – Managing Director and CEO**

- Appointed to the Board in August 2016
- Jim is a Mining Engineer with a 30 year history in the industry, specialising in underground metalliferous mining. His previous roles include General Manager at Mt Isa Mines and at the Peak Gold Mine in Cobar and Chief Operating Officer for Peak Gold (TSX). Jim's experience ranges from mine management through to equity market participation in the C\$328m listing of Peak Gold on the TSX.

## **Paul Espie – Non-Executive Director (Pacific Road Nominee)**

- Appointed to the Board in December 2013
- Paul was the founding principal of Pacific Road Capital, a manager of private equity funds investing in the resources sector internationally, in 2006. He was Chairman of Oxiana Limited during the development of the Sepon copper/gold project in Laos (2000 to 2003) and prior to that Chairman of Cobar Mines Pty Ltd after a management buy-out in 1993. Mr Espie was previously responsible for Bank of America operations in Australia, New Zealand and Papua New Guinea and Chairman of the Australian Infrastructure Fund. He is a Fellow of the Australian Institute of Company Directors, Trustee of the Australian Institute of Mining & Metallurgy, Educational Endowment Fund, and a Director of the Menzies Research Centre.

## **Rune Symann – Non-Executive Director (Glencore Nominee)**

- Appointed to the Board in December 2015
- Rune is a finance professional with over 7 years of experience in mergers & acquisitions, financial advisory and project management within the resources, power & automation and financial sectors. Rune's previous experience includes roles with ABB, Ernst & Young and Amundi. Rune is currently employed by Glencore. He holds a bachelor degree in Economics, a Master's degree in International Management from HEC Paris in France and a Master's degree in Finance & Strategic Management from Copenhagen Business School.

## **Michael Menzies – Non-Executive Director (Glencore Nominee)**

- Appointed to the Board in December 2015
- Michael Menzies has more than 35 years' experience in the mining industry and in a variety of operational and management roles covering open cut and underground mining and processing operations in each of base metals, gold and coal. Mr Menzies has worked for Glencore in a number of capacities since 2010, including conducting operation reviews and mining project evaluation work, primarily in the base metals sector.

## **Lawrie Conway – Non-Executive Director**

- Appointed to the Board in June 2017
- Mr Conway has more than 27 years' experience in the resources sector across a diverse range of commercial, financial and operational activities. He has held a mix of corporate and operational commercial roles within Australia, Papua New Guinea and Chile with Evolution Mining, Newcrest and BHP Billiton. Mr Conway is currently Evolution Mining's Finance Director and Chief Financial Officer.

# Appendix 8: Hera Reserves and Resources

Class	Tonnes (Kt)	NSR (\$/t)	Au (g/t)	Pb (%)	Zn (%)	Ag (g/t)
Measured	605	260	3.0	2.8	4.0	24
Indicated	1,729	242	3.0	2.3	3.4	16
Inferred	599	231	1.9	3.2	4.6	46
<b>Total</b>	<b>2,934</b>	<b>244</b>	<b>2.8</b>	<b>2.6</b>	<b>3.8</b>	<b>24</b>

Category	Geological lenses	Tonnes (Kt)	NSR (\$/t)	Au (g/t)	Pb (%)	Zn (%)	Ag (g/t)
Probable	Far West	503	268	3.06	2.97	5.06	18.5
	Far West Lower	191	269	3.72	2.59	3.81	16.5
	Hays North	33	200	2.82	2.05	2.70	8.4
	Hays South	30	281	5.30	1.10	1.97	5.4
	Main North	201	233	3.40	2.17	2.96	12.8
	Main South	189	294	4.84	2.39	2.73	12.7
	North Pod	329	285	3.36	3.25	4.39	39.4
Probable		1,476	269	3.53	2.74	4.05	20.9
<b>Total Reserves</b>		<b>1,476</b>	<b>269</b>	<b>3.53</b>	<b>2.74</b>	<b>4.05</b>	<b>20.9</b>

As disclosed in the 2017 Annual Report.

