

EXTENSIONS TO CRACOW MINE LIFE

- **Updated Mineral Resources¹ and Ore Reserves¹ extends mine life at Cracow**
- **Two year gold production guidance:**
 - ✓ **FY22 67,000oz to 71,000oz**
 - ✓ **FY23 60,000oz to 65,000oz**
- **Exploration budget over first two years of ownership upgraded from \$13m to \$19m**
- **FY22 exploration budget of \$13m includes:**
 - **\$9m on near mine resource definition drilling programs:**
 - ✓ Targeting extensions to the Roses Pride, Klondyke-Royal and Golden Plateau deposits; and
 - ✓ Near mine underground conceptual targets including Killarney Extensions, Kenneth and Royal / Crown Deeps
 - Exploration in new spaces looking for the next significant deposit, including Cracow South West, Ballymore and Boughyard
- **Highly prospective tenement package – there's more gold to be found**

¹ See Appendices 1 and 2



Established Australian copper-gold producer and explorer, Aeris Resources Limited (ASX: AIS) (Aeris or the Company) is pleased to provide an update on life of mine extension projects at the Company's 100% owned Cracow Gold Operations (Cracow) in Queensland.

Aeris' Executive Chairman, Andre Labuschagne, said "Over the life of Cracow there is a strong history of Ore Reserve and Mineral Resource replenishment. With the recent announcement of the updated Ore Reserve and Mineral Resource estimates for 30 June 2021, we have more gold in both categories than when we acquired Cracow on 1 July 2020. This has also enabled us to continue providing two year production guidance."

"The increases in Ore Reserves and Mineral Resources are the result of multiple life extension projects, including challenging operating paradigms to enable lower cut-off grades and success from the drill bit."

"When we first acquired Cracow, we targeted spending \$13m on exploration activities over the first two years of ownership. As a result of the extensive geological re-interpretation work undertaken in FY21, we remain convinced that the Cracow tenement package remains highly prospective for discovery of more gold. Therefore, we have decided to increase our FY22 exploration budget at Cracow to \$13m, taking total projected exploration spend in the first two years to \$19m."

Cracow Life-of-Mine update

The Cracow tenement package covers 990km² and is located 500km north-west of Brisbane, QLD. Since Cracow commenced operation in 2004 over 1.4 million ounces of gold has been produced from the Western Field and there is a strong history of Ore Reserve and Mineral Resource replenishment.

One of our key objectives when acquiring Cracow was to identify how to run the operation differently so that more of the gold which would previously have been left behind, could be mined. One of these operational changes has been to push the processing plant harder to increase throughput. This has enabled cut-off gold grade to be lowered, which in turn broadens the scope for greenfields exploration.

When we acquired Cracow our expectation for FY22 was to produce between 57,000 ounces and 62,000 ounces of gold. Our guidance for this year has now been upgraded to between 67,000 ounces and 71,000 ounces and we have also included for the first time, production guidance for FY23. This updated two year production guidance reflects the work done by the site team in challenging the operating and exploration strategies.

Two year gold production guidance has been updated:

- FY22 67,000oz to 71,000oz; and
- FY23 60,000oz to 65,000oz.



Since Aeris assumed ownership of Cracow on 1 July 2020, drilling and reinterpretation of brownfields exploration targets has enabled a slight increase in Ore Reserves² and a 30% increase in Mineral Resources² as at 30 June 2021, despite FY21 depletion. Exploration success during FY21 included:

- 260% increase, to 26koz, in Mineral Resource estimate at the Roses Pride deposit; and
- 324% increase, to 40koz, in Mineral Resource estimate at the Klondyke-Royal deposit.

Exploration Strategy

Our exploration strategy focuses on annually replacing (at a minimum) our Ore Reserve and Mineral Resource inventory at Cracow whilst exploring for the next significant mineralised system.

Challenging the paradigms at Cracow has also included re-interpreting the geological parameters which drive the exploration strategy. As a result of this work a number of new exploration targets, both greenfields and brownfields, have been identified.

