



# aureus mining

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30 November 2015

Aureus Mining Inc.

TSX : AUE

AIM : AUE

## US\$ 21.5 MILLION DEBT AND EQUITY FINANCING TO STRENGTHEN BALANCE SHEET AND ALLOW FOR ACCELERATED MINING OF NEW LIBERTY DEPOSIT

Aureus Mining Inc. (TSX: AUE / AIM: AUE) ("**Aureus**" or the "**Company**") is pleased to announce that it has agreed the terms for additional financing to strengthen the Company's balance sheet and allow for the accelerated mining at Aureus' New Liberty Gold Mine ("**New Liberty**") in Liberia.

### Highlights:

#### Financing

- US\$ 10 million of an additional liquidity facility (the "**New Facility**") to be provided by Rand Merchant Bank and Nedbank, repayable by 31 December 2017
- US\$ 11.5 million brokered equity financing at a price of 5p per share
- Funds to be raised to reduce outstanding creditor balances to normal operating levels and to facilitate the procurement of additional mining equipment to accelerate mining of the New Liberty deposit

#### Operational Update

- Processing operations at the New Liberty Gold Mine resumed on 31 October 2015 and the process plant continues to operate towards commercial production, expected to be declared in January 2016
- The Company has shipped 12 consignments of gold doré to date, resulting in sales totalling approximately 13,500 ounces of gold, and expects to produce approximately 13,500 ounces of gold during the remainder of the calendar year
- A delivery of 100 tonnes of explosives has been received on site, with a further 330 tonnes (one month's supply) currently being transported via sea from Ghana and due to arrive on site by the end of November
- The Company continues to target production of c. 125,000 ounces of gold for 2016

### Overview on Funding

The additional funding includes an additional US\$ 10 million liquidity facility (the "**New Facility**") to be provided by Rand Merchant Bank and Nedbank, and an agreement (the "**Agency Agreement**") with GMP Securities Europe LLP and Numis Securities Limited (together, the "**Bookrunners**" or the "**Agents**") in connection with a US\$ 11.5 million brokered equity financing. The Agency Agreement is a private placement of 153,000,000 new common shares of the Company ("**Shares**") at a price of 5p

per share (“**the Placing Price**”) to raise gross proceeds of £7.65 million (approximately US\$ 11.5 million) (the “**Offering**”).

In addition, further to its initial investment in the Company in July 2014, the International Finance Corporation (“**IFC**”), the private sector arm of the World Bank Group, which currently has a shareholding in the Company of approximately 14.61% has the right but not the obligation to maintain its pro rata shareholding in any equity financing undertaken by the Company, including the Offering. The Company is in discussions with the IFC in connection with its potential investment.

The funds to be raised pursuant to the New Facility and the Offering (collectively the “**Funds**”) will be used to strengthen the Company’s balance sheet, and in particular allow the Company to reduce its accounts payable, facilitating the procurement of additional mining equipment, which will enable accelerated mining of the New Liberty ore body to compensate for lost production to date and reduce the waste stripping shortfall.

**David Reading, President and Chief Executive Officer of Aureus Mining, said:**

*“Aureus has faced the challenges of a low gold price environment combined with issues associated with the impact of the Ebola outbreak in Liberia and the commissioning and ramp up of production at New Liberty, resulting in a delay to commercial production.*

*The funds to be raised through the New Facility and the Offering will enable the Company to reduce our creditor balance to a normal operating level and allow additional mining equipment to be procured which will accelerate the mining rate and allow the Company to reduce the shortfall in waste mining tonnage. Whilst we have experienced some unexpected incidents during the commissioning phase which resulted in a longer ramp up to commercial production than we had hoped, the New Liberty Gold Mine has now operated successfully at an average of 92% of design capacity for the past 27 days and we look forward to declaring commercial production in the New Year.”*

## **Background and Operational Update**

### *Mining Operations*

Mining operations to date have been hampered by a lack of available explosives during the Ebola outbreak and an inconsistent supply thereafter. As a consequence of the explosives shortage, the mining programme is currently approximately 9.5 million tonnes behind schedule. Mining activities have predominately been focused upon keeping the plant supplied with sufficient feed levels of ore and as a consequence there have been slippages in the waste mining schedule.

