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AERIS RESOURCES LIMITED
(ASX: AIS)

DRILLING CONTINUES TO INTERSECT HIGH GRADE COPPER MINERALISATION AT KURRAJONG

Highlights:

- **Further high grade copper mineralisation intersected at Kurrajong:**

TKJD017W2	**3.35m @ 6.51% Cu,**	**0.62g/t Au,**	**17g/t Ag**
TKJD019	**4.5m @ 5.16% Cu,**	**0.48g/t Au,**	**16g/t Ag**
TKJD023	**6.4m @ 4.55% Cu,**	**0.27g/t Au,**	**11g/t Ag**

- **Copper mineralisation now traced over 1,100m down plunge**
- **Copper mineralisation remains open down plunge and along strike to the north**
- **Focus is now on developing detailed geological interpretation and predictive model to assist with next phase of drill targeting**

Established Australian copper producer, Aeris Resources Limited (ASX: AIS) is pleased to provide an update on the Kurrajong prospect (Kurrajong), after the completion of the current drill program.

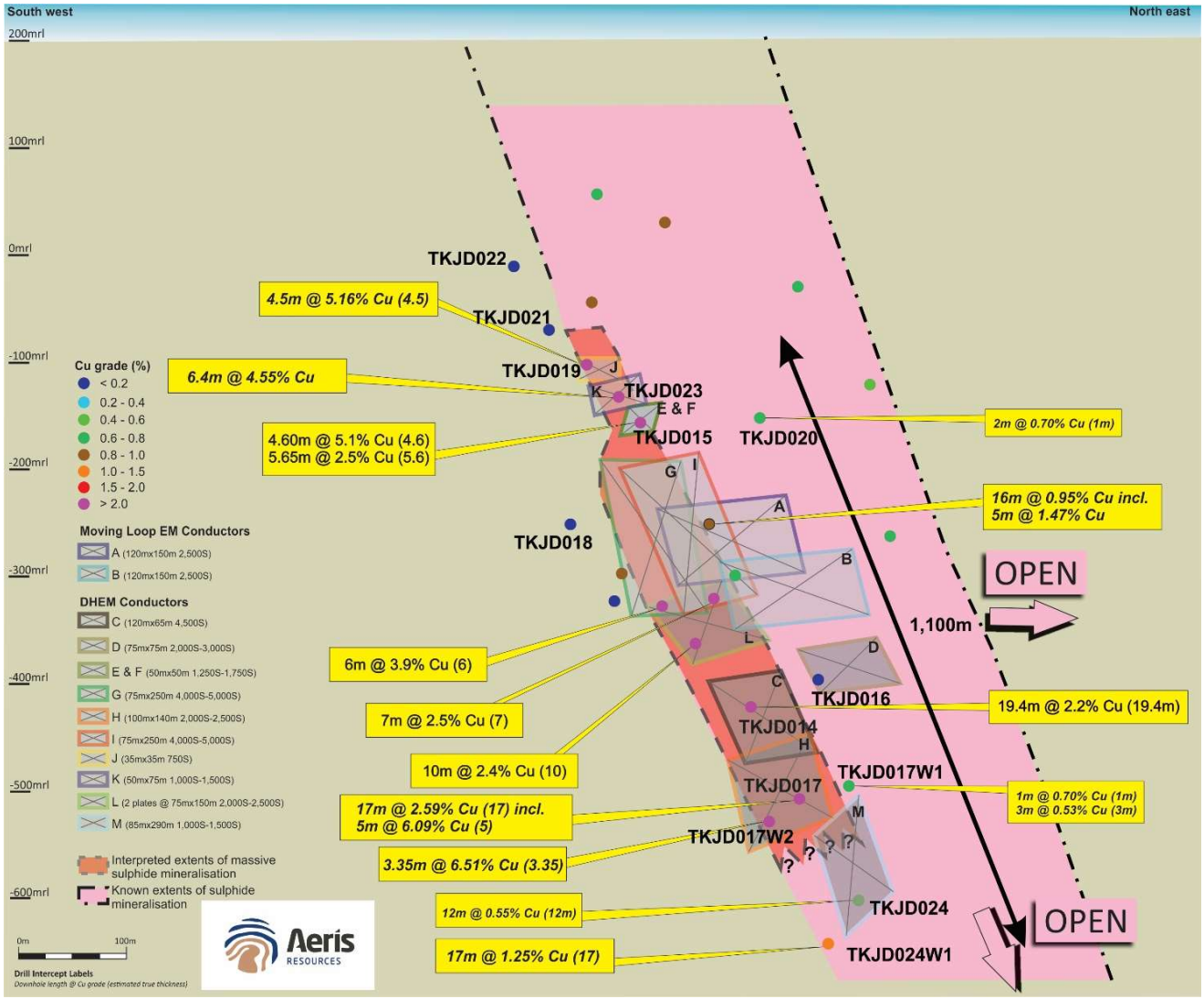
A further five drillholes and three wedge holes have been completed following the previous ASX announcement regarding Kurrajong (21st August 2018 "*Kurrajong continues to deliver*").