# Appendix 9: Nymagee Resources

Classification	Material Type	Cut-off grade	Tonnage (Mt)	Cu (%)	Pb (%)	Zn (%)	Ag (g/t)
Measured	-	-	-	-	-	-	-
Indicated	Shallow Cu	0.3% Cu	5.15	1.0	0.1	0.2	5
	Deep Cu	0.75% Cu	1.98	1.8	0.3	0.6	11
	Pb-Zn-Ag	5% Pb+Zn	0.36	0.5	4.4	7.8	41
Inferred	Deep Cu	Deep Cu	0.75%	0.60	1.3	0.1	0.2
<b>Total</b>			<b>8.10</b>	<b>1.2</b>	<b>0.3</b>	<b>0.7</b>	<b>9</b>

As disclosed in the 2017 Annual Report.

Peak Mines	Tonnes	Grade			Contained		
		Gold (g/t)	Silver (g/t)	Copper (%)	Gold (Koz)	Silver (Koz)	Copper (Mlbs)
<b>Proven and probable reserves</b>							
Perserverance	743	4.66	4.62	0.71%	111	110	12
Chronos	207	11.88	52.68	0.58%	79	351	3
Peak	56	4.35	7.69	0.55%	8	14	1
<b>Southern Mine Corridor</b>	<b>1,006</b>	<b>6.13</b>	<b>14.68</b>	<b>0.68%</b>	<b>198</b>	<b>475</b>	<b>16</b>
Chesney	718	0.76	5.71	1.77%	18	132	28
New Cobar	130	1.55	5.28	0.82%	6	22	2
Jubilee	841	0.89	7.66	1.81%	24	207	34
<b>Northern Mine Corridor</b>	<b>1,689</b>	<b>0.89</b>	<b>6.65</b>	<b>1.72%</b>	<b>48</b>	<b>361</b>	<b>64</b>
Stockpile	66	1.92	8.47	0.86%	4	18	1
<b>Proven and probable</b>	<b>2,761</b>	<b>2.83</b>	<b>9.62</b>	<b>1.32%</b>	<b>251</b>	<b>854</b>	<b>81</b>

As at 31 December 2016. Estimated in accordance with the CIM Standards, which are incorporated by reference to NI 43-101.

## Peak Mines Resources and Reserves – Cautionary Statement

- The foreign estimates are not reported in accordance with the JORC Code
- A Competent Person has not yet done sufficient work to classify the foreign estimates as Mineral Resources or Ore Reserves in accordance with the JORC Code however Aurelia notes the similarity of the Canadian NI 43-101 standards and the Australasian Code (JORC Code)
- It is uncertain that following evaluation and/or further exploration work that these foreign estimates will be able to be reported as Mineral Resources or Ore Reserves in accordance with the JORC Code "



# Appendix 11: Disclaimer Resources and Reserves

- The information in this document that relates to Hera's Mineral Resources and Ore Reserves is extracted from Aurelia's Annual Report released to the ASX on 30 October 2017 (the "Report") and is available to view at [www.asx.com.au](http://www.asx.com.au). Aurelia confirms that it is not aware of any new information or data that materially affects the information included in the Report and that all material assumptions and technical parameters underpinning the estimates in the Report continue to apply and have not materially changed. Aurelia confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the Report.
- The information in this document that relates to Nymagee's Mineral Resources is extracted from the Report and is available to view at [www.asx.com.au](http://www.asx.com.au). Aurelia confirms that it is not aware of any new information or data that materially affects the information included in the Report and that all material assumptions and technical parameters underpinning the estimates in the Report continue to apply and have not materially changed. Aurelia confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the Report.
- The information in this document that relates to the Peak Mines Mineral Resources and Mineral Reserves is extracted from the ASX announcement entitled "Transformational acquisition of Peak Mines for US\$58 million" released on 21 November 2017 (the "Announcement") and is available to view at [www.asx.com.au](http://www.asx.com.au). Aurelia confirms that it is not in possession of any new information or data relating to these foreign estimates that materially impacts on the reliability of the estimates or the Aurelia's ability to verify the foreign estimates as mineral resources or ore reserves in accordance with Appendix 5A (JORC Code). Aurelia confirms that the supporting information provided in the Announcement continues to apply and has not materially changed.

