July 27 2017 **ASX/MEDIA RELEASE**

AERIS RESOURCES LIMITED
(ASX: AIS)

TRITTON EXPLORATION UPDATE

Highlights:

- **Multiple new anomalies identified including two anomalies within five kilometres of Tritton Copper Operations' processing facility**
- **EM survey over Tritton and Kurrajong corridors now 50% complete**
- **Helicopter-borne survey conducted over underexplored northern and southern extremities of tenement package**

Aeris Resources Limited (Aeris) is pleased to provide an update of its recent exploration activities.

On 28 July 2016, Aeris announced that it was ramping-up greenfields exploration on its Tritton tenement package and would spend $7.5M over the next two years.

This exploration program is focused on exploring for deeper/concealed mineralised systems within the known Tritton and Kurrajong stratigraphic corridors, utilising new high power electromagnetic (EM) geophysical techniques which have the ability to identify a conductive body to depths in excess of 500m below surface. A Moving Loop Transient Electromagnetic (MLTEM) geophysical survey program commenced in December 2016 and was 50% complete at the end of the financial year.

During the March quarter a helicopter-borne electromagnetic geophysical survey (VTEM-Max) was also undertaken on the relatively underexplored northern and southern extremities of the Tritton tenement package, targeting bedrock conductors within 300m from surface.

Aeris Executive Chairman Andre Labuschagne said: "While it is early days, the results of the revitalised greenfields exploration program being carried out on the Tritton tenement package are highly encouraging and confirm the prospectivity of this region. We will look to build on this early success in the coming year."

Aeris currently holds 184,600 hectares in the prospective Tritton VMS district (see Figure 1). This is made up of six exploration and three mining leases. Copper mineralisation is hosted within two stratigraphic corridors proximal to major mafic complexes of which six have been identified with a combined strike length of greater than 100km. Numerous anomalies have been identified and remain untested in the Tritton region (see Figures 2 and 3).