Results from the latest round of drilling have intersected further high grade copper mineralisation. TKJD019 (**4.5m @ 5.16% Cu**) and TKJD023 (**6.4m @ 4.55% Cu**) intersected massive sulphide mineralisation toward the upper extents of the known mineralised system whilst TKJD017W2 (**3.35m @ 6.51% Cu**) intersected massive sulphide mineralisation along strike from a high grade copper interval reported previously from TKJD017 (17m @ 2.59% Cu).

The deepest drillhole completed to date, TKJD024W1, intersected a broad zone of pyrite and chalcopyrite mineralisation (17.0m @ 1.25% Cu) approximately 300m down plunge from previous drillhole data (TKJD017 17.0m @ 2.59% Cu). The mineralised system has now been traced over 1,100m down plunge and remains open in this direction and along strike to the north.

The current drill program at Kurrajong is now complete and work is focusing on the building of a detailed geological interpretation and predictive model, including development of an exploration target model delineating tonnage and Cu grade ranges. Future drilling at Kurrajong will occur subsequent to this, ensuring drillholes target the most prospective areas within the large sulphide system.

Figure 1 – Long section view of the interpreted Kurrajong mineralised system showing the location and copper grade from diamond drillhole intersections through the deposit.



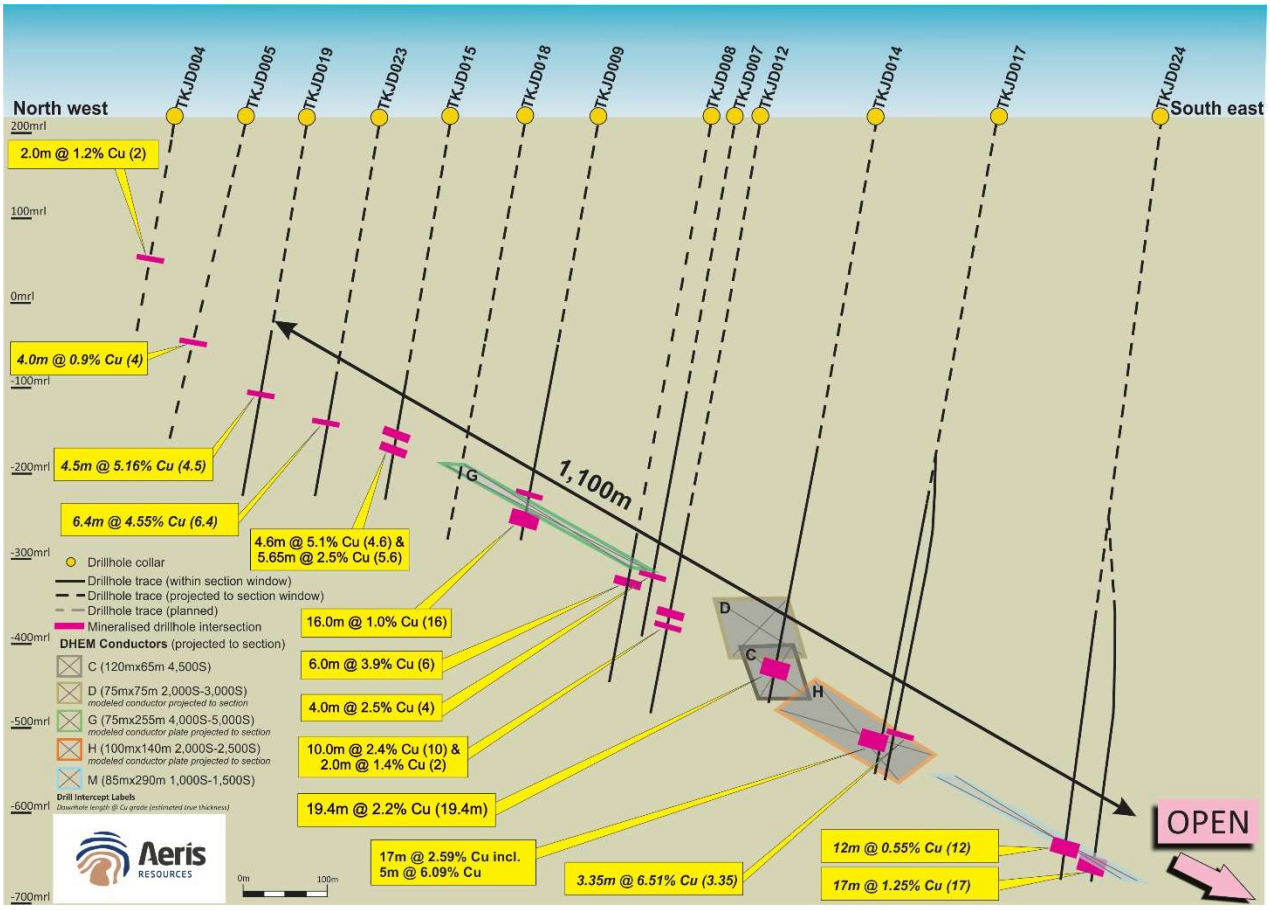
SIGNIFICANCE OF RESULTS

Since the recommencement of drilling activities at Kurrajong in April 2018 the results have exceeded expectations. The current program has continued to intersect high grade copper massive sulphide over a significant area.

