

## TERM SHEET

### AURANIA RESOURCES LTD.

#### Best Efforts Private Placement of Subscription Receipts (the “Offering”)

- Issuer:** Aurania Resources Ltd. (“**Aurania**” or the “**Company**”), which will complete a business combination with ESA (defined below) pursuant to the Transaction (defined below). The Company is in the business of resource exploration and development.
- Issue:** Non-transferrable subscription receipts (“**Subscription Receipts**”) exchangeable for one unit of the Company (a “**Unit**”) upon satisfaction of the Escrow Release Conditions (defined below). Each Unit of the Company will consist of one common share of the Company (“**Share**”) and one-half of one common share purchase warrant (“**Warrant**”). Each whole Warrant shall entitle the holder thereof to acquire one Share at a price of C\$3.00 (the “**Exercise Price**”) for a period of 18 months following the Closing Date. If the weighted average trading price of the Company’s Shares on the Company’s principal stock exchange closes at a minimum of C\$3.00 for a period of 20 consecutive trading days, the Company may accelerate the expiry date to the date which is 30 days following the date upon which notice of the accelerated expiry date is provided by the Company to the holders of the Warrants.
- Issue Price:** C\$2.00 per Subscription Receipt
- Issue Size:** Approximately C\$6,000,000
- Over-allotment Option:** The Agents shall also have the option to purchase from the Company up to an additional 15% of the number of Subscription Receipts sold pursuant to the Offering exclusive of the President’s List.
- Use of Proceeds:** The Company intends to use the net proceeds of the Offering for mineral exploration and development in Ecuador, and for general corporate purposes.
- Transaction:** On March 2, 2017, Aurania Resources Ltd. (“**Aurania**”), a reporting issuer listed on the TSX Venture Exchange (“**TSX-V**”), announced that it has entered into a binding agreement (the “**ESA Agreement**”) with Dr. Keith Barron, the owner of EcuSolidus SA (“**ESA**”), pursuant to Aurania will acquire ESA pursuant to the ESA Agreement (the “**Transaction**”). Following completion of the Transaction, Aurania will undertake the business of ESA being exploring and developing the mineral properties of ESA which are located in Ecuador.
- The Company agrees that it shall not issue any shares or securities convertible into or exchangeable for shares, except in accordance with the terms of the ESA Agreement.
- If sponsorship is required by the TSX-V in connection with the Transaction, Maison Placements agrees to act a sponsor on customary terms and conditions.
- Escrow:** 100% of the proceeds of the Offering (the “**Escrowed Funds**”) shall be deposited in escrow on the Closing Date. The Escrowed Funds shall be released from escrow by the Escrow Agent to the Company upon the Agents’ sole satisfaction of the following conditions (together, the “**Escrow Release Conditions**”):

- I. the execution of a definitive agreement providing for the Transaction to the satisfaction of the Agents;
- II. the completion or irrevocable waiver or satisfaction of all conditions precedent to the Transaction;
- III. the receipt of all required shareholder, third party (as applicable) and regulatory approvals including, without limitation, the conditional approval of the TSX-V for the Transaction and the Offering, if applicable, and the conditional approval of the TSX-V of the listing of the Shares issuable upon conversion of the Subscription Receipts after giving effect to the Transaction; and,
- IV. the Company and the Agents (on its own behalf and on behalf of the syndicate) having delivered a joint notice to the Escrow Agent confirming that the conditions set forth in (I), (II) and (III) above have been met or waived.

In the event that the Escrow Release Conditions are not satisfied on or before May 31, 2017, the Escrowed Funds together with accrued interest earned thereon will be returned to the holders of the Subscription Receipts and the Subscription Receipts will be cancelled. To the extent that the Escrowed Funds are insufficient to refund 100% of the purchase price of the Subscription Receipts to the holders thereof, the Company shall be responsible for any shortfall.

<b>Form of Offering:</b>	Fully marketed “best efforts” offering, subject to termination clauses including: “due diligence” out, “disaster” out, “material adverse change” out, “market” out and “breach” out clauses commencing upon acceptance of this offer and terminating on the Closing Date.
<b>Form of Agency:</b>	Private placement to “accredited investors” and other exempt purchasers in each province of Canada as agreed upon by the Company and the Agents.  Private placement in the United States pursuant to exemptions from the registration requirements under Rule 144A and/or Regulation D of the U.S. Securities Act of 1933.  The Offering will also be made available to offshore investors pursuant to relevant prospectus or registration exemptions in accordance with applicable laws.
<b>Listing:</b>	The resulting issuer shares issued to subscribers in exchange for their Shares underlying the Subscription Receipts will be listed for trading on the TSX-V on completion of the Transaction. Aurania’s common shares currently trade on the TSX-V under the symbol “ARU”.
<b>Hold Period:</b>	The Shares, the Warrants and the Shares underlying the Warrants will be subject to a four month and one day hold period in Canada from the Closing Date.
<b>Eligibility:</b>	The Subscription Receipts will <b>not</b> be qualified investments under the Tax Act for RRSPs, RESPs, RRIFs, DPSPs, RDSPs and TFSAs.
<b>Agents:</b>	Maison Placements Securities Ltd. and Red Cloud Klondike Strike Inc., together with a syndicate to be formed in consultation with the Company which shall include Red Cloud Klondike Strike Ltd.
<b>Retail Selling</b>	3.5% Cash

**Concession:**

**Closing Date:** On or about April 7, 2017 (the “**Closing Date**”)