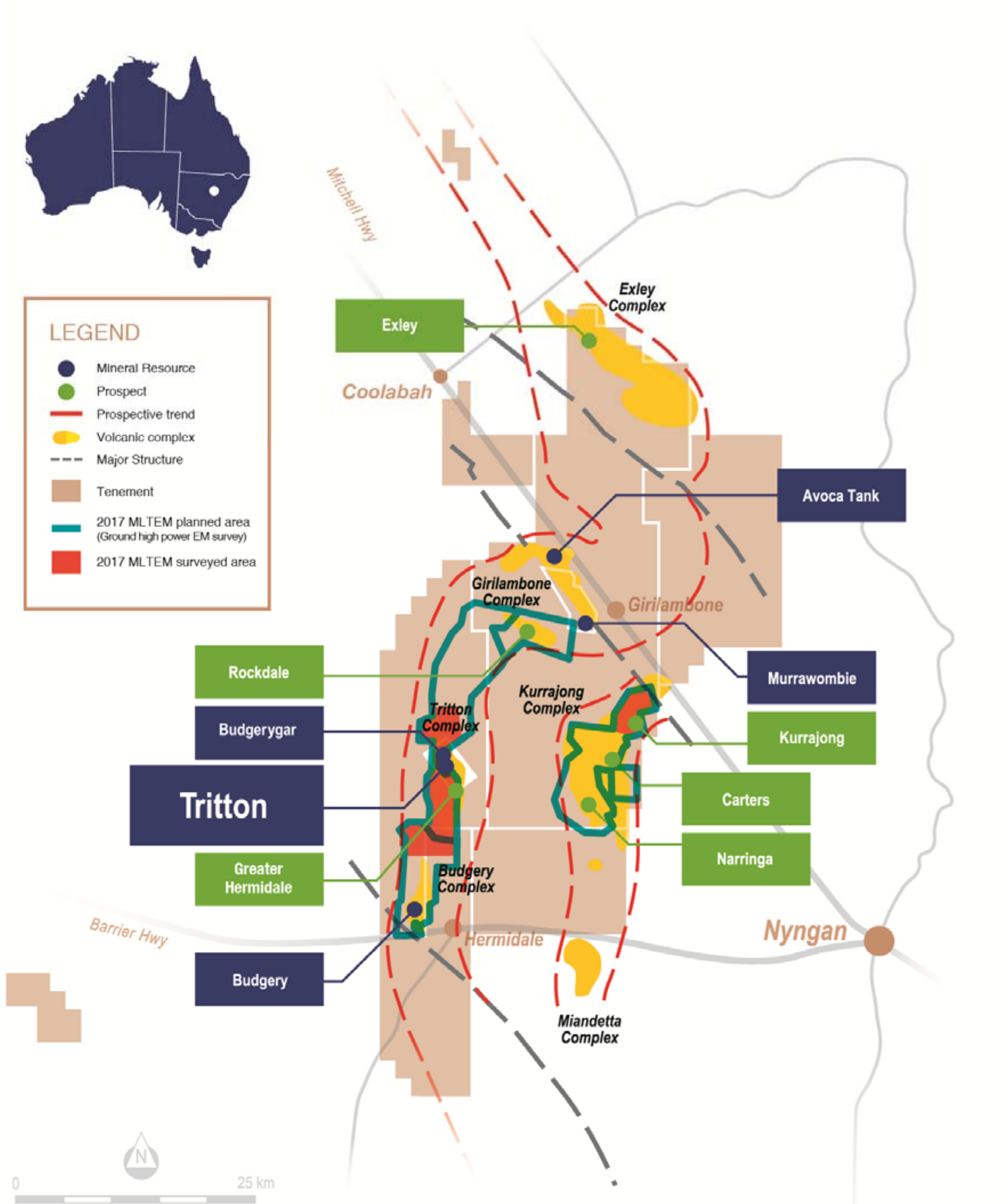

Figure 1: Tritton tenement package

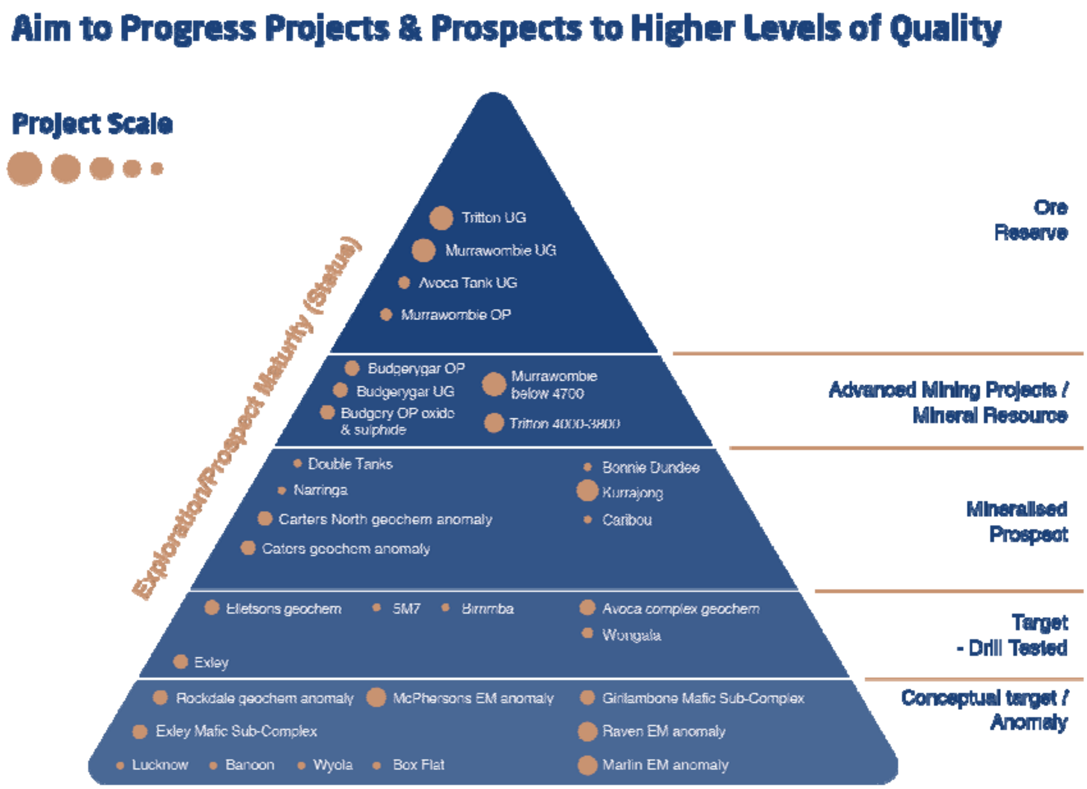

Figure 2: Exploration Projects and Prospects on Tritton tenement package

On 28 July 2016, Aeris announced that it was ramping-up greenfields exploration on its Tritton tenement package and would spend $7.5M over the next two years (See ASX Announcement dated 28 July 2016 for more information). This exploration program is focused on exploring for deeper/concealed mineralised systems within the known Tritton and Kurrajong stratigraphic corridors utilising new high power electromagnetic (EM) geophysical techniques which have the ability to identify a conductive body to depths in excess of 500m below surface.

A Moving Loop Transient EM (MLTEM) survey program commenced in December 2016 and by the end of the financial year was 50% complete. The extent of the MLTEM program is highlighted in Figure 3 (magenta and orange shaded regions) and is designed to detect for large “Tritton” sized orebodies (+10Mt). Known deposits within the Tritton tenement package are directly detectable via EM methods. Extensive EM surveys completed within the tenement package during the mid-1990s led to the discovery of the Tritton deposit.