Although drill coverage at the Kurrajong deposit is sparse, an emerging story is unfolding. High grade copper mineralisation associated with a massive sulphide horizon has now been traced over 800m down plunge. The massive sulphide intersections are distributed along a linear corridor which exhibits an extensive down plunge component. Similar observations have been made elsewhere within Aeris' Tritton tenement package.

The presence of stringer and banded pyrite dominant sulphide mineralisation along strike, north of the massive sulphide horizon is exciting, providing an opportunity to discover additional massive sulphide lenses elsewhere within the sulphide envelope.

Figure 2: Cross section through the Kurrajong deposit showing the location and copper grade from diamond drillhole intersections through the deposit.



TKJD019

Drillhole TKJD019 was designed to test the up-plunge extents of the high grade copper massive sulphide zone intersected in TKJD015 (4.6m @ 5.09% Cu and 5.65m @ 2.52% Cu).

Drillhole TKJD019 intersected a 4.5m thick massive sulphide interval from 340.4m down hole (Figure 3). Assay results returned from the massive sulphide zone include:

- **4.5m @ 5.16% Cu, 0.48g/t Au, 16g/t Ag**

The massive sulphide intersection is located approximately 150m up-plunge from TKJD015 and is the shallowest drillhole intersection through the massive sulphide zone (300m below surface).

A downhole electromagnetic (DHEM) survey completed from TKJD019 identified two conductive EM bodies. A small (35mx35m) low conductance (750S) in-hole conductor was detected which correlates with the massive sulphide intersected in the drillhole (Figure 1 plate J). The second conductive body is a significantly larger (75mx250m) strong conductance (4,000S-5,000S) off-hole conductor (Figure 1 plate I) which aligns with the interpreted massive sulphide zone below TKJD015.

