

SPHERE MINERALS LIMITED

A SUBSIDIARY OF
GLENCORE

ASX RELEASE

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SPHERE MINERALS LIMITED (ASX:SPH) OPTION OVER ASKAF PROJECT – UPDATE

On 14 September 2015, as previously announced, Sphere Minerals Limited (Sphere) executed an agreement to grant an exclusive option to Al Rawda Resources Limited (Al Rawda) to purchase an 80% interest in Sphere Mauritania SA, the entity which owns the Askaf project (Heads of Agreement).

By way of update, Al Rawda has extended the option period to 14 January 2016, for an extension fee of USD100,000, payable under the Heads of Agreement.

This extension enables Al Rawda to continue detailed due diligence, and for the parties to continue to progress with other conditions precedent including government approvals and the finalisation of transaction documentation, which may or may not lead to a transaction.

Sphere notes that Al Rawda is able to further extend the option period, on a monthly basis, up to 14 March 2016, for the same monthly fee.

Sphere will provide a further update at the end of the due diligence process.



Matthew Conroy
Company Secretary

About Al Rawda Resources:

Al Rawda Resources owns and operates hard-rock mining operations in the UAE producing numerous products for the construction industry. Al Rawda proposes to utilise this experience in establishing low cost opencast mining operations to develop the Askaf Project. The management of Al Rawda has previous experience working in Mauritania and participated in the re-development of the Guelb Moghrein Copper Mine in that country.