

AbraPlata Resource Corp. Agrees in Principle to Merge with Aethon Minerals Corp.

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Transaction Would Result in the Creation of a Well-Funded, Advanced Exploration Company Supported by Key Cornerstone Investors [SSR Mining Inc.](#) and [Altius Minerals Corp.](#)

July 29, 2019: [AbraPlata Resource Corp.](#) ("AbraPlata") (TSXV:ABRA) & (OTCPK:ABBRF) and [Aethon Minerals Corp.](#) ("Aethon") (TSXV:AET) are pleased to announce that they have entered into a non-binding letter of intent, dated July 28, 2019 (the "LOI"), contemplating the arm's length acquisition by AbraPlata of all of the outstanding common shares of Aethon (the "Aethon Shares") (the "Proposed Transaction"). The Proposed Transaction, upon completion, is expected to benefit shareholders of both companies by creating a well-funded, advanced-stage silver and gold focused exploration company, as well as an expanded portfolio of early-stage precious metal and copper exploration properties in Argentina and Chile.

Pursuant to the terms of the LOI, all of the issued and outstanding Aethon Shares will be exchanged on the basis of 3.75 AbraPlata common shares (each whole share, an "AbraPlata Share") for each Aethon Share (the "Exchange Ratio"). The Exchange Ratio implies consideration of C\$0.248 per Aethon Share, based on the 10-day Volume Weighted Average Price ("VWAP") of AbraPlata Shares on the TSX Venture Exchange ("TSXV") as of July 26, 2019. This represents a premium of 42% to Aethon's 10-day VWAP.

Upon closing of the Proposed Transaction, the combined company will continue under the name of [AbraPlata Resource Corp.](#) and will be led by Aethon's current executive management team, with Mr. John Miniotis being appointed as the President and Chief Executive Officer. AbraPlata's current interim CEO, Rob Bruggeman, will be appointed as the Non-Executive Chairman of the new Board of Directors. Upon closing of the Proposed Transaction, the Board of Directors of AbraPlata will be re-constituted to consist of six directors, of which two directors would be nominated by AbraPlata (including Rob Bruggeman as Chair), two directors would be nominated by Aethon, one director would be nominated by AbraPlata's largest shareholder, SSR Mining Inc. and one director would be nominated by Aethon's largest shareholder, Altius Minerals Corp. There are no finder's fees payable in association with the Proposed Transaction.

Highlights of the Transaction

- Creation of a well-funded, advanced-stage exploration company. The combined company will have a strong balance sheet with no debt, and an attractive mineral property portfolio including the advanced-stage Diablillos Ag-Au project located in the mining-friendly province of Salta in Argentina and a large prospective land exploration package in Chile.
- Significant Exploration Potential. Aethon and AbraPlata believe exploration potential exists to increase resources significantly, especially gold resources. Hydrothermal breccias at Oculto extend into the basement and have strong potential for high grade gold mineralization and to date have been largely untested.
- Enhanced market presence. The combined company is expected to appeal to a broader shareholder base, thereby increasing analytical following and improving share trading liquidity.
- Streamlined cost structure. The combined company would benefit from a streamlined cost structure due to the assets of both companies being consolidated into a single entity managed by a single management and technical team.
- Compelling value proposition. The combined company is expected to have industry leading leverage among silver and gold exploration companies based on AbraPlata's large mineral resource at Diablillos, which contains 81Moz of silver and over 732koz of gold (Indicated - Table 1).
- Key Strategic Investors. The combined company is expected to have strong support from its largest shareholders which would include SSR Mining Inc. and Altius Minerals Corp.

Mr. Rob Bruggeman, Interim CEO of AbraPlata, commented, "The Diablillos project has a large silver-gold resource and offers exciting exploration upside potential. However, the scale of the project requires

additional resources in order to effectively test high priority exploration drill targets that our surface mapping and geological reinterpretation have identified. The Proposed Transaction with Aethon will provide us with cash to conduct additional exploration drilling, following up on the higher grade intercepts that indicate potential for an underground mine plan. In addition, Aethon has an excellent technical team, supported by technical staff at Altius Minerals Corp., and a sizable exploration land package in Chile that would be difficult for any junior mining company to accumulate."

Mr. John Miniotis, Interim CEO of Aethon, commented, "This proposed transaction will help create a stronger, better positioned company which we believe is capable of becoming an industry leading, advanced-stage mineral exploration company. The exploration upside potential, solid financial position, enhanced capital markets presence and key strategic investor base will help establish a compelling value proposition for all shareholders."