Figure 3: TKJD019 massive sulphide mineralisation intersection.

TKJD017W2

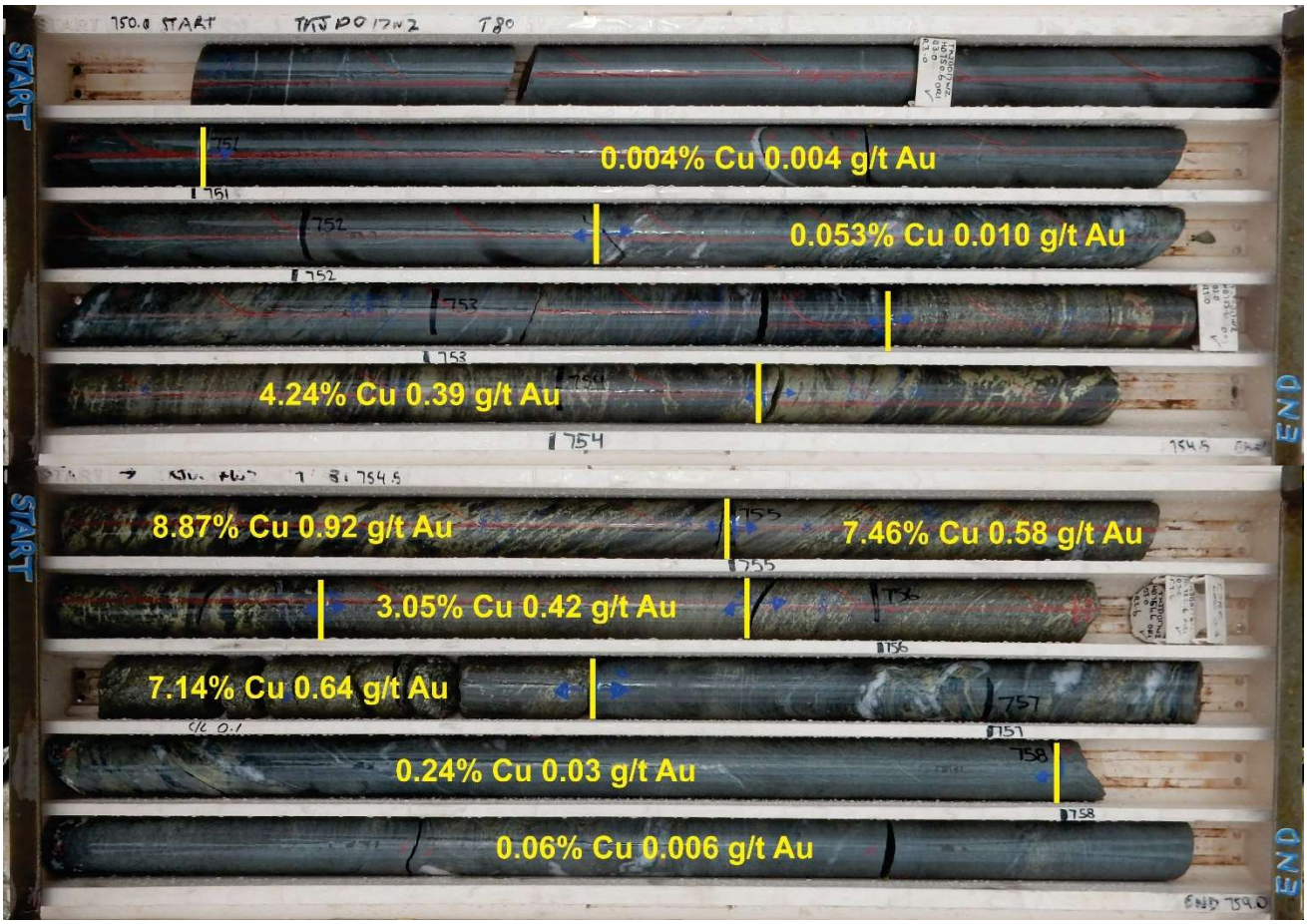
Drillhole TKJD017W2 was designed to test for high grade copper mineralisation along strike (south) from TKJD017 (17m @ 2.59% Cu).