A 100 tonne delivery of explosives arrived on site on 18 November 2015 and a further 330 tonnes (one month’s supply) is currently being shipped via sea from Ghana to the Port of Monrovia, where it will be transported to and stored on site. Arrangements are currently being finalised for a further 600 tonne supply to be shipped via the same route during December 2015.

Following receipt of the Funds and the reduction in the Company’s creditor balance, it has been agreed with the mining fleet supplier that it will procure and deliver additional mining equipment to New Liberty during H1 2016 to enable the mining rate to be accelerated. This is expected to result in the planned life of mine (“**LOM**”) production profiles being achieved and a reduction in the current shortfall in waste mining operations.

It is expected that the addition of the extra fleet equipment from H1 2016 will allow the rescheduling of the mine plan. Although the pit design remains the same, mining operations are planned to be completed four months earlier than the previous schedule disclosed in the report titled New Liberty Gold Project (as defined below), BEA Mountain Mining Licence Southern Block, Liberia, West Africa, Definitive Project Plan, dated 25 March, 2015 ("**New Liberty Technical Report**") and are now scheduled to finish in February 2022. Processing operations at the Mine are expected to continue unchanged until October 2022 and still result in the LOM production of 859,000 ounces of gold.

#### *Processing Operations*

To date, the New Liberty Process Plant has processed 223,659 tonnes of ROM ore at an average feed grade of 3.2 g/t. There have been 12 shipments of gold doré from New Liberty for smelting and refining at the MKS PAMP refinery in Switzerland, resulting in sales of 13,500 ounces of gold at an average price of US\$ 1,120 per ounce.

During July 2015 it was found that the mill discharge grates were not optimal for the ROM ore and therefore required replacing. The Company worked with DRA Mineral Projects ("**DRA**") the Engineering, Procurement, and Construction Management ("**EPCM**") contractor and the original equipment manufacturer ("**OEM**") to install new heavy duty grates. Temporary grates were used whilst these heavy duty grates were manufactured and flown to site, and as a consequence of this problem, the mill could not be operated at full design capacity, causing undue deterioration on some of the mill liners and lifters, which also then required replacement. The replacement of these components and a full reline of the mill was subsequently undertaken in October by the OEM at no cost to Aureus.

As reported on 20 October 2015, processing operations were temporarily suspended for a period of 19 days following a mechanical failure within the secondary crusher. The Company again worked with DRA and specialist engineers from the OEM to quickly repair and re-commission the secondary crusher back to its full capacity, allowing processing operations to resume on 30 October 2015. During this time, a 200 tonne per hour mobile crusher was also transported to site, where it will be retained for a period of six months to provide operational flexibility during the final testing and re-commissioning of the plant, and also to supply additional stemming material and crushed rock for use on haul roads and other associated infrastructure.

Following rectification of these issues, the process plant resumed operations on 30 October 2015. Whilst Aureus personnel continue to manage the processing operations, a team of specialists from DRA has remained on site throughout November to ensure that the plant was successfully re-commissioned following the repair works and to continue to optimise the performance of the plant.

Over the past 27 days since the secondary crusher was re-commissioned, the process plant has been operating at an average of 92% of its designed capacity, including planned downtime for ongoing optimisation activities. Commercial Production can be declared at the New Liberty Mine following the mill having operated at an average for 60% or more of the designed capacity over a period of 60 days.

As a result of the issues detailed above, whilst operating costs, plant feed grades and plant performance are largely in line with the Company's expectations, gold production is behind target from the schedule disclosed in the New Liberty Technical Report, with a production shortfall of approximately 27,000 ounces of gold, thus impacting the Company's working capital position.

## Use of Proceeds

As at 31 October 2015, the Company had cash and gold in transit of US\$ 5.1 million and trade and other payables of US\$ 26.2 million. The net proceeds proposed to be raised pursuant to the Offering and New Facility, after deducting the expenses of the Offering and the upfront fees associated with the New Facility, will be used as follows:

	<b>US\$ million</b>
Payment of accounts payable	15.0
Working capital during production ramp	5.0
	<hr/> 20.0

Of the accounts payable, US\$ 9.0 million is due to the Company's mining fleet supplier, and once this creditor position has been cleared, the fleet supplier has agreed to bring additional mining equipment to site as described above.