- There are various risks associated with investing in Aurelia, as with any stock market investment. This section sets out:
  - Existing business and operational risks for Aurelia – these risks are generally common to gold and copper operators in Australia including Peak Mines, and therefore will be risks to which Aurelia will continue to be exposed including if it acquires Peak Mines;
  - Risks specific to Aurelia’s proposed acquisition of Peak Mines;
  - Share investment risks
- The occurrence of any of these risks could have an adverse impact on Aurelia’s future cash flows, profitability, results of operations and financial condition
- Potential investors should consider whether the securities offered are a suitable investment having regard to their own personal investment objectives and financial circumstances and the risk factors set out below. Aurelia has implemented appropriate strategies, actions, systems and safeguards for known risks; however, some are outside its control.
- While some common risk factors are set out below, it is not possible to produce an exhaustive list. The Aurelia Directors recommend that potential investors consult their professional advisers before making any investment decisions.

## Existing business and operational risks for Aurelia

<p><b>Production and cost estimates</b></p>	<ul style="list-style-type: none"> <li>• The ability of Aurelia to achieve production targets, or meet operating and capital expenditure estimates on a timely basis cannot be assured. The assets of Aurelia, as any others, are subject to uncertainty with ore tonnes, grade, metallurgical recovery, ground conditions, operational environment, funding for development, regulatory changes, accidents and other unforeseen circumstances such as unplanned mechanical failure of plant or equipment.</li> <li>• Aurelia prepares estimates of future production, cash costs and capital costs of production for its operations. No assurance can be given that such estimates will be achieved. Aurelia could also experience a failure to achieve production or cost estimates or a material increase in costs.</li> <li>• Costs of production may also be affected by a variety of factors, including: changing waste-to-ore ratios, ore grade metallurgy, labour costs, general inflationary pressures and currency exchange rates.</li> <li>• Unforeseen production cost increases could result in Aurelia not realising its operational or development plans or in such plans costing more than expected or taking longer to realise than expected.</li> </ul>
<p><b>Ore Reserves and Mineral Resources</b></p>	<ul style="list-style-type: none"> <li>• Aurelia’s Ore Reserves and Mineral Resources are expressions of judgement based on industry practice, experience and knowledge and are estimates only. Estimates of Ore Reserves and Mineral Resources are necessarily imprecise and depend to some extent on interpretations which may prove inaccurate. No assurance can be given that the estimated reserves and resources are accurate or that the indicated level of gold, copper or any other mineral will be produced. Such estimates are, in large part, based on interpretations of geological data obtained from drill holes and other sampling techniques. Actual mineralisation or geological conditions may be different from those predicted. No assurance can be given that any or all of Aurelia’s Mineral Resources constitute or will be converted into reserves.</li> <li>• Market price fluctuations of gold as well as increased production and capital costs may render Aurelia’s Ore Reserves unprofitable to develop at a particular site or sites for periods of time or may render mineral reserves containing relatively lower grade mineralisation uneconomic. Estimated reserves may have to be recalculated based on actual production experience. Any of these factors may require Aurelia to reduce its mineral reserves and resources, which could have a negative impact on Aurelia’s financial results and the expected operating life of its mines.</li> <li>• Actual Ore Reserves and Mineral Resources may differ from those estimated, which could have a positive or negative effect on Aurelia’s financial performance.</li> </ul>