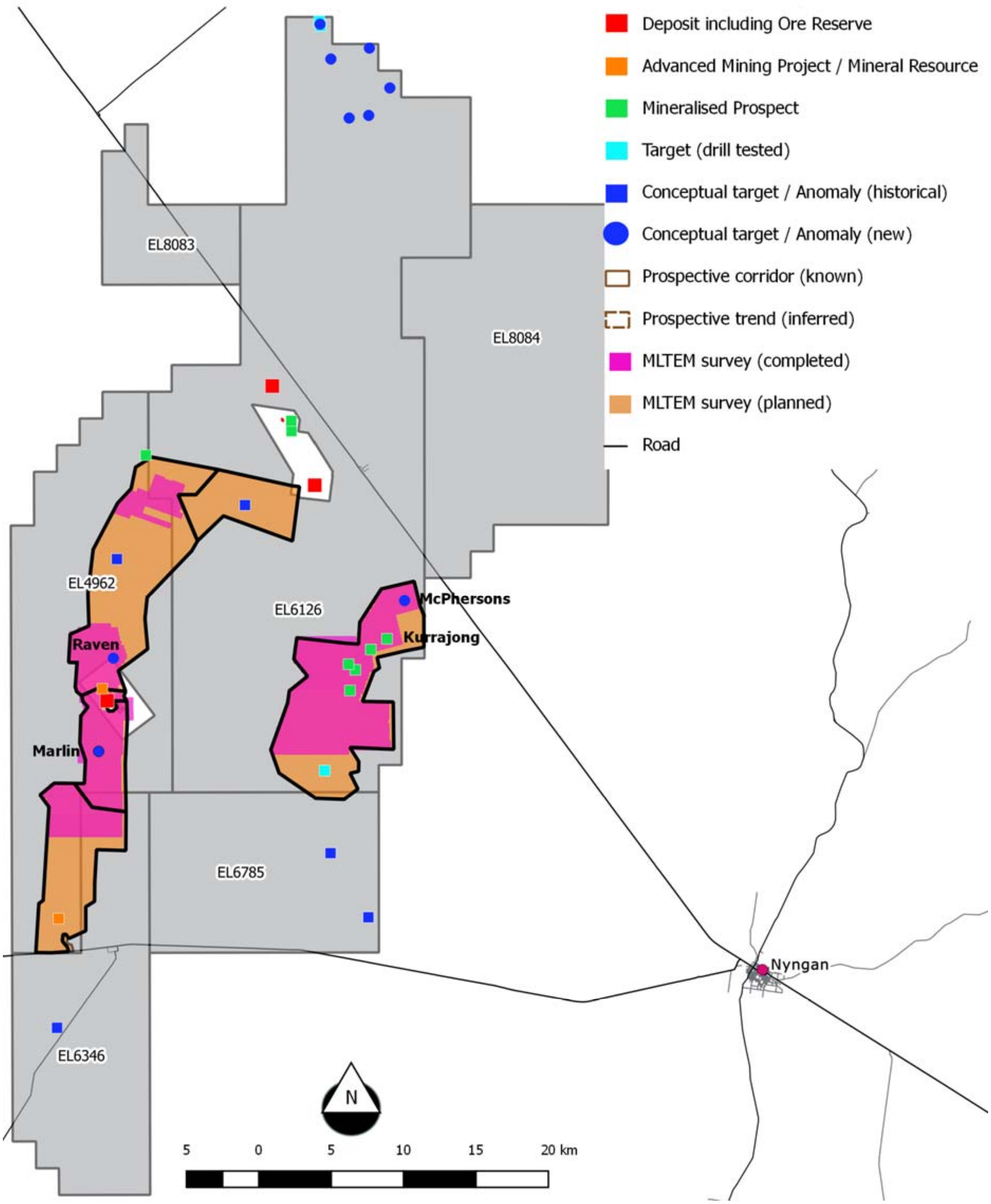

Figure 3: Tritton region showing Aeris Resources Tritton tenement package and prospective corridors for copper mineralised systems. The planned MLTEM geophysical survey coverage is highlighted by shaded orange regions and completed survey areas by shaded magenta regions.

Results to date from the MLTEM survey have detected three new bedrock EM conductors (anomalies) whilst also detecting the sulphide rich component of the Kurrajong prospect. Importantly the modeled EM conductors at Kurrajong extend below 500m, providing confidence the technique is successful in detecting conductive bodies to depths significantly greater than EM methods used extensively throughout the mid to late 1990s.

Bedrock EM conductors (Kurrajong corridor)

Finalised MLTEM results over the Kurrajong complex is constrained to the north east corner of the survey area (Figure 4). The survey has detected two EM conductors, the already known Kurrajong Prospect and the McPhersons geochemical anomaly (McPhersons EM Anomaly).