The Company is focused on ore sources within 5km of the Cracow mill. The Cracow South West (Cracow SW) target, which is under cover and has received little exploration to date, is analogous with the Western Field. Aeris is also seeking incremental additions in the Eastern Field. The new operating strategy enables areas to be targeted which previously were lower priority.

We believe that the Cracow tenement package remains highly prospective for discovery of more gold, both within brownfields and greenfields exploration spaces and this is reflected in the extensive portfolio of exploration targets identified (Figure 1).

During FY22, \$13m is budgeted for exploration activities at Cracow:

- \$9m for resource definition drilling programs around current underground workings (Figure 2) and surface targets on the Eastern Field; and
- \$4m for greenfields exploration projects, including drill testing the Boughyard high sulphidation prospect and geophysics & drill testing at Ballymore Extended & Cracow SW.

² See Appendices 1 and 2

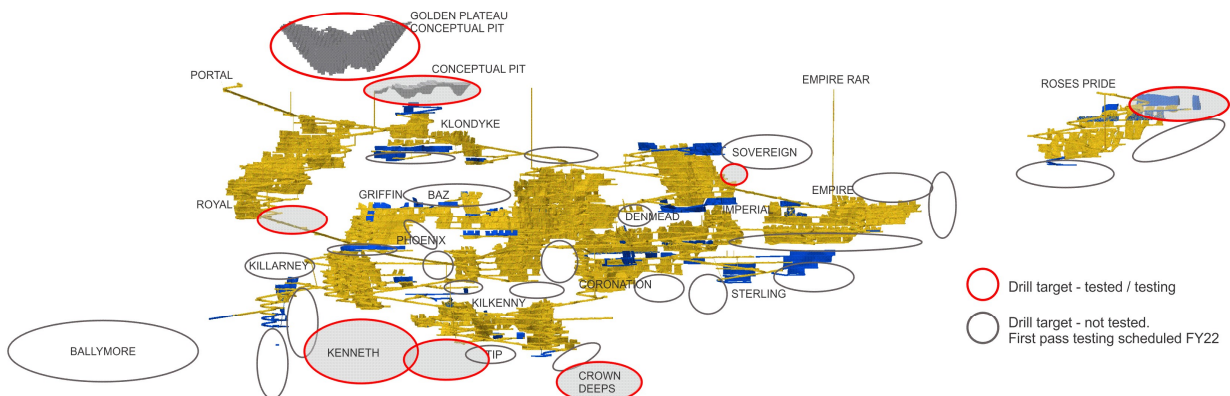
Figure 1: Cracow Gold Operations – mining and exploration projects pipeline

Project	Producing	Development Ready	Exploring
Western Field U/G Deposit	✓		
Roses Pride		✓	✓
Golden Plateau			✓
Klondyke-Royal (near surface)		✓	✓
Eastern Field Surface Targets			✓
Crown Deeps			✓
Royal Deeps			✓
Ballymore (near Mine)			✓
Boughyard			✓
Ballymore (extended)			✓
Cracow SW			✓
Kenneth			✓

Greenfield

Brownfield

Figure 2 – Cracow Gold Operations near mine exploration targets





This announcement is authorised for lodgement by:

Andre Labuschagne
Executive Chairman
ENDS

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About Aeris

Aeris Resources Limited (ASX: AIS) is a diversified mining and exploration company headquartered in Brisbane. The Company has a growing portfolio of copper and gold operations, development projects and exploration prospects. Aeris has a clear vision to become a mid-tier mining company with a focus on gold and base metals, delivering shareholder value.

Aeris' Board and management team bring decades of corporate and technical expertise in a lean corporate structure. Its leadership has a shared, and highly disciplined focus on operational excellence, and an enduring commitment to building strong partnerships with the Company's workforces and key stakeholders.

In FY22 Aeris is forecasting to produce between 21,000 and 22,000 tonnes of copper from its Tritton Copper Operation in New South Wales, and between 67,000 and 71,000 ounces of gold from its Cracow Gold Operation in Queensland.

