



# Aeramentum Resources Limited ASX: AEN

IPO Capital Raising of a Minimum of A\$5.0 million



AFS Licence No: 238168

## TRANSACTION SUMMARY

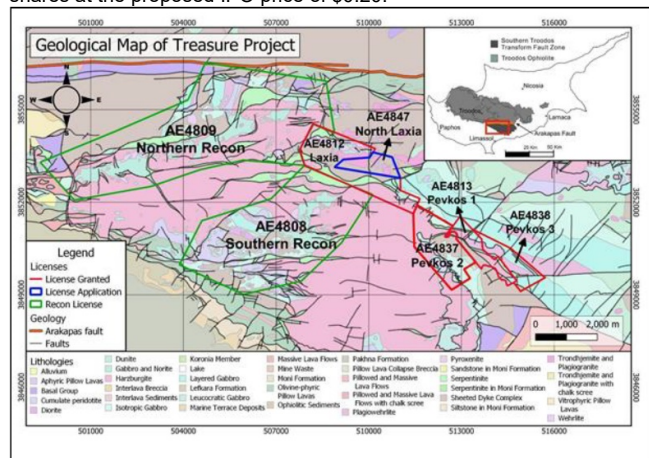
<b>Issuer</b>	Aeramentum Resources Limited ASX: AEN (ACN 650 754 484)
<b>Transaction</b>	IPO Capital Raise of a minimum of \$5,000,000 and maximum of \$7,000,000 via the issue of Shares at \$0.20 per share. ("IPO").
<b>Lead Manager</b>	Novus Capital Limited (Offer not Underwritten)

## THE OFFER

Aeramentum Resources Limited is seeking to issue a minimum of 25,000,000 Shares and a maximum of 35,000,000 Shares to be issued at a price of \$0.20 per Share to raise a minimum of \$5,000,000 and a maximum of \$7,000,000 via the Initial Public Offering.

## COMPANY OVERVIEW

Aeramentum Resources Limited was formed in 2021 to acquire the Treasure Project, located in the Republic of Cyprus, European Union. The Company owns 100% of six tenements, with 1 tenement application, prospective for **nickel, copper, gold, and cobalt** across over 35km of strike length (ultramafic/gabbro contact). The project was acquired from Caerus Mineral Resources PLC (LSE: CMRS) for £300,000 and 1.8m shares at the proposed IPO price of \$0.20.



The project suite contains up to 1.5km of historical adits with average grades at Laxia where sampled of 3.4% Cu and intervals including 8m at 11.2% Cu, 4m at 16.8% Cu, and at Pevkos 14m at 3.5% Ni and 2m at 5.25% Ni and 2.0% Co.

2013 to 2014 18-hole drill program recorded several high-grade intercepts including 2m @ 3.0% Ni, 3.0g/t Au, 0.15% Co; 2.6m @ 4.2g/t Au, 1.7% Cu; 4.2m @ 1.7% Cu, 1.2g/t Au, 0.15% Co from shallow depths.

## UM-VMS PROJECT GRADES

Table 6.1 (below) - UM-VMS Project grades (Cu, Zn, Co, Ni, Au, Ag) & total and average grades (Cu, Zn, worldwide for VHMS deposit types (Excludes former USSR and Chinese deposits).

Ultramafic (UM-VMS) Projects	Cu	Zn	Co	Ni	Au	Ag	Tonnage
Outokumpu Ophiolite, Finland	2.82	1.01	0.20	0.11	0.50	6.33	50.32
Platta Nappe, Switzerland	4.88	0.12	0.04	0.16	0.40	63.00	-
Uralian Fault Zone, Russia	1.09	0.30	0.42	0.17	1.33	11.10	26.1
Limassol-Troodos Ophiolite, Cyprus	1.22	0.01	0.20	1.79	4.32	0.38	-
South Quebec Ophiolite Belt, Canada	1.62	0.03	0.01	0.63	0.35	2.13	4.88
Western Philippine Ophiolite	1.83	-	-	-	-	-	0.14
<b>Typical VHMS Deposits</b>	<b>wt. %</b>	<b>wt. %</b>	<b>wt. %</b>	<b>wt. %</b>	<b>g/t</b>	<b>g/t</b>	<b>Bt</b>
Mafic, Cyprus-type	2.04	1.82	-	-	2.56	-	0.18
Bimodal-mafic, Precambrian-type	1.88	4.22	-	-	1.52	-	1.45
Mafic-Siliciclastic, Besshi-type	1.74	2.43	-	-	0.84	-	1.24
Bimodal Felsic, Kuroko/Noranda type	1.44	5.63	-	-	2.06	-	1.29
Bimodal, Siliciclastic, Iberian Pyrite Belt-type	1.1	4.16	-	-	1.13	-	2.5
<b>VHMS Averages</b>	<b>1.64</b>	<b>3.65</b>	<b>-</b>	<b>-</b>	<b>1.62</b>	<b>-</b>	<b>-</b>

UM-VMS data adapted from Patten et al., 2022 with the Limassol Troodos data being based solely on one data set collected by Foose et al., 1985.