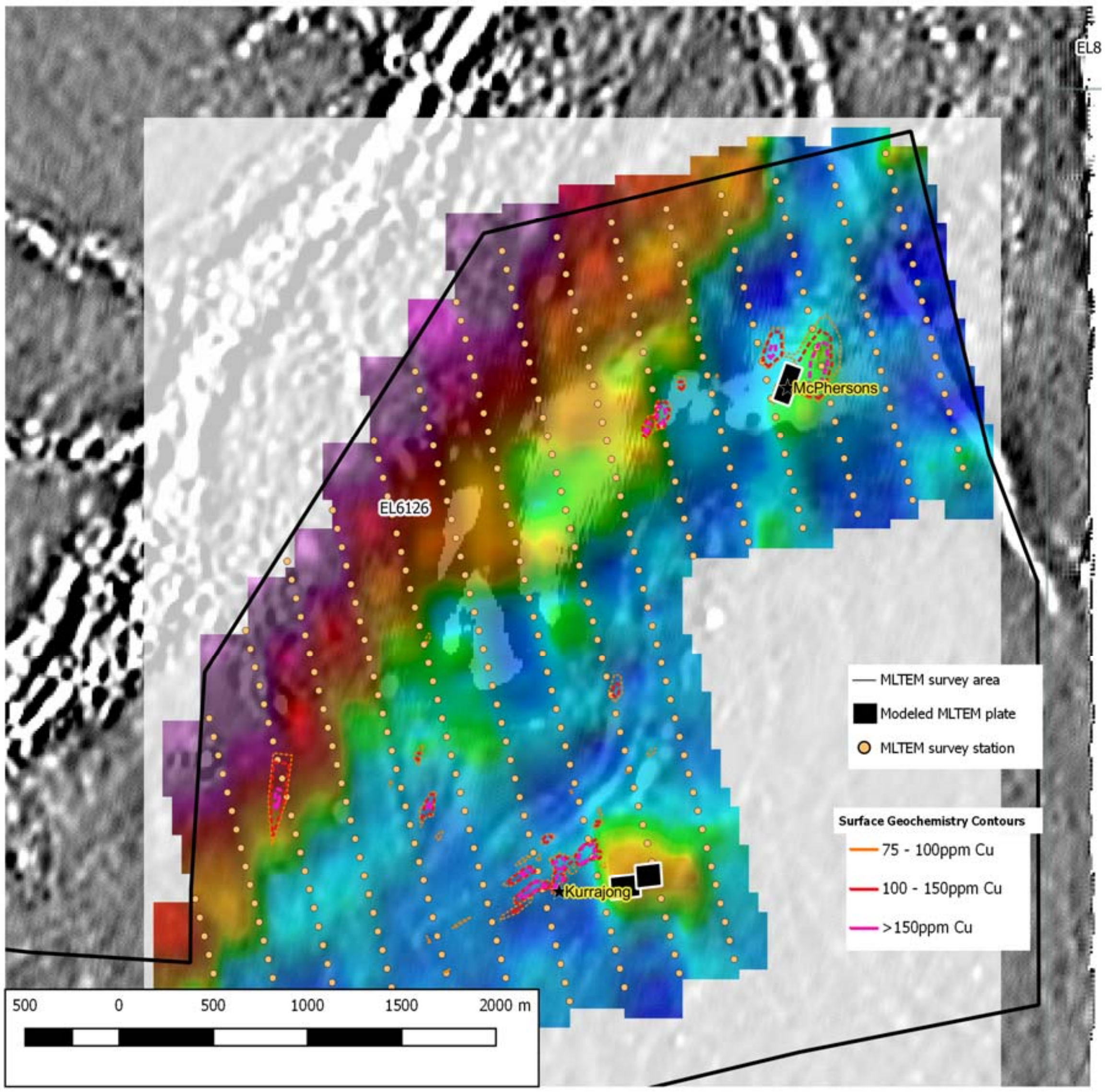

Figure 4: Plan view of the north east corner of the Kurrajong complex showing MLTEM results (CH25 B field Z component) overlain on a magnetic 2VD image (black and white image). Anomalous copper surface geochem contours are also displayed.

The Kurrajong Prospect is defined by a broad surface geochemical anomaly and associated historical workings. An initial shallow RC drill program completed in 1997, targeting oxide mineralisation in the vicinity of the historical workings, returned sporadic zones of elevated copper mineralisation (+1.0% Cu) within broader low grade copper haloes. A second phase of drilling over the prospective area was completed between May 2012 to March 2013 and utilised down hole EM technology to assist with vectoring toward mineralisation. The drill program targeted down plunge extensions of the previous shallow copper mineralisation. A majority of drill holes intersected a series of stacked sulphide lenses defined by massive/banded pyrite +/- chalcopyrite and in places, stringer pyrite with lesser chalcopyrite (see Figure 5). The mineralised system has been traced from drill intercepts over 500m along strike and down plunge. The modeled EM conductor plates from the current MLTEM survey correlate with the higher grade massive/semi massive sulphide core which is defined from a limited number of drill holes (See Table 1).

Preliminary models defining the dimensions, orientation and depth below surface for the Kurrajong and McPhersons EM conductors has been completed. The Kurrajong EM conductive response is interpreted to represent two stacked moderate strength conductors (1500 to 2000 siemens) positioned approximately 400m below surface with dimensions in the range of 125m (strike) x 150m (depth). The modeled plates correlate favourably with the higher grade sections of the known deposit based on current drill hole information. Both modeled plates are orientated parallel to the regional geology.

HOLE ID	FROM (m)	TO (m)	LENGTH (m)	CU GRADE (%)
TKJD007	567.0	571.0	4.0	2.46
TKJD008	572.0	578.0	6.0	3.92
TKJD012	603.0	613.0	10.0	2.43

Table 1: Drill hole intersections through massive/semi massive mineralisation at the Kurrajong prospect which broadly correlates with the modelled bedrock EM conductors from the current MLTEM survey.