A 3.35m thick massive/semi-massive sulphide interval was intersected from 753.35m downhole correlating with the predicted position of the interpreted massive sulphide horizon (Figure 4). The high grade copper intersection is approximately 40m south from the high grade copper interval intersected in TKJD017. Assay results returned from TKJD017W2 include:

- **3.35m @ 6.51% Cu, 0.62g/t Au, 17g/t Ag**

Intersecting high grade copper mineralisation along strike from a previously drilled high grade copper intersection is very encouraging. Whilst the deposit is very continuous down plunge the along strike continuity has been inferred from DHEM plates. The high grade copper intersection from TKJD017W2 correlates well with DHEM modelled plates in the area (Figure 1 plate H) meaning more confidence can be placed on the DHEM plates to assist with interpreting the extents of massive sulphide mineralisation.

Figure 4: TKJD017W2 massive/semi massive sulphide mineralisation intersection.



TKJD023

Drillhole TKJD023 was designed to test continuity of the high grade copper massive sulphide zone between drillholes TKJD019 and TKJD015 (refer Figures 1 and 2). TKJD023 successfully intersected massive/semi-massive sulphide mineralisation at the predicted position over a 6.4m interval from 401.60m downhole. Assay results returned from the massive/semi-massive sulphide zone include:

- **6.4m @ 4.55% Cu, 0.27g/t Au, 11g/t Ag**

At the completion of drilling TKJD023 a DHEM survey was completed which detected an in-hole moderate strength conductive body (1,000S to 1,500S), coinciding with the high grade copper horizon intersected in the drillhole (refer to Figures 1 and 2).

TKJD017W1

Drillhole TKJD017W1 was designed to test the strike continuity of high grade copper mineralisation north of TKJD017 (17m @ 2.59% Cu). The drillhole intersected the target horizon approximately 45m along strike from TKJD017. The drillhole intersected a broad (approximately 30m thick) banded and stringer pyrite dominant sulphide mineralisation with minor visible chalcopyrite at the target horizon.

A DHEM survey completed on TKJD017W1 detected an in-hole conductor at mid-time channels migrating to an off-hole conductor at later time channels. The in-hole response is likely associated with the banded/stringer pyrite dominant mineralisation whilst the off-hole conductor is interpreted to represent the massive sulphide zone indicating the drillhole was within 10m to 15m from intersecting the massive sulphide horizon.

TKJD020, TKJD021 and TKJD022

TKJD020 was drilled 100m north of the interpreted massive sulphide horizon. The drillhole intersected approximately 5m of stringer pyrite with minor chalcopyrite mineralisation. A DHEM survey completed at the end of the drillhole detected a large (75mx250m) strong off-hole DHEM conductor (4,000S to 5,000S) positioned in line with the interpreted massive sulphide horizon between TKJD015 and TKJD010.

TKJD021 and TKJD022 were designed to test the up plunge extents of the massive sulphide horizon above TKJD019. Neither drillhole intersected notable sulphides. DHEM surveying on both drillholes did not detect off-hole conductive bodies indicating the massive sulphide horizon has either pinched out or broken up into smaller segments (<50mx<50m), below the DHEM detection limit.

THE PATH FORWARD

With completion of the current phase of drilling at Kurrajong work has now shifted to the building of a detailed geological interpretation and predictive model. An output from this work will be the development of an exploration target model delineating potential tonnage and copper grade ranges based on current drillhole data. It is envisaged the interpretative geological work will be completed over the course of several months.