Cyprus was a major copper producer up until industry ceased in 1970's following political upheaval, only small production since.



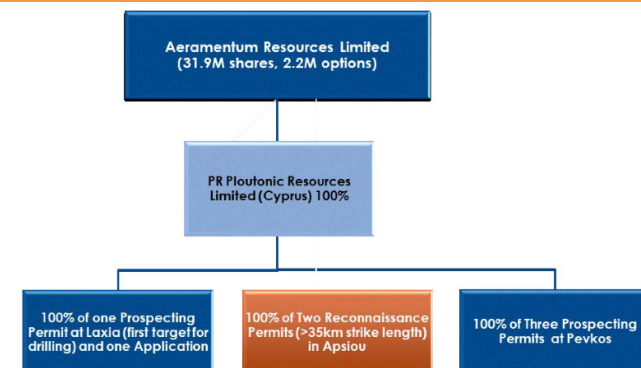
Massive sulphides at Laxia (Pyrrhotite, chalcopyrite, cobaltite, other Cu minerals)

Currently Europe is among the fastest growing markets for electric vehicles and is looking to become increasingly self-reliant on raw materials such as copper, cobalt and other rare earth minerals used in electric vehicles and energy storage, with full supply-chain accountability.

Both nickel and cobalt sulphides along with high grade of copper and gold, make this project unique on a global perspective, and shows potential to deliver high profitability should a mine be delineated. Note: Pre-resources, maiden resource target by 2023.

**Diamond drilling planned to start immediately post IPO.**

## CAPITAL STRUCTURE



Key Offer Statistics			
Company	Aeramentum Resources Limited ACN 650 754 484		
ASX code	AEN		
Issue Price per Share under the Offer	\$0.20		
	Minimum Subscription	Maximum Subscription	
Number of Shares on issue at the date of this Prospectus	31,880,544	31,880,544	
Number of Shares to be issued to the Vendor <sup>1</sup>	1,886,792	1,886,792	
Number of Shares offered under the Offer	25,000,000	35,000,000	
Gross proceeds under the Offer	\$5,000,000	\$7,000,000	
Total number of Shares on issue following completion of the Offer	58,767,336	68,767,336	
Indicative market capitalisation on completion of the Offer <sup>2</sup>	\$11,753,467	\$13,753,467	
Advisor and Broker Options already on issue <sup>3</sup>	2,243,332	2,243,332	
Advisor Performance Shares to be issued as part of this offer	250,000	250,000	
Performance Rights (Board and Management)	4,500,000	4,500,000	
Shares on issue post listing (fully diluted) <sup>4</sup>	65,760,668	75,760,668	

1 Estimated number of Shares valued at GBP200,000 at an issue price of \$0.20 per Share. Number of Shares may vary depending on exchange rate at date of issue.

2 Market capitalisation is determined by multiplying the total number of Shares on issue by the price at which the Shares trade on the ASX from time to time. In the table above, the market capitalisation is calculated at the issue price of each Share under the Offers, being \$0.20. Please note that there is no guarantee that the Shares will be trading at \$0.20 upon the issue of New Shares under the Offer.

3 Each option has an exercise price of \$0.25 and is exercisable within 3 years from the date of issue.

4 Please refer to Section 4.6 for further details relating to the proposed capital structure of the Company.



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## INVESTMENT HIGHLIGHTS

Rare mix of Metals	Cu- Au-Ni-Co all at strong prices & outlook	Potential for multiple revenue streams from the project
<b>100% owned projects</b>	No farm-in or residual interests, multi-commodity mix in demand	Remaining is £200,000 of shares to be issued to vendor at IPO price
<b>Low market value</b>	57M shares on issue and A\$6.7M EV post IPO (at \$5M raise)	7 Permits including 1 Application, 35-40km of strike potential
<b>Primarily Brownfields Drilling</b>	Drilling areas with <b>known</b> orebodies & surface outcrops reduced risk of non-discovery	Only shallow drilling in the past across a limited area, with numerous ore grade intercepts
<b>Favourable Jurisdiction</b>	Past major Cu producer, EU domicile & excellent infrastructure	2 London listed companies operating in Cyprus & low taxation (12%) and royalties (2.5%)
<b>Excellent infrastructure</b>	Grid power, sealed roads within 2km of site and located only 30min from coastal city and port. Favourable development environment.	Quarrying industry nearby has grown from <2Mt to >6Mtpa of aggregates within last 5 years to support massive construction boom on the island

## HIGHLIGHTS & FOCUS FOR 2022/2023

- **Drill ready** at the completion of IPO, resource drilling target at Laxia
- **Right metal space** to be exploring currently with unique mix of sought-after metals (Cu-Au-Ni-Co).
- **Battery minerals in Europe:** Growing number of companies focused on exploration for battery metals.
- **Leverage to discovery & resource definition** – Brownfields exploration reduced risk of not finding sulphides (\$6.7M EV post IPO).
- **Multiple drilling & commodities** adds to attraction – Not reliant on one drilling target for results or one metal price for potential revenue
- **Forecast demand** of an additional 6Mt of copper concentrates per annum needed should Europe meet forecast EV production targets in 2030: High level of interest to fund new developments in EU in stable jurisdictions, with environmentally low impact mining.