Table 1: AbraPlata - Diablillos Mineral Resource Estimates (April 2018)

| Category Deposit | Tonnage (000t) | Ag (g/t) | Au (g/t) | Contained Ag (000 oz Ag) | Contained Au (000 oz Au) |
|------------------------|----------------|----------|----------|--------------------------|--------------------------|
| Indicated Oculto | 26,850 | 93.0 | 0.85 | 80,300 | 732 |
| Indicated Fantasma 200 | | 98.3 | - | 650 | - |
| Total Indicated | 27,100 | 93.1 | 0.84 | 80,940 | 732 |
| Inferred Oculto | 1,000 | 46.8 | 0.89 | 1,510 | 29 |
| Inferred Fantasma 80 | | 75.3 | - | 190 | - |
| Total Inferred | 1,100 | 48.8 | 0.83 | 1,690 | 29 |

Notes:

1. Full details of the mineral resource estimates can be found in a report by RPA Inc. titled "Technical Report on the Diablillos Project, Salta Province, Argentina" dated April 16, 2018. This report can be found under AbraPlata's profile on www.SEDAR.com.
2. CIM definitions were followed for Mineral Resources.
3. Mineral Resources are estimated at a cut off grade of 40 g/t AgEq for Oculto and 40 g/t Ag for Fantasma.
4. Mineral Resources are estimated using long-term metal prices of US\$1,500/oz Au and US\$23/oz Ag.
5. Average bulk density is 2.22 t/m³ for the Indicated category and 2.29 t/m³ for Inferred for Oculto and 2.00 t/m³ for both Indicated and Inferred categories for Fantasma.
6. The estimate was constrained by pit shells for both Oculto and Fantasma

Transaction Details

The Proposed Transaction value is approximately CAD \$8.8 million on a fully diluted in-the-money basis, and Aethon and AbraPlata shareholders will own approximately 52% and 48% of the combined entity, respectively, prior to the issuance of additional shares to SSR Mining Inc. ("SSRM") (NASDAQ: SSRM) (TSX: SSRM) in exchange for certain key concessions outlined further below. Pursuant of the terms of the LOI, the parties anticipate entering into a definitive agreement on or prior to August 30, 2019.

The Proposed Transaction is subject to a number of conditions, including, but not limited to, AbraPlata and Aethon entering into one or more binding definitive agreements containing customary terms and conditions, including representations and warranties customary in a transaction of this nature. In the event that definitive agreement(s) are entered into between the parties, and subject to the final transaction structure, the closing

of the Proposed Transaction will be subject to additional conditions precedent including, but not limited to, the receipt of all required approvals from TSXV, shareholder approval of the Proposed Transaction to the extent required under corporate and securities laws and the rules and policies of TSXV, including by the requisite majority of shareholders of Aethon at a special meeting of Aethon shareholders and agreement on customary non-solicitation covenants, insider lock-up agreements, board support and other standard provisions for transactions of this nature.

AbraPlata and Aethon are committed to consummating the Proposed Transaction in an expedited manner and will issue further information about the Proposed Transaction once available. There can be no assurances that any transaction relating to the Proposed Transaction or otherwise will result, or as to the final definitive terms thereof. Both parties have agreed for the payment of a termination fee of CAD \$250,000, in the event that either party terminates the LOI under certain prescribed circumstances, including termination in connection with pursuing an alternative transaction.

SSRM, the original vendor of the Diablillos property to AbraPlata, has indicated its intention to support in principle the Proposed Transaction and, subject to its completion, to agree to defer the outstanding Diablillos property payments of USD\$5 million and USD\$7 million for four years and waive all outstanding advance royalty payments, in exchange for consideration to be determined.

Benefits to AbraPlata Shareholders

- Securing funding to facilitate the advancement of the Diablillos project by conducting a comprehensive drilling program, and if warranted, the preparation of an underground preliminary economic assessment due to Aethon's cash position (\$3.7M at March 31, 2019)
- Gaining exposure from Aethon's large and prospective land position (+100,000 ha) in Chile, which has potential to attract major strategic corporate partners
- Expertise provided by Aethon's executive management team, and adding Altius Minerals as a strategic cornerstone shareholder
- Favourable renegotiation of the property payment terms with SSRM
- Continued exposure to combined properties exploration upside potential, with significant improvement in trading liquidity and capital markets exposure