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APPENDIX A:

Table 1 – Drillhole details and significant assay results

Hole ID	Northing	Easting	Dip	Azimuth	Depth (m)	From (m)	To (m)	Interval (m)	Est. true width (m)	Cu (%)	Au (g/t)	Ag (g/t)
TKJD017W1	6,530,792	493,449	-65º	314^0	864.6	738.00	739.00	1.00	1.00	0.70	0.04	2
TKJD017W1	6,530,792	493,449	-65º	314^0	864.6	750.00	753.00	3.00	3.00	0.53	0.06	1
TKJD017W2	6,530,792	493,449	-65º	314^0	834.6	753.35	756.70	3.35	3.35	6.51	0.62	17
TKJD019	6,530,710	492,678	-65º	314º	445	340.40	344.90	4.50	4.50	5.16	0.48	16
TKJD020	6,530,860	492,830	-65º	315º	486.7	No significant sulphides intersected.						
TKJD021	6,530,659	492,635	-65º	315º	420.7	No significant sulphides intersected.						
TKJD022	6,530,627	492,497	-65º	315º	357.7	No significant sulphides intersected.						
TKJD023	6,530,684	492,775	-60º	315º	495.5	401.60	408.00	6.40	6.40	4.55	0.27	11
TKJD024	6,530,793	493,557	-65º	339º	945.8	876.00	888.00	12.00	12.00	0.55	0.10	2
TKJD024W1	6,530,793	493,557	-65º	339º	1041.7	923.00	940.00	17.00	17.00	1.25	0.15	4

*Easting and northing coordinates are reported in AGD66 Zone 55 grid.
*Azimuth values are recorded as magnetic azimuths.

APPENDIX B:

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
Kurrajong prospect (current drill program)

Criteria	Commentary
Sampling techniques	Drilling 1. All samples have been collected from diamond drill core. 2. Samples taken over a mineralised interval are collected in a fashion to ensure a majority are 1.0m in length, whist the HW and FW sample are as close to 1.0m as possible. A majority of samples are collected at 1.0m intervals. HW and FW intervals are taken as close to 1.0m. Downhole EM surveying 1. All downhole EM surveys (DHEM) were completed by a contractor. 2. Geophysical equipment included: a. Crone PEM receiver (Crone Z and XY downhole probes) b. ORE_HPTX Transmitter c. Base frequency 0.83Hz d. Current ~180A e. Loop area ~720,000m^2 f. Dipole moment 1.295x10^8 3. A 900m x 800m loop size was used DHEM surveying the up plunge drillholes. The loop length was increased by 200m for DHEM surveying the down plunge drillholes (TKJD017W1 and TKJD024W1). 4. Station spacing varied from 2m, 5m and 10m. 2m spaced surveys were completed over mineralised zones.
Drilling techniques	1. Drilling results reported are via diamond drill core. Drillholes are collared using PQ diameter to below the base of strong weathering (approx 30m). HQ diameter core is used to complete the remaining drillhole.
Drill sample recovery	1. Core recoveries are recorded by the drillers on site at the drill rig. Core recoveries are checked and verified by an Aeris Resources field technician and/or geologist. 2. Diamond drill core is pieced together as part of the core orientation process. During this process depth intervals are recorded on the core and checked against downhole depths recorded by drillers on core blocks within the core trays. 3. Historically core recoveries are very high within and outside zones of mineralisation. Diamond core drilled to date from the current drill program have recorded very high recoveries and is in line with the historical observations.
Logging	1. All diamond drill core is logged by an Aeris Resources geologist. Drill core is logged to an appropriate level of detail to increase the level of geological knowledge and further the geological understanding at