# Existing business and operational risks for Aurelia

<p>Replacement of depleted Ore Reserves</p>	<ul style="list-style-type: none"> <li>• Aurelia must continually replace reserves depleted by production to maintain production levels over the long term. Reserves can be replaced by expanding known ore bodies, locating new deposits or making acquisitions. Exploration is highly speculative in nature. Aurelia's exploration projects involve many risks and are frequently unsuccessful. There is no assurance that current or future exploration programs will be successful. Also, if a discovery is made, it may take several years from the initial phases of drilling until production is possible.</li> <li>• There is a risk that depletion of reserves will not be offset by discoveries or acquisitions or that divestitures of assets will lead to a lower reserve base. The reserve base of Aurelia may decline if reserves are mined without adequate replacement and Aurelia may not be able to sustain production beyond the current mine lives, based on current production rates</li> </ul>
<p>Geological and geotechnical</p>	<ul style="list-style-type: none"> <li>• There is a risk that unforeseen geological and geotechnical difficulties may be encountered when developing and mining Ore Reserves, such as unusual or unexpected geological conditions, pit wall failures, rock bursts, seismicity and cave-ins. In any of these events, a loss of revenue may be caused due to the lower than expected production and/or higher than anticipated operation and maintenance costs and/or on-going unplanned capital expenditure in order to meet production targets</li> </ul>
<p>Fluctuations in commodity prices</p>	<ul style="list-style-type: none"> <li>• Aurelia's revenues are exposed to fluctuations in gold, lead and zinc prices. Volatility in any of these commodity prices creates revenue uncertainty and requires careful management of business performance to ensure that operating cash margins are maintained despite a fall in the commodity prices. The risks associated with such fluctuations and volatility may be minimised by any gold price hedging Aurelia may undertake.</li> <li>• Declining commodity prices can also impact operations by requiring a reassessment of the feasibility of mine plans and certain projects and initiatives. The development of new ore bodies, commencement and timing of open pit cut backs, commencement of development projects and the ongoing commitment to exploration projects can all potentially be impacted by a decline in the prevailing metal prices. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment could potentially cause substantial delays and/or may interrupt operations.</li> </ul>
<p>Hedging risk</p>	<ul style="list-style-type: none"> <li>• Aurelia has hedging agreements in place for the forward sale of fixed quantities of gold production from its operations. There is a risk that Aurelia may not be able to deliver the amount of gold required under its hedging arrangements if, for example, there is a production shortage.</li> <li>• Under the hedging agreements, rising gold prices could result in part of Aurelia's gold production being sold at less than the prevailing spot price at the time of sale.</li> </ul>
<p>Foreign exchange risk</p>	<ul style="list-style-type: none"> <li>• Aurelia is an Australian business that reports in Australian dollars. Aurelia's revenue is derived from the sale of gold and silver in US dollars. However, costs are mainly incurred by the businesses in Australian dollars, therefore movements in the US\$/A\$ exchange rate may adversely or beneficially affect Aurelia's results of operations and cash flows. The risks associated with such fluctuations and volatility may be minimised by any currency hedging Aurelia may undertake though there is no assurance as to the efficacy of such currency hedging.</li> </ul>

# Existing business and operational risks for Aurelia

<p><b>Regulatory risks</b></p>	<ul style="list-style-type: none"> <li>• The operations of Aurelia are subject to various Federal, State and local laws and plans including those relating to mining, prospecting, development, permit and licence requirements, industrial relations, environment, land use, royalties, water, native title and cultural heritage, land access, mine safety and occupational health.</li> <li>• Approvals, licences and permits required to comply with such rules may, in some instances, be subject to the discretion of the applicable government or government officials, and, in some cases, the local community. No assurance can be given that Aurelia will be successful in obtaining any or all of the various approvals, licences and permits or maintaining such authorisations in full force and effect without modification or revocation. To the extent such approvals are required and not retained or obtained in a timely manner or at all, Aurelia may be curtailed or prohibited from continuing or proceeding with production and exploration.</li> <li>• For example, native title claims or issues on any existing or future tenements held by Aurelia may potentially impact Aurelia's operations and future plans. For tenements that may still be subject to native title claims to be validly granted (or renewed), there are established statutory regimes that will need to be followed in connection with those tenements.</li> </ul>
<p><b>Water sources</b></p>	<ul style="list-style-type: none"> <li>• The effects of changes in rainfall patterns, water shortages and changing storm patterns and intensities may adversely impact the costs, production levels and financial performance of Aurelia's operations. There is no guarantee that there will be sufficient future rainfall to support Aurelia's future water demands in relation to its sites and operations, and this could adversely affect production and Aurelia's ability to develop or expand projects and operations in the future. In addition, there can be no assurance that Aurelia will be able to obtain alternative water sources on commercially reasonable terms or at all in the event of prolonged drought conditions.</li> </ul>
<p><b>Weather and climactic conditions</b></p>	<ul style="list-style-type: none"> <li>• Some of Aurelia's sites and operations may be subject from time to time to severe storms and high rainfall leading to flooding and associated damage which may result in delays to or loss of production.</li> </ul>
<p><b>Insurance risk</b></p>	<ul style="list-style-type: none"> <li>• Aurelia maintains insurance coverage as determined appropriate by its board and management, but no assurance can be given that Aurelia will continue to be able to obtain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover all claims.</li> </ul>
<p><b>Environmental risks</b></p>	<ul style="list-style-type: none"> <li>• Mining and exploration can be potentially environmentally hazardous, giving rise to potentially substantial costs for environmental rehabilitation, damage control and losses. Aurelia is subject to environmental laws and regulations in connection with its operations and could be subject to liability due to risks inherent in its activities, including unforeseen circumstances.</li> </ul>