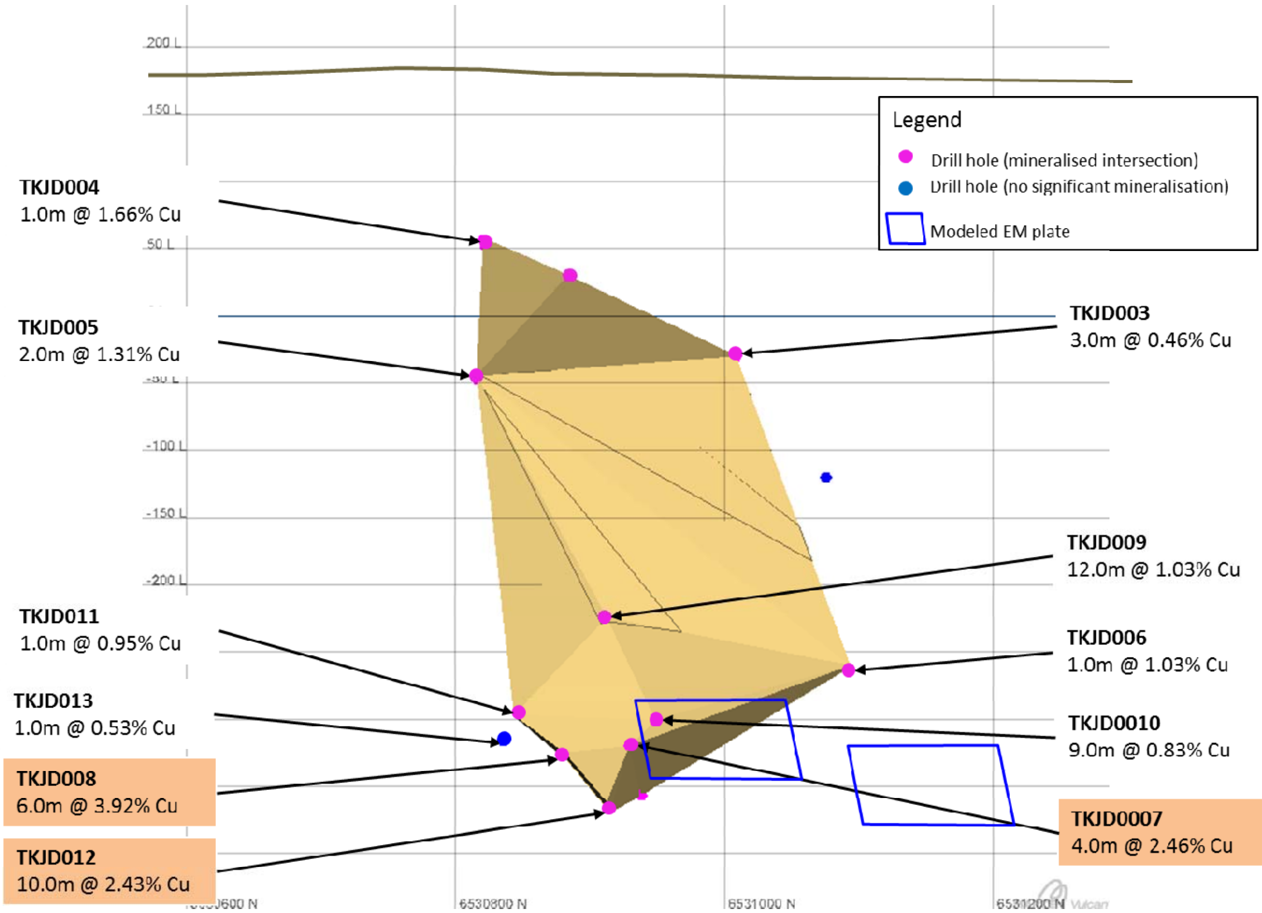

Figure 5: Long section view of the interpreted Kurrajong mineralised envelope showing location, thickness and copper grade from drill hole intersections through the sulphide deposit.

Recent surface mapping within the Kurrajong complex confirms the broad stratigraphic units identified at Kurrajong trend toward the McPhersons EM Anomaly. Both the Kurrajong Prospect and the McPhersons EM Anomaly are located within or adjacent to basic – intermediate volcanic units which manifest as magnetic highs. The McPhersons bedrock EM conductor is of similar size and conductance to the Kurrajong modeled plates.

Preliminary modeling of the McPhersons EM response defined a moderate strength conductive plate (1000 to 2000 siemens) with dimensions in the range of 200m (strike) x 150m (depth) from 350m to 400m below surface.

A fixed loop EM (FLEM) survey will be completed over each EM conductor to refine the modeled plate spatial location and dimensions further to assist with prospect ranking and drill targeting. Modeled EM plate parameters (size/signal strength) will be considered in conjunction with the geological setting (stratigraphy/proximity to magnetic embayments) and surface geochemistry results. EM anomalies positioned higher on the prospectivity ranking will be prioritised for follow up exploration work including detailed prospect scale EM surveying and a first pass drill program.

Bedrock EM conductors (Tritton corridor)

MLTEM results to date within the Tritton corridor are centralised around Tritton, extending 9km south and 5km north of Tritton (Figure 6). Two EM conductors have been identified. The Raven EM Anomaly is located 2.5km north of Tritton and is interpreted to occur within the same stratigraphic package hosting the Tritton deposit. The Marlin EM Anomaly is located 3.5km south of Tritton within the extensive Greater Hermidale geochemical anomaly which extends periodically over a 5km strike length. A number of small highly conductive cover units occur throughout the area shown as magenta/red shaded regions in Figure 6.

Preliminary modeling has been completed on both the Raven and Marlin EM conductors to define their spatial location and dimensions. The Raven conductive model is defined as a large 500m (strike) x 100m (depth) plate from 350m to 400m below surface. The plate is orientated parallel to the regional trend and dipping steeply to the west. The Marlin EM response is defined by a 300m (strike) x 300m (depth) plate located approximately 200m below surface. The interpreted orientation is striking north-east which is oblique to the interpreted regional trend (north-south).

A fixed loop EM (FLEM) survey will be completed over each EM conductor to refine the modeled plate spatial location and dimensions further to assist with prospect ranking and drill targeting. Modeled EM plate parameters (size/signal strength) will be considered in conjunction with the geological setting (stratigraphy/proximity to magnetic embayments) and surface geochemistry results. EM anomalies positioned higher on the prospectivity ranking will be prioritised for follow up exploration work including detailed prospect scale EM surveying and a first pass drill program.

Airborne EM Survey

During the March 2017 quarter a helicopter-borne EM geophysical survey (VTEM-Max survey), covering 977 line kilometres, was also conducted across the northern and southern extremities of the Tritton tenement package. The VTEM-Max survey was flown on 200m line spacings over three discrete areas within the Tritton tenement package. Each area is interpreted to represent along strike extensions from known stratigraphic corridors hosting the current Mineral Resource/advanced deposits within the Tritton and Kurrajong corridors. The intent of the survey was to identify conductive bedrock conductors within 300m from surface.