Criteria	Commentary
	each prospect. 2. All diamond core is geologically logged, recording lithology, presence/concentration of sulphides, alteration, and structure. 3. All geological data recorded during the core logging process is stored in Aeris Resources AcQuire database. 4. All diamond drill core will be photographed and digitally stored on the company network. 5. Core is stored in core trays and labelled with downhole meterage intervals and drillhole hole ID.
Sub-sampling techniques and sample preparation	1. All samples collected from diamond drill core are collected in a consistent manner. Samples are cut via an automatic core sore, and half core samples are collected on average at 1m intervals, with a minimum sample length of 0.4m and a maximum length of 1.4m. 2. No field duplicates have been collected. 3. The sample size is considered appropriate for the style of mineralisation and grain size of the material being sampled.
Quality of assay data and laboratory tests	1. All samples are sent to ALS Laboratory Services at their Orange facility. 2. Samples are analysed by a 3 stage aqua regia digestion with an ICP finish (suitable for Cu 0.01-1%) – ALS method ME-ICP41. Samples with Cu assays exceeding 1% will be re-submitted for an aqua regia digest using ICP-AES analysis – ALS method ME-OC46. Au analysis will be performed from a 30g fire assay fusion with an AAS finish (suitable for Au grades between 0.01-100ppm) – ALS method Au-AA22. If a sample records an Au grade above 100ppm another sample will be re-submitted for another 30g fire assay charge using ALS method Au-AA25. 3. QA/QC protocols include the use of blanks, duplicates and standards (commercial certified reference materials used). The frequency rate for each QA/QC sample type is 5%.
Verification of sampling and assaying	1. Logged drillholes are reviewed by the logging geologist and a senior geologist. All geological data is logged directly into Aeris Resources logging computers following the standard Aeris Resources geology codes. Data is transferred to the AcQuire database and validated on entry. 2. Upon receipt of the assay data no adjustments are made to the assay values.
Location of data points	1. Drillhole collar locations are collected on a hand held GPS unit with an accuracy of approximately +/- 5m. 2. All drillhole locations are collected in Australian Geodetic Datum 66 zone 55. 3. Quality and accuracy of the drill collars are suitable for exploration results. 4. Downhole surveys taken during the Kurrajong drilling are completed by the drill contractor using a Reflex gyroscopic tool measuring azimuth and dip orientations every 30m or shorter intervals if required.
Data spacing and distribution	1. Drill spacing at the Kurrajong deposit is spaced between 80m to several hundreds of metres down plunge. Drillhole spacing along strike is similarly varied ranging between 40m to hundreds of metres. 2. The drill spacing at Kurrajong is appropriate to assess the potential size of a mineralised system. Infill drilling (nominally 80m x 80m) would be required to define an Inferred Mineral Resource.
Orientation of data in relation to	1. All drillholes are designed to intersect the target at, or near right angles. 2. Each drillhole completed has not deviated significantly from the planned drillhole path.

Criteria	Commentary
geological structure	3. Drillhole intersections through the target zones are not biased
Sample security	1. Drillholes have not been sampled in their entirety. Sample security protocols follow current procedures which include: samples are secured within calico bags and transported to the laboratory in Orange, NSW via a courier service or with company personal.
Audits or reviews	1. Data is validated when uploading into the company AcQuire database. 2. No formal audit has been conducted.

Section 2 Reporting of Exploration Results
Kurrajong prospect (current drill program)

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. The Kurrajong prospect is located within EL6126. EL6126 is in good standing and no known impediments exist.
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 drillholes 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 greenschist facies, ductile deformed pelitic to psammitic sediments, and sparse zones of courser sandstones. 2. Sulphide mineralisation within the Tritton tenement package 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.
Drillhole information	1. All relevant information pertaining to each drillhole has been provided.
Data aggregation methods	1. All historical assay results reported represent length weighted composited assays. Compositing was applied to intervals which nominally exceeded 0.5% Cu with a maximum of 3.0m internal dilution.

Criteria	Commentary
	No top cutting of assay results were applied.
Relationship between mineralisation widths and intercept lengths	1. Drillholes are designed to intersect the target horizon across strike at or near right angles. 2. For some historical drillhole intercepts at Kurrajong true width estimates were provided. True width estimates are based on an assessment of the drillhole trace and interpreted mineralised body in 3D to determine the true thickness of the drillhole intersection.
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 current drill program has been completed at the Kurrajong deposit. Further work is focused on completing a detailed geological interpretation and predictive model.