COMPETENT PERSONS' STATEMENTS

Competent Person's Statement – Mineral Resource

Mr Cox confirms that he is the Competent Person for all the Mineral Resource estimates summarised in this Report and he has read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition). Mr Cox is a Competent Person as defined by the JORC Code, 2012 Edition, having relevant experience to the style of mineralisation and type of deposit described in the Report and to the activity for which he is accepting responsibility. Mr Cox is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM No. 220544). Mr Cox has reviewed the Report to which this Consent Statement applies and consents to the inclusion in the Report of the matters based on his information in the form and context in which it appears. Mr Cox is a full time employee of Aeris Resources Limited.

Mr Cox has disclosed to the reporting company the full nature of the relationship between himself and the company, including any issue that could be perceived by investors as a conflict of interest. Specifically, Mr Cox is entitled to 1,836,725 Performance Rights issued under the Company's equity incentive plan (details of which were contained in the Notice of Annual General Meeting dated 20 October 2020). The vesting of these Performance Rights is subject to certain performance and employment criteria being met.

Competent Person's Statement – Ore Reserve

Mr Ian Sheppard confirms that he is the Competent Person for all the Ore Reserve estimates summarised in this Report and Mr Sheppard has read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition). Mr Sheppard is a Competent Person as defined by the JORC Code, 2012 Edition, having relevant experience to the style of mineralisation and type of deposit described in the Report and to the activity for which he is accepting responsibility. Mr Sheppard is a Member of The Australasian Institute of Mining and Metallurgy, No. 105998. Mr Sheppard has reviewed the Report to which this Consent Statement applies and consents to the inclusion in the Report of the matters based on his information in the form and context in which it appears. Mr Sheppard is a full time employee of Aeris Resources Limited.

Mr Sheppard has disclosed to the reporting company the full nature of the relationship between himself and the company, including any issue that could be perceived by investors as a conflict of interest. Specifically, Mr Sheppard holds 12,118,137 shares in Aeris Resources Limited and is also entitled to 5,102,015 Performance Rights issued under the Company's equity incentive plan (details of which were contained in the Notice of Annual General Meeting dated 20 October 2020). The vesting of these Performance Rights is subject to certain performance and employment criteria being met.

Appendix 1: Cracow Gold Operations Mineral Resource as at 30 June 2021³

June 2021					
	Tonnes (kt)	Au (g/t)	Au (koz)	Ag (g/t)	Ag (koz)
Cracow					
Measured	200	9.1	59	5.7	37
Indicated	1,400	3.7	170	3.1	140
Total M + I	1,600	4.3	230	3.4	180
Inferred	2,300	2.3	170	1.5	110
TOTAL	3,900	3.1	390	2.3	290

Notes:

- (1) Mineral Resource cut-off grade 1.5g/t for all Cracow deposits
- (2) Discrepancy in summation may occur due to rounding.

Appendix 2: Cracow Gold Operations Ore Reserve as at 30 June 2021³

June 2021			
	Tonnes (kt)	Au (g/t)	Au (koz)
CRACOW			
Proved	172	4.9	27
Probable	519	3.8	63
TOTAL	690	4.1	90

Notes:

- (1) Discrepancy in summation may occur due to rounding.
- (2) Cut-off grades vary between deposits and are selected based on economic analysis. They are not a break-even cut-off.
- (3) Mineral Resources are quoted as INCLUSIVE of the Ore Reserves Estimate.

All Mineral Resource that is available for conversion to Ore Reserve has been evaluated and is included in the Ore Reserve estimate where it meets economic and other criteria. Ore Reserve annual update as announced on ASX 3 August 2021.

³ See ASX announcement "Mineral Resource and Ore Reserve Estimate June 2021 Cracow" dated 3 August 2021.

Aeris confirms that it is not aware of new information or data that materially impacts the information in this announcement and all material assumptions and technical parameters underpinning the estimates continue to apply and have not changed.