The results from the VTEM-Max survey were finalised during the current quarter with multiple EM anomalies being identified, which require follow up work to assess their prospectivity. A majority of the EM anomalies have been detected toward the northern end of the tenement package, which is interpreted to represent the northern extension of the Tritton stratigraphic corridor (Figure 7). Further work is required to verify whether the anomalies may represent a conductive sulphide body, however at this early stage it indicates there is considerable prospectivity within this portion of the tenement, which historically has not been explored as extensively.

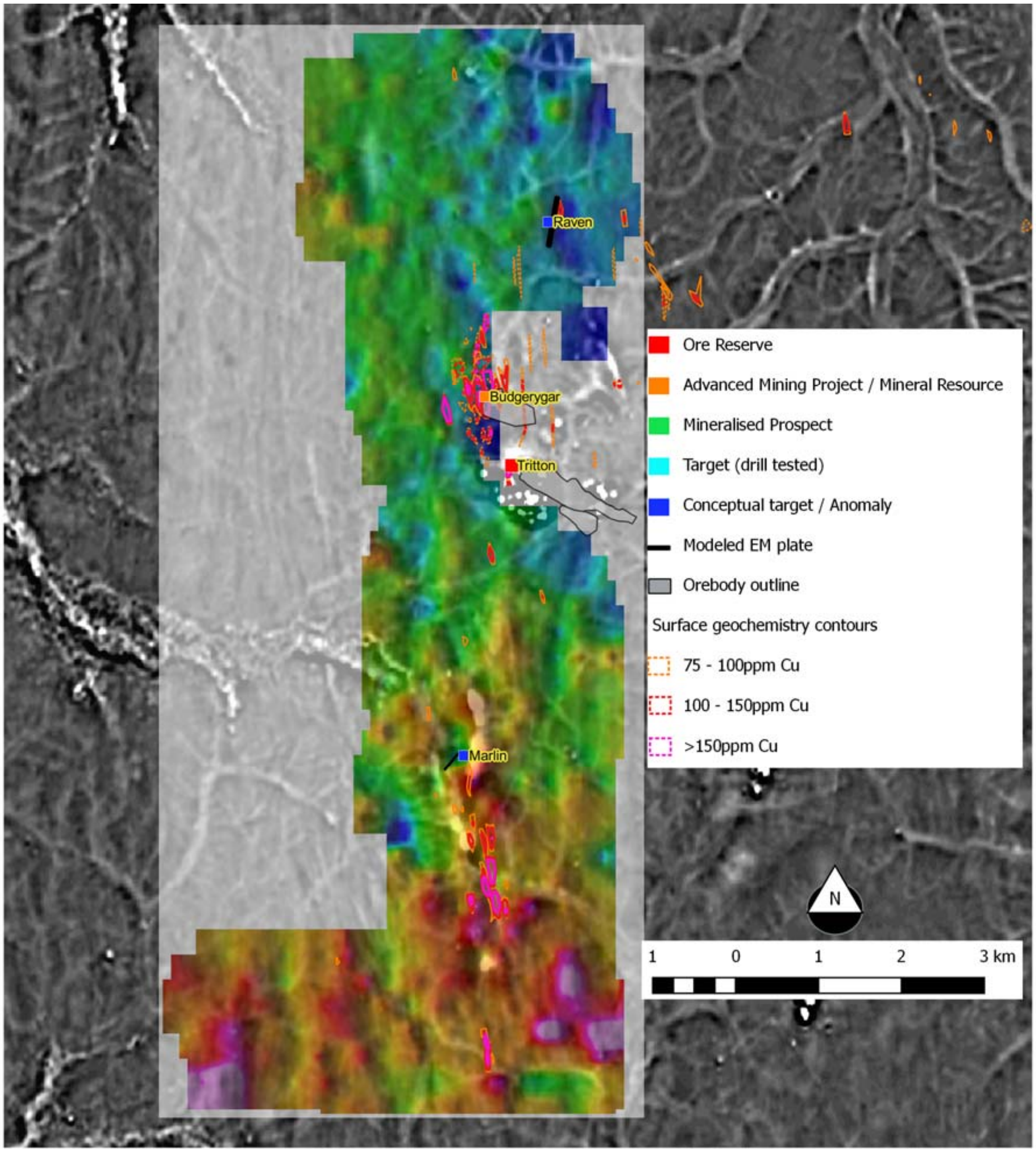

Figure 6: Plan view showing MLTEM results within the Tritton corridor (CH23 B field Z component). The Raven EM conductor is located north of Tritton while the Marlin EM conductor is located south of Tritton within the Greater Hermidale geochemical anomaly.