## KEY RISKS

Key risks include (but are not limited to):

- **Country risk** - the Company's operations are currently located in Cyprus and the Directors and the majority of the existing management team are located in Australia.
- **No defined resources risk** – the Company, at this time, does not have any identified mineral resources or reserves and modern exploration over the areas covered by the Projects is limited.
- **Exploration and development risk** – the tenements typically feature historic workings, with limited recent exploration.
- **Operational risk factors**
  - Metallurgical risk
  - Additional requirements for capital
  - Title risk
  - Environmental risk
  - Land access risk
  - Other General risks

## BOARD & MANAGEMENT

Board	Summary
<b>Geoff Muers</b> <b>Managing Director</b>	Geoff has been instrumental in setting up the Company and bringing the team together to firstly acquire the asset, and then pursue a listing on the Australian Stock Exchange. With a background in geology and mining finance, Geoff has worked for investment houses and consulted to a wide range of public and private mining groups and investors since launching his own consultancy in 2013.
<b>Rob Thomson</b> <b>Chairman</b>	Mining Engineer with experience as CEO/Executive Director and Site GM/Project Director in ASX/AIM/TSX.V listed companies. Closely involved in establishing nine sustainable mining operations in copper, copper gold and nickel. Examples include CEO Climax Mining developing the Didipio copper/gold Project followed by merger with Oceana Gold, Executive Director for the Wetar copper mine development, GM establishing the Chatree gold mine, Thailand; Site Project Director establishing the Sepon gold mine, Laos. He is currently director of Pacific Nickel Mines (ASX: PNM) and private mining groups (pre-IPO) such as Southern Palladium & Bayrock Resources.
<b>Ben Jarvis</b> <b>Director</b>	11 years as a Non-Executive Director of ASX-listed gold producer Austral Gold Limited (ASX: AGD); Non-Executive Director since 2019 of gold and lithium exploration company QX Resources Limited (ASX: QXR); +20 years' experience in advisory and investor relations support for multiple ASX-listed explorers and developers; Founded Six Degrees Investor Relations in 2007 with over 40 clients, many in resources.
<b>Cyprus Team</b>	Established Cyprus based team with expertise across mining and exploration ventures. Each individual has experience working with major mining groups across Europe, North America and Asia. Senior geologists have consulted on copper, gold and nickel projects, and been involved with a number of PFS/DFS level studies in EU. Currently 3-4 geologists working in Cyprus for Aeramentum, with other consultants hired.

## USE OF FUNDS

Use of IPO Funds	A\$5.0M	A\$7.0M	%
Cash at Bank (1 May, 2022)	\$325,000	\$325,000	5-8%
<b>EXPLORATION AND PROJECT DEVELOPMENT</b>			
Drilling & Geophysics, geological supervision & field work	\$3,398,000	\$5,161,000	75-80%
<b>IPO COSTS &amp; BROKER FEES</b>			
Cash expenses relating to fund raising including broker fees, admin and marketing expenses	\$478,500	\$632,500	7-8%
ASX fees, legal, accounting and other related IPO costs	\$146,000	\$148,000	2-3%
<b>COSTS OF A PUBLIC COMPANY &amp; OVERHEADS</b>			
Corporate costs, Board & Management expenses – 2 years	\$985,000	\$1,083,500	15-20%
Working Capital/Contingency	\$117,500	\$70,000	1-2%
<b>Total (\$M)</b>	<b>\$5,325,000</b>	<b>\$7,325,000</b>	

## APPLICATIONS

- Applications can be made via the form attached to this term sheet or via the Prospectus on the company website
- Commitments should be lodged by COB Syd 17 June 2022, or such date as may be advised.
- The Company reserves the right to close the book early or extend it beyond the date above.
- Applications may be subject to scale-back
- Indicative Timetable:

<b>Offer Open (Retail)</b>	<b>17 May 2022</b>
<b>Offer Closes</b>	<b>17 June 2022</b>
Allotment of Shares (est)	21 June 2022
Expected Trading on ASX (est)	7 July 2022

\* The Transaction Summary is not a Research Report and is only available to sophisticated investors and not retail investors.

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