

UPDATE ON EXTERNAL ADMINISTRATION

- **Funding agreement executed and initial draw down of funds received**
- **Positive engagement from all key customers**
- **Sale Process has commenced with NBIOs due 19 June**
- **Administrators seeking to resolve Roy Hill dispute**
- **Aerison workforce remains engaged to service clients**

This ASX announcement covers progress of the Administration since the appointment of Administrators on 6 June 2023.

- **Working capital funding:** The Administrators have agreed a \$5.0 million working capital funding facility to support operations of the business. The first tranche of \$1.0 million was drawn earlier this week. This is a significant milestone as it allows the Administrators to run operations on a business as usual basis to continue servicing Aerison's clients.
 - The Loan Facility Agreement is between Avior Asset Management No. 4 Pty Ltd (ACN 668 662 404) ('the Lender') and Aerison Group Limited and its' subsidiaries (Administrators Appointed) ('Aerison Group')
- **Key customer support:** There has been an overwhelming level of support from key customers of Aerison. This is a testament to the high quality of work Aerison staff have produced over a long period of time. The Administrators along with the Aerison team are regularly engaging with customers to ensure projects progress during the administration period and beyond.
- **Employees** at Aerison have continued to operate at a high level performing their day-to-day functions. The workforce remains stable and is focussed on servicing Aerison's clients whilst a sale of business is pursued by the Administrators.
- **Sale process:** An expedited sale process was commenced by the Administrators shortly after their appointment. There has been significant interest with over 25 expressions of interest since appointment. Stage 1 of the sale process is closing on 19 June 2023 and a shortlisted number of parties will be selected shortly thereafter to enter a more comprehensive due diligence Stage 2 process.
- **Roy Hill dispute:** The Administrators have reviewed the Roy Hill dispute and believe the Company has a strong claim which is supported by the due diligence completed by potential litigation funders. The Administrators have written to Roy Hill to negotiate in good faith to resolve the contractual dispute in relation to the saline water reverse osmosis desalination plant project. Should an agreement not be reached with Roy Hill in the short-term, the Administrators will sign a litigation funder to pursue the claim.

The Administrators would like to take this opportunity to thank all employees, customers and suppliers for their ongoing support.

- Ends -

This announcement was authorised for release to the ASX by the Administrators of Aerison Group Ltd (Administrators Appointed).

MEDIA ENQUIRIES

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About Aerison

Aerison Group Ltd (ASX:AE1) Aerison is a multi-discipline engineering design and construction company self-performing multi-disciplined EPC, engineering and design, construction and maintenance services to various industries and clients across Australia. Aerison is also recognised for its specialist expertise in environmental services including emission mitigation performance studies, compliance testing and custom designed and build solutions engineered to reduce the impact of industry on the environment. The success of Aerison has been built on its ability to provide a quality turnkey service, and this is only possible by having in-house engineering and design, procurement, project management, manufacturing, construction, mechanical installation and commissioning capabilities. Safety, quality and schedule are our key drivers.

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