Subject to the receipt of the Funds, the Company believes it can deliver on the production and cost estimates, which at the prevailing gold price, should see it generate sufficient cashflow to meet its continuing obligations, including its debt repayments, until the end of 2016. The Company has a US\$ 6.6 million debt repayment due in January 2017, which, should the gold price remain at current levels, the Company may be unable to meet, and may therefore require the continued support of its stakeholders.

## Production Guidance

With the benefit of the accelerated mining rate made possible by the planned addition of the new mining fleet, all in sustaining cash cost ("AISC") is now estimated at US\$ 820 per ounce over the life of mine ("LOM"), with cash costs higher in earlier years due to higher stripping ratios. The Company expects to meet production guidance for 2016 of approximately 125,000 ounces at an AISC of approximately US\$ 959 per ounce.

## Further Details on the New Facility

The main terms of the New Facility are summarised as follows:

- New US\$ 10 million senior secured liquidity facility (in addition to the existing US\$ 88 million senior loan facility) to be raised from Nedbank and Rand Merchant Bank ("RMB"), backed by the Export Credit Insurance Corporation of South Africa Limited ("ECIC")
- Upfront fees – 3% arrangement fee and maximum 5.5% ECIC fee
- Interest cost - US\$ LIBOR plus 5% per year
- Term - bullet repayment on 31 December 2017
- Security package – No change to the existing senior facility package

In consideration for the granting of the New Facility, the Company will issue options to purchase up to 20.4 million shares (“**Financier Options**”) with a term of five years from closing and exercisable at a 20% premium using a share price of the lesser of (i) the 5 day volume weighted average price as at the date of the acceptance by Aureus of the mandate to arrange the New Facility (£0.1405), and (ii) the date that is two days before the signing of the facility agreement. In addition, the existing 11.1 million warrants issued to RMB in 2014 will be re-issued on the same terms as the Financier Options.

If the New Facility is outstanding on 30 June 2016, the Company and the lenders will meet to review the capital structure and discuss in good faith the steps required to be taken by the Company in order to ensure that the New Facility is repaid in full and the existing senior facility is subsequently in compliance. If the New Facility is outstanding on 31 March 2017, the interest rate will increase by 1% and additional Financier Options will be issued to increase loan cover to the lesser of (i) 70% of the New Facility (up to an additional 5.6 million Financier Options) and (ii) 100% of the outstanding principal amount of the loan under the New Facility at that time and then increasing 15 percentage points semi-annually until the outstanding principal amount of the loan under the New Facility is 100% covered if unpaid (up to an additional 16.7 million Financier Options in total, including all Financier options issued post 31 March 2017).

In conjunction with the provision of the New Facility, the lenders are also to waive certain requirements and agree certain amendments to the existing facilities, to help enable compliance with them.

The proposed arrangements with respect to the New Facility (including the proposed waivers and amendments in respect of the existing facilities) are non-binding and are subject to the agreement of definitive binding documentation. In addition, the completion of the New Facility is subject to certain conditions precedent being satisfied, which include:

- Satisfaction with technical documentation, including updated mine plan, financial model, forecasts and reports;
- Final approval from ECIC;
- The Company having raised US\$ 10 million of new equity; and
- Other customary closing conditions including final credit approval of the lenders.

### **Further Details of the Offering**

The closing of the Offering is subject to certain conditions including that:

- All necessary approvals have been received, including by the Toronto Stock Exchange (“**TSX**”), and Admission becomes effective;
- the equivalent, in aggregate, of at least US\$ 10 million of equity being raised, by the Offering, or otherwise;
- definitive binding documentation for the New Facility (including for the proposed waivers and amendments in respect of the existing facilities) have been entered into and are unconditional in all respects (save only as to the Company having raised US\$ 10 million of new equity).

The Company has under the Agency Agreement granted the Bookrunners an option to increase the size of the Offering by up to 10%, exercisable at the Placing Price in whole or in part, at any time and from time to time, up to 16.30 Standard Eastern Time on 30 November 2015.

Pursuant to the Offering, certain directors of the Company have committed to subscribe for Shares in the Offering at the Placing Price as follows:

Director	Existing beneficial shareholding	Shares subscribed for	Shareholding on completion of the Offering	Shareholding as % of issued share capital as enlarged by the Offering
David Reading	428,334	662,471	1,090,805	0.21
David Netherway	332,282	99,172	431,454	0.08
Karin Ireton	87,000	80,000	167,000	0.03
Jean-Guy Martin	25,000	74,382	99,382	0.02
Loudon Owen	50,000	49,593	99,593	0.02
Adrian Reynolds	10,000	66,247	76,247	0.01

The closing of the Offering is expected to occur on or about 9 December 2015, or such other date as the Company and the Agents may agree, being no later than 23 December 2015. The Offering is also conditional upon the Agency Agreement not having been terminated.