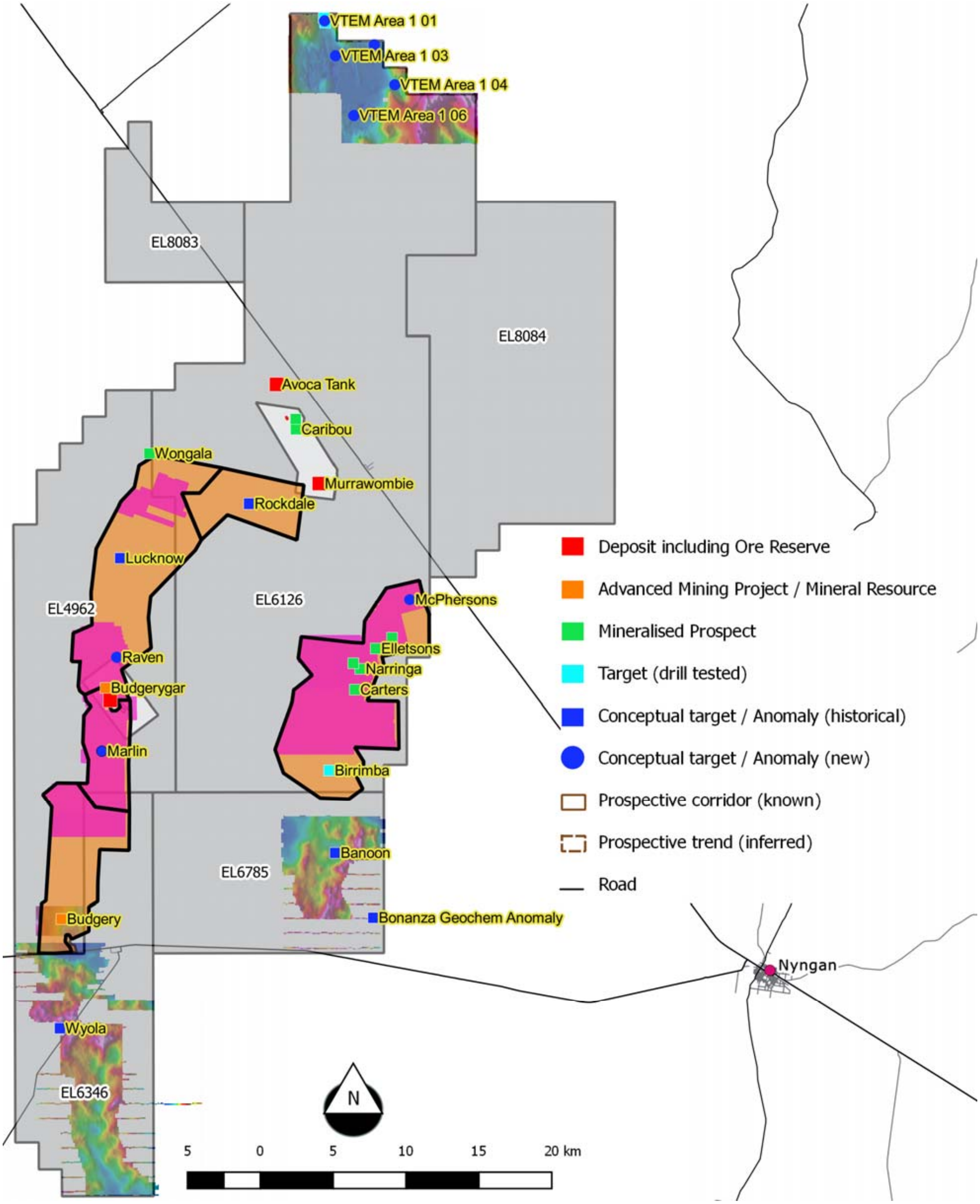

Figure 7: Plan view showing 2017 VTEM-Max geophysical survey results at the northern extremity of the Tritton stratigraphic corridor.

Regional geology compilation

In conjunction with the focused MLTEM survey within the known stratigraphic corridors, work is being undertaken to understand the geological architecture further afield. During the quarter a regional mapping and historical data compilation program commenced, focusing on the structural and lithological features within the interpreted extensions of the Tritton and Kurrajong corridors. Copper deposits discovered within the tenement package to date are localised within the Tritton and Kurrajong stratigraphic corridors. The projection of each corridor is understood through the central portion of the tenement, however beyond this their location is not well understood, predominately from poor outcrop/increased cover and paleao-channels masking bedrock trends from magnetic imagery. Importantly this area covers approximately 50% of the current tenement package.

The intent is to identify and trace the outcropping lithological units within the favourable horizons along strike to identify and project the prospective corridors and provide a more detailed understanding of the structural framework.

Surface outcrop exposures are limited to a series of resistant quartzite/chert units within the Kurrajong extensions and a regionally continuous sandstone unit within the Tritton corridor, referred to as the Budgery Sandstone. The Budgery sandstone unit is a significant marker unit which has been traced intermittently throughout the known corridor from Budgery through to Murrawombie. The unit represents a correlatable marker horizon from which the inferred stratigraphic position of the known deposits can be made. The regional mapping will result in a more detailed geological interpretation, which will be used in conjunction with historical data (geophysics, surface geochem and geological interpretations) to refine prospective areas for follow up work, including the anomalies identified from the VTEM-Max survey.

ENDS

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Appendix:

Competent Persons Statement – Exploration Results

The information in this report that relates to Exploration Results is based on information compiled by Bradley Cox, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Bradley Cox is a full time employee of Aeris Resources. Bradley Cox has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Bradley Cox consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

JORC Code, 2012 Edition – Table 1
Section 1 Sampling Techniques and Data (Tritton Tenement Package)

Criteria	Commentary
Sampling techniques	1. Airborne electromagnetic geophysical survey was completed by a commercial contractor – UTS Geophysics. o Survey specifications include: ▪ Line spacing: 200m ▪ Station spacing: 2-10m ▪ Transmitter loop size: 34.6m diameter (4 turns) ▪ Transmitter base frequency: 25Hz ▪ Effective transmitter loop area: 3,760m^2 ▪ Peak current: 183 A ▪ Pulse width: 7.19 ms ▪ Wave form shape: trapezoid ▪ Peak dipole moment: 688,261 nIA ▪ Average transmitter-receiver loop terrain clearance: 36m above the ground o Receiver: ▪ X coil diameter: 0.32m ▪ Number of turns: 245 ▪ Effective coil area: 19.69m^2 ▪ Z-coil diameter: 1.2m ▪ Number of turns: 100 ▪ Effective coil area: 113.04m^2 2. Ground based moving loop transient electromagnetic survey (MLTEM) is being conducted by a commercial contractor – HPEM Geophysical Services. The survey is ongoing and expected to be completed toward

