Quarterly Activities Report

For the period ended 31 March 2020

About Aeris Resources

Aeris Resources Limited (ASX: AIS) is an established copper producer and explorer with multiple mines and a 1.8 Mtpa copper processing plant at its Tritton Copper Operations in New South Wales, Australia.

In FY2019, Aeris' Tritton Copper Operations produced 26,852 tonnes of copper and in FY2020 is targeting production of between 23,500 tonnes and 24,500 tonnes of copper.

The Company also has an exciting portfolio of highly prospective exploration projects creating a pipeline for future growth, including advanced projects at its Tritton Copper Operations and the Torrens Project in South Australia.

Aeris' Board and Management team is experienced in all aspects of mining and corporate development.

Aeris has a clear vision to become a mid-tier, multi-operation company – delivering shareholder value through an unwavering focus on operational excellence.

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MARCH QUARTER HIGHLIGHTS

TRITTON COPPER OPERATIONS:

- **Copper production of 6,083 tonnes - a 12% increase on the prior quarter**
- **C1 cash cost of A$3.18/lb – a 12% reduction on the prior quarter**
- **Newly commissioned pipeline and rainfall in dam catchment area secures fresh water supply**

EXPLORATION:

- **Recent drilling at Murrawombie UG mine, including:**
  - **14.60m @ 2.43% copper (true thickness approx. 7.8m) MWGC514; and**
  - **9.55m @ 2.54% copper (true thickness approx. 7.2m) MWGC516**

  extends mineralisation beyond the current Indicated Mineral