The Shares have not been and will not be qualified for sale to the public under applicable securities laws in Canada and, accordingly, any offer and sale of the Shares in Canada will be made on a basis which is exempt from the prospectus requirements of such securities laws. The Shares issued to Canadian residents pursuant to the Offering will be subject to resale restrictions under Canadian securities laws for a period of four months plus one day from the Closing of the Offering. Subject to applicable securities laws, the Shares issued to residents of countries other than Canada pursuant to the Offering may not be sold, transferred or otherwise disposed on the TSX or, except pursuant to an exemption from the prospectus requirements under Canadian securities laws, to any person in Canada or otherwise into Canada for a period of four months plus one day from the date of the closing of the Offering.

Application will be made to the London Stock Exchange plc for admission to trading of the Shares on the AIM Market of the London Stock Exchange plc ("**AIM**") ("**Admission**"). It is expected that Admission will become effective on or around 9 December 2015 and that dealings in the Shares will commence at that time. The Offering is subject to the receipt of TSX approval. For the purposes of the TSX approval, the Company is intending to rely on the exemption set forth in Section 602.1 of the TSX Company Manual, which provides that the TSX will not apply its standards to certain transactions involving eligible interlisted issuers listed on a recognized exchange, such as the AIM.

### **Related Party Transaction**

Richard Griffiths and controlled undertakings ("**Richard Griffith**") who currently hold 15.04% of the Company's issued share capital have committed to subscribe for 39,748,261 Shares in the Offering (the "Subscription"). Given the current shareholding of Richard Griffith, the Subscription will be for the purposes of AIM Rule 13, a "Related Party Transaction". The Company's directors consider, having consulted with its Nominated Adviser, Numis Securities, that the terms of the Subscription are fair and reasonable insofar as its shareholders are concerned.

The Subscription and the participation of certain of each the of Company's directors in the Offering also constitutes a "related party transaction" under Multilateral Instrument 61-101- Protection of Minority Security Holders in Special Transactions ("**MI61-101**"). The Company intends to rely on exemptions from both the formal valuation and minority shareholder approval requirements of MI61-101 in connection with the Offering. The exemptions relied upon are applicable where the fair market value of the related party transaction is not more than 25% of the Company's market capitalization, calculated in the manner prescribed by MI 61-101.

Disclosure of scientific and technical information herein is derived from the New Liberty Technical Report. David Reading, Chief Executive Officer and a director of Aureus, is a "Qualified Person" within the meaning of National Instrument 43-101 - Standards of Disclosure for Mineral Projects. Mr. Reading has reviewed and approved the scientific and technical information herein.

In this Announcement US\$ amounts have been translated at a rate of £1: US\$1.5095.

## Contact Information

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## Forward Looking Statements

Certain information contained in this Announcement constitutes forward looking information. This information may relate to future events or the Company's future performance. All information other than information of historical fact is forward looking information. The use of any of the words "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "should", "believe", "predict" and "potential" and similar expressions are intended to identify forward looking information. This information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward looking information. No assurance can be given that this information will prove to be correct and such forward looking information included in this Announcement should not be unduly relied upon. This information speaks only as of the date of this Announcement. Such forward looking information includes, among other things, statements or information relating to: the application of proposed financing proceeds to strengthening the Company's balance sheet and reduction of accounts payable, the Company's ability to meet future debt repayment obligations and to obtain waivers and amendments in respect thereof, the Company's New Liberty gold project in Liberia (the "**New Liberty Gold Project**"), the commencement of commercial production at the New Liberty Gold Project and the proposed plans relating thereto regarding operations, the provision of additional mining equipment and explosives and their impact on the mining rate, estimates relating to tonnage, grades, waste ratios, recovery rates and future gold production, life-of-mine estimates, expectations regarding throughput gold production, mill treatment and plant feed, estimates of capital and operating costs and start-up costs, anticipated sources of funding, including the additional debt finance described herein, expectations regarding the engagement of external contractors, estimates of revenues and pay-back periods, expectations regarding operating parameters, as well as the other forecasts, estimates and expectations relating to the New Liberty Gold Project included in this Announcement; the future market price of commodities; production targets; timetables; the continued listing of the common shares of the Company on the TSX and AIM.