# Business and operational risks specific to Peak Mines

Chronos grade risk	<ul style="list-style-type: none"><li>• Mineralisation of the Chronos deposit is known to be nuggety, as at Hera, and therefore subject to significant estimation risk. Aurelia is highly experienced at mining and assessing nuggety gold mineralisation such as Chronos and whilst mining reconciliations have been favourable to date, significant grade risk does exist. Sensitivity on grade undercall at Chronos has been undertaken.</li></ul>
Great Cobar permitting risk	<ul style="list-style-type: none"><li>• If the time to permit Great Cobar is greater than two years, there is a risk of a production hiatus. Any delays to the timeline to development is expected to be managed with lowering costs and cut-offs (particularly at Perseverance where Aurelia has modelled a A\$200/t cutoff), extending known resources at depth (which are currently open) and including ore zones not currently included (such as the S400).</li></ul>

# Risks specific to Aurelia's proposed acquisition of Peak Mines

<p>Completion risk</p>	<ul style="list-style-type: none"> <li>• There is no certainty that the acquisition will complete. Completion of the acquisition is subject to certain conditions, including: <ul style="list-style-type: none"> <li>• receipt of Ministerial to the change in control and foreign acquisition of substantial control in PGMPL in relation to EL 5933, EL 5982, EL 6127, EL 6149, EL 6401, EL 7355, EL 8060, EL 8523, EL 8548 and EL 8567 pursuant to the conditions of those ELs on terms acceptable to Aurelia, acting reasonably (the "Ministerial Approval CP");</li> <li>• approval of AMI's shareholders under Listing Rules 7.1 and 10.11 (as applicable) to an equity placement, to be announced by AMI on or around the date of the SSPD ("Equity Funding Approval"); and</li> <li>• New Gold completes certain internal restructuring steps in order to exclude certain current subsidiaries of Peak Mines from the transactions contemplated by the acquisition.</li> </ul> </li> <li>• If completion does not occur due to non-satisfaction of a condition precedent or otherwise, Aurelia will need to consider alternative uses for, or ways to return the proceeds of, any subscriptions raised from Aurelia shareholders under the Placement. Also, certain transaction costs such as legal and advisory fees will still be payable by Aurelia.</li> </ul>
<p>Acquisition deposit forfeiture</p>	<ul style="list-style-type: none"> <li>• Aurelia will forfeit the deposit of US\$3 million (with a potential increase to US\$4 million in certain circumstances) to be paid to New Gold if the acquisition does not complete in certain circumstances. Specifically, if the Equity Funding Approval is not obtained by the later of 31 January 2018 or if New Gold Inc. agrees to waive the Equity Funding Approval CP and allows the Purchaser and AMI the opportunity to implement an alternative funding proposal and such alternative proposal is not completed by 16 February 2018, New Gold may terminate the acquisition and, in those circumstances, forfeits the deposit.</li> </ul>
<p>Risk of default/ counterparty risk</p>	<ul style="list-style-type: none"> <li>• In the event of default by New Gold under the transaction documents, Aurelia may have certain remedies, such as a right to recover damages for breach. The obligations of New Gold under the transaction documents are not secured over Peak Mines or any of its assets, or otherwise. Those obligations are unsecured obligations of New Gold. If New Gold were to become insolvent, then Aurelia's rights to enforce those obligations would be those of an unsecured creditor.</li> </ul>
<p>Integration risks</p>	<ul style="list-style-type: none"> <li>• An important factor which may impact the long-term success of Aurelia is likely to be the successful integration of the businesses of Peak Mines into Aurelia. Whilst a committee comprising representatives from each of [Hera] and [Peak Mines] management teams will be established for the purpose of overseeing the integration process, difficulties may be encountered in connection with this process which could result in the failure of Aurelia to realise some of the anticipated benefits of the acquisition or could result in those benefits being realised later than expected.</li> <li>• Responsibility for the management of the operations at Peak Mines is expected to be transferred from New Gold to Aurelia upon completion of the acquisition. The methods adopted by Aurelia in respect of operating Peak Mines may differ from the methods employed prior to the implementation of the acquisition. This may result in revisions to reserves and resources, life of mines, methodology for calculating cash costs, production forecasts and exploration and development targets for Peak Mines.</li> </ul>