Criteria	Commentary
	the end of CY 2017. o Survey specifications include: ▪ Receiver: SMARTem24 or GDD NordidEM ▪ Sensor/Probe: LANDTEM HT SQUID B-field sensor – ZXY 3D component ▪ Sensor positioning: SLINGRAM only position. 150m NNW or W offset from loop edge (300m of central in loop position) ▪ Loop: 300m x 300m single turn ▪ Max current: ~175A to 250A ▪ Line spacing: 300m ▪ Station spacing: 100m ▪ Frequency/ramp: 0.5Hz, 500 msec TB, ~0.5 – 1.0 ms ramp ▪ Stacking/noise: 128 stacks, noise <1pT
Location of data points	1. Airborne electromagnetic survey o Navigation system used was a Geotech PC104 utilising a Novatel's WAAS enabled GPS receiver. Positional accuracy or circular error probability is 1.8m o The flight path, recorded by the acquisition program as WGS 84 latitude/longitude, was converted into GDA94 Map Grid of Australia zone 55 coordinate system in Oasis Montaj o Quality and accuracy of the survey data is suitable for target definition and integration into existing geology models 2. Ground based MLTEM survey o Data is acquired in GDA94 Map Grid of Australia zone 55 o Quality and accuracy of the survey data is suitable for target definition and integration into existing geology models
Orientation of data in relation to geological structure	Survey lines for both the airborne and ground EM surveys are orientated perpendicular to the regional geology trend.
Audits or reviews	1. Sample data is processed and interpreted by an experienced external geophysist contractor. 2. Results from the MLTEM survey are provided by the geophysist contractor on a frequent basis (fortnightly). The results from both electromagnetic surveys have been reviewed in detail from a site based audit between Aeris Resources geology staff and the external geophysist contractor.

Section 2 Reporting of Exploration Results (Tritton Tenement Package)

Criteria	Commentary
Mineral tenement and land tenure status	1. The Tritton Regional Tenement package is located approximately 45km northwest of the township of Nyngan in central western New South Wales. 2. The Tritton Regional Tenement package consists of 6 Exploration Licences and 3 Mining Leases. The mineral and mining rights are owned 100% by the company. 3. All six Exploration Licences are in good standing. EL4962 is in the first year of its 5 year term. EL6126 is in the first year of its 5 year term. EL6785 is in the second year of its 5 year term. EL6346 is in the third year of its 3 year term. Renewal of this licence will occur November 2017. The company is not aware of any reason why EL6346 will not be renewed. EL8083 and EL8084 are in the final year of their licence term (3 year term). Renewal of this licence will occur May 2018. The company is not aware of any reason why both tenements will not be renewed.
Exploration done by other parties	1. Regional exploration has been completed over the currently held tenement package by Utah Development Co in the early 1960's to early 1970's. Australian Selection P/L completed exploration throughout the 1970's to late 1980's prior to NORD Resources throughout the late 1980's and 1990's. This included soil sampling and regional magnetics which covered the Avoca, Greater Hermidale, Belmore and Thorndale project areas. Principally exploration efforts were focused on the discovery of oxide copper mineralisation. NORD Resources also completed some shallow reverse circulation (RC) drilling over the Avoca Tank Resource. Subsequent exploration efforts have been completed by Tritton Resources Pty Ltd with the drilling over a number of RC drill holes within the Greater Hermidale region in the late 1990's similarly focused on heap leachable oxide copper mineralisation, prior to the acquisition of the Tritton Resources Pty Ltd by Straits Resources Limited in 2006.
Geology	1. Regionally mineralisation is hosted within early to mid-Ordovician turbidite sediments, forming part of the Girilambone group. Mineralisation is hosted within greenshist facies, ductilly deformed pelitic to psammitic sediments, and sparse zones of courser sandstones. 2. Sulphide mineralisation at Tritton is stratiform and classified as a "Besshi style" volcanogenic massive sulphide. Mineralisation is dominated by banded to stringer pyrite – chalcopyrite, with a massive pyrite-chalcopyrite unit along the hanging wall contact. Alteration assemblages adjacent to mineralisation is characterised by an ankerite footwall and silica sericite hanging wall.
Data aggregation methods	1. EM anomalies defined from both survey methods were processed and modeled by an independent geophysist consultant. The methodology and output results are considered to be of industry standard.
Relationship between	1. The airborne EM survey was designed to 1) test the effective coverage over the Tritton tenement package i.e. conductive cover renders the

Criteria	Commentary
mineralisation widths and intercept lengths	survey ineffective & 2) test for EM anomalies which may be associated with a VMS sulphide body to 300m below surface. 2. The ground based MLTEM survey is designed to test for EM bedrock conductors to depths in excess of 500m below surface.
Diagrams	1. Relevant diagrams are included in the body of the report.
Balanced reporting	1. The reporting is considered balanced and all material information associated with the electromagnetic surveys has been disclosed.
Other substantive exploration data	1. There is no other relevant substantive exploration data to report.
Further work	1. The MLTEM survey is ongoing. Potential bedrock conductors will be targeted for a localised fixed loop EM survey to more accurately define conductor(s) dimensions. 2. Geology mapping over the GeX trend (includes the Exley complex and anomalies defined from the airborne EM survey) is ongoing. Results from the mapping will be used to understand the stratigraphic position of the airborne EM anomalies to assist with prospectivity prioritisation and provide areas for follow-up on ground exploration.