With respect to forward looking information contained in this Announcement, assumptions have been made regarding, among other things: general business, economic and mining industry conditions; interest rates and foreign exchange rates; the impact of proposed provision of additional equipment and explosives on the mining rate; the parameters and assumptions employed in the New Liberty Technical Report, (including but not limited to, those relating to future mining and operating costs, processing and recovery rates, net present values and internal rates of return, timing for the commencement of production, tax and royalty rates, future gold prices, metallurgical rates, operations and management, grades ); the supply and demand for commodities and precious and

base metals and the level and volatility of the prices of gold; the ability of the Company to raise sufficient funds from capital markets and/or debt to meet its future obligations and planned activities; the obtaining of waivers and amendments from the Company's creditors in respect of its debt repayment obligations; the business of the Company including the political environments and legal and regulatory frameworks in Liberia with respect to, among other things, the ability of the Company to obtain, maintain, renew and/or extend required permits, licences, authorizations and/or approvals from the appropriate regulatory authorities and the ability of the Company to continue to obtain qualified staff and equipment in a timely and cost-efficient manner to meet its demand.

Actual results could differ materially from those anticipated in the forward looking information contained in this news release as a result of the risk factors, including: risks normally incidental to exploration and development of mineral properties; the inability of the Company to obtain required financing, including the additional debt financing described herein, when needed and/or on acceptable terms or at all; the inability to obtain required waivers and amendments from the Company's creditors in respect of its debt repayment obligations and consequential risks of default thereon; risks related to operating in West Africa; health risks associated with the mining workforce in West Africa; risks related to the Company's title to its mineral properties; adverse changes in commodity prices; risks related to current global financial conditions; risks that the Company's exploration for and development of mineral deposits may not be successful; the inability of the Company to obtain, maintain, renew and/or extend required licences, permits, authorizations and/or approvals from the appropriate regulatory authorities and other risks relating to the legal and regulatory frameworks in Liberia, including adverse changes in applicable laws; competitive conditions in the mineral exploration and mining industry; risks related to obtaining insurance or adequate levels of insurance for the Company's operations; uncertainty of mineral resource and reserve estimates; the inability of the Company to delineate additional mineral resources; risks related to environmental regulations; uncertainties in the interpretation of results from drilling; uncertainties in the estimates and assumptions used, and risks in the methodologies employed, in the New Liberty Technical Report and that the completion of additional work at the New Liberty Gold Project could result in changes to the forecasts, estimates and expectations contained in the New Liberty Technical Report; risks related to the legal systems in Liberia; risks related to the tax residency of the Company; the possibility that future exploration, development or mining results will not be consistent with expectations; delays in construction; inflation; changes in exchange and interest rates; risks related to the activities of artisanal miners; actions of third parties that the Company is reliant upon; lack of availability at a reasonable cost or at all, of plants, equipment or labour, including required equipment, explosives and other necessary material not being delivered in the expected time frame, or at all; the inability to attract and retain key management and personnel; political risks; the inability to enforce judgments against the Company's directors and officers; and future unforeseen liabilities and other factors.

The forward looking information included in this Announcement is expressly qualified by this cautionary statement and is made as of the date of this Announcement. The Company does not undertake any obligation to publicly update or revise any forward looking information except as required by applicable securities laws.

Notes:

This Announcement is for information purposes only and shall not constitute an offer to buy, sell, issue, or subscribe for, or the solicitation of an offer to buy, sell, issue, or subscribe for any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

GMP Securities Europe LLP ("**GMP**"), which is a member company of GMP Securities L.P, is authorised and regulated in the United Kingdom by the Financial Conduct authority and acting as joint broker to Aureus Mining Inc. in respect of the proposed Offering.

Numis Securities Limited ("**Numis**") is authorised and regulated in the United Kingdom by the Financial Conduct Authority and acting as Nominated Adviser and joint broker to Aureus Mining Inc. in respect of the proposed Offering.