Benefits to Aethon Shareholders

- Receiving a significant premium to the current Aethon share price and increased liquidity
- Exposure to an advanced-stage, silver-gold exploration project containing an existing Indicated mineral resource of 81Moz of silver and 732koz of gold, as a result of more than USD\$35M worth of historical exploration expenditures
- Immediate exploration upside with potential for a gold rich zone extending into the basement of the existing Oculto deposit on the Diablillos property
- Board of directors with extensive knowledge of Argentina and the Diablillos project, and adding SSRM as a strategic cornerstone shareholder
- Continued exposure to combined properties exploration upside potential, with anticipated improvement in trading liquidity and capital markets exposure

Counsel

MLT Aikins LLP is acting as AbraPlata's legal advisor and Dentons Canada LLP is acting as Aethon's legal advisor.

Qualified Persons

All scientific and technical information in this news release has been approved by Willem Fuchter, PhD PGeo, director of [AbraPlata Resource Corp.](#) and a qualified person as defined by National Instrument

About Aethon Minerals

Aethon Minerals is a mineral exploration company focused on creating shareholder value. Aethon has a large prospective land position consisting of over 100,000 hectares along prolific mining belts located in the Antofagasta and Maricunga regions of northern Chile. Aethon believes it is uniquely positioned for growth and is actively pursuing selective exploration-stage growth opportunities. Aethon is based in Toronto, Canada, and is listed on the TSX-V under the symbol "AET".

About AbraPlata

AbraPlata is focused on exploring and advancing its flagship Diablillos silver-gold property. In addition, AbraPlata owns the highly prospective Cerro Amarillo property with its cluster of five mineralized Cu-(Mo-Au) porphyry intrusions located in a mining camp hosting the behemoth El Teniente, Los Bronces, and Los Pelambres porphyry Cu-Mo deposits. As well, AbraPlata is exploring Aguas Perdidas, its wholly owned Patagonia-style epithermal Au-Ag property. AbraPlata is based in Vancouver, Canada, and is listed on the TSX-V under the symbol "ABRA".

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Cautionary Statements

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

This press release contains "forward -looking information" within the meaning of applicable Canadian securities laws. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as "believes", "anticipates", "expects", "is expected", "scheduled", "estimates", "pending", "intends", "plans", "forecasts", "targets", or "hopes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "will", "should" "might", "will be taken", or "occur" and similar expressions) are not statements of historical fact and may be forward-looking statements. Forward-looking information herein includes, but is not limited to, statements that address activities, events or developments that Aethon and AbraPlata expect or anticipate will or may occur in the future, including statements with respect to the Letter of Intent and the likelihood that the definitive agreement(s) will be entered into and that the Proposed Transaction will be consummated on the terms and timeline provided herein or at all, the benefits of the Proposed Transaction to AbraPlata and Aethon and the receipt of all required approvals including without limitation the companies' shareholders and applicable regulatory authorities and applicable stock exchanges.

Factors that could cause future results or events to differ materially from current expectations expressed or implied by the forward-looking statements include general business, economic, competitive, political and social uncertainties; the state of capital markets; risks relating to (i) the preliminary and non-binding nature of the LOI, (ii) the ability of the parties to satisfy the conditions precedent to the execution of any definitive agreement(s) or to ultimately agree on definitive terms, (iii) the impact on the respective businesses, operations and financial condition of AbraPlata and Aethon resulting from the announcement of the Proposed Transaction and/or the failure to enter into definitive agreement(s) or to complete the Proposed Transaction on terms described or at all, (iv) an alternative transaction materializing prior to the effective date

of any definitive agreement(s) or the completion of the Proposed Transaction, (v) delay or failure to receive board, shareholder regulatory or court approvals, where applicable, or any other conditions precedent to the completion of the Proposed Transaction, (vi) unforeseen challenges in integrating the businesses of AbraPlata and Aethon, (vii) failure to realize the anticipated benefits of the Proposed Transaction, (viii) other unforeseen events, developments, or factors causing any of the aforesaid expectations, assumptions, and other factors ultimately being inaccurate or irrelevant; and other risks described in AbraPlata's and Aethon's documents filed on the SEDAR website at www.sedar.com.

Statements of mineral resources also constitute forward-looking information to the extent they represent estimates of mineralization that will be encountered on a property and/or estimates regarding future costs, revenues and other matters. Although Aethon and AbraPlata have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. Neither Aethon nor AbraPlata undertakes to update any forward-looking information except in accordance with applicable securities laws.

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