# Risks specific to Aurelia's proposed acquisition of Peak Mines

<p>Equity funding risk</p>	<ul style="list-style-type: none"> <li>• The Placement is not underwritten and components of the Placement are subject to shareholder approval.</li> <li>• If Aurelia is unable to successfully raise the amount it requires under the Placement, including if certain investor default on their settlement obligations, and/or if shareholder approval is not obtained for the conditional components of the Placement, this is likely to have an adverse impact on Aurelia's ability to complete the acquisition. In this case, Aurelia may have to seek alternative funding in potentially a very short time frame, and the availability and terms of which are uncertain and may be less favourable to Aurelia than if Aurelia was not required to raise funding to complete the acquisition.</li> </ul>
<p>Debt funding risk</p>	<ul style="list-style-type: none"> <li>• Aurelia has entered into financing commitments pursuant to which financiers have agreed to provide debt financing for the Peak Mines acquisition subject to the satisfaction of certain conditions precedent usual for a debt financing of this nature, including execution of documentation. If Aurelia is unable to satisfy these conditions precedent, the funding may not be made available to it.</li> <li>• Aurelia's agreement to acquire Peak Mines is not subject to financing. Therefore, failure to satisfy the conditions precedent or any other ability to draw under the debt financing agreement would mean that Aurelia would have to seek alternative funding in potentially a very short time frame, the availability and terms of which are uncertain and, if available, may be less favourable to Aurelia than if Aurelia was not required to raise funding to complete the acquisition.</li> </ul>
<p>Due diligence risks</p>	<ul style="list-style-type: none"> <li>• Aurelia undertook a targeted due diligence investigation process in respect of the Peak Mine acquisition and as part of that process reviewed certain information provided by or on behalf of New Gold. This information was largely provided by New Gold. Consequently, Aurelia has not been able to verify the accuracy, reliability or completeness of all the information which it reviewed against independent data and there is no assurance that the due diligence conducted was conclusive and that all material issues and risks in respect of the Peak Mines acquisition have been identified.</li> <li>• Only limited contractual representations or warranties have been obtained in respect of the adequacy or accuracy of the materials disclosed during the due diligence process.</li> <li>• If any of the data or information provided to and relied upon by Aurelia in its due diligence process and its preparation of this presentation proves to be incomplete, incorrect, inaccurate or misleading, there is a risk that the actual financial position and performance of Peak Mines and Aurelia may be materially different to the financial position and performance expected by Aurelia and reflected in this presentation. Therefore, there is a risk that unforeseen issues and risks may arise, which may also have a material impact on Aurelia.</li> </ul>

<b>Share market conditions</b>	<ul style="list-style-type: none"><li>• Share market conditions may affect the value of Aurelia's quoted shares regardless of Aurelia's operating performance. Share market conditions are affected by many factors such as:</li><li>• general economic outlook;</li><li>• introduction of tax reform or other new legislation;</li><li>• interest rates and inflation rates;</li><li>• changes in investor sentiment toward particular market sectors;</li><li>• the demand for, and supply of, capital; and</li><li>• terrorism or other hostilities.</li><li>• The market price of shares can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither Aurelia nor the Directors warrant the future performance of Aurelia or any return on an investment in Aurelia.</li></ul>
<b>Acquisition liability risks</b>	<ul style="list-style-type: none"><li>• If the acquisition completes, Aurelia may become directly or indirectly liable for any liabilities that Peak Mines has incurred in the past, which were not identified during its due diligence or which are greater than expected, and for which the protections (for example, representations and warranties and indemnities) negotiated by Aurelia in the agreement to acquire Peak Mines turns out to be inadequate in the circumstances.</li><li>• From completion, Aurelia will be exposed to the risks associated with owning and operating Peak Mines.</li></ul>