Each of the Agents is acting for Aureus Mining Inc. and for no-one else in connection with the proposed private placement, and will not be responsible to anyone other than Aureus Mining Inc. for providing the protections afforded to the customers of the respective Agent nor for providing advice in connection with the proposed Offering or any other matters referred to herein.

No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by either of the Agents or by any of their respective affiliates or agents or brokers as to or in relation to, the accuracy or completeness of this Announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed.

The distribution of this Announcement and the Offering in certain jurisdictions may be restricted by law. No action has been taken by Aureus Mining Inc. or the Agents that would permit the Offering or possession or distribution of this Announcement or any other offering or publicity material relating to the Offering in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement becomes available are required by Aureus Mining Inc. and the Agents to inform themselves about, and to observe, such restrictions.

The price of the Shares and the income from them may go down as well as up and investors may not get back the full amount invested on disposal of the Shares.

The Offering is only being made, and may only be, made to and is directed at (1) with respect to the United Kingdom, persons in the United Kingdom who are either (1) both (a) a "Qualified Investor" within the meaning of Section 86(7) of the Financial Services and Markets Act 2000 ("FSMA") and (b) within the categories of persons referred to in Article 19(5) (Investment professionals) or Article 49(2)(a) to (d) (High net worth companies, unincorporated associations, etc.) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005, or persons in the United Kingdom to whom the Offering may otherwise be made or to whom the Offering may otherwise be directed in the United Kingdom without an approved prospectus having been made available to the public in the United Kingdom before the Offering is made, and without making an unlawful financial promotion; and (2) with respect to the United States, persons inside the United States who are "qualified institutional buyers" ("QIBs", as defined in Rule 144A under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act")), all such persons in (1) and (2) above together being referred to as "Relevant Persons". The securities being offered are only available to, and any invitation, offering or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with, persons in the

United Kingdom or the United States who are Relevant Persons. Any person who is in the United Kingdom or the United States but who is not a Relevant Person should not act or rely on this Announcement or any of its contents. This Announcement does not contain an offer or constitute any part of an offer to the public within the meaning of Sections 85 and 102B of FSMA or otherwise. This Announcement is not an "approved prospectus" within the meaning of Section 85(7) of FSMA and a copy of it has not been, and will not be, delivered to the FCA in accordance with the Prospectus Rules or delivered to any other authority which could be a competent authority for the purpose of the Prospectus Directive. Its contents have not been examined or approved by the London Stock Exchange plc, nor has it been approved by an "authorised person" for the purposes of Section 21 of FSMA.

The Shares have not been and will not be registered under the United States Securities Act, or any state securities laws, and may not be offered, sold or delivered within the United States except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. The Agents have agreed that, except as permitted by the Agency Agreement and as expressly permitted by applicable laws of the United States, they will not offer or sell the Shares within the United States. The Agency Agreement permits the Agents, through certain of their U.S. broker-dealer affiliates, to (i) offer and sell the Shares in the United States to QIBs pursuant to an exemption from registration under the U.S. Securities Act in a transaction not involving any public offering, and otherwise in accordance with any applicable state securities laws. This Announcement does not constitute an offering to sell, or a solicitation of an offering to buy, any Shares in the United States and there will be no public offering of Shares in the United States. Moreover, the Agency Agreement provides that the Agents will offer and sell the Shares outside the United States only in accordance with Regulation S under the U.S. Securities Act. Until 40 days after the commencement of the Offering, an offer or sale of the Shares within the United States by a dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act unless such offering or sale is made pursuant to an exemption from registration under the U.S. Securities Act.

Persons not subject to the laws of Canada (including individuals, funds or otherwise) by whom or on whose behalf a commitment to acquire Shares under the Offering has been given will be deemed to have read and understood this Announcement in its entirety.

This Announcement is not for distribution directly or indirectly in or into the United States (including its territories and possessions, any State of the United States and the District of Columbia) or any jurisdiction into which the same would be unlawful. No public offering of securities of Aureus Mining Inc. will be made in connection with the Offering in the United Kingdom, the United States or elsewhere.

The Shares issued pursuant to the Offering may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into the United States, Australia, Hong Kong or Singapore or any other jurisdiction.

Persons (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward this Announcement should seek appropriate advice before taking any action.

The Shares to be issued pursuant to the Offering will not be admitted to trading on any stock exchange other than the London Stock Exchange and the Toronto Stock Exchange. Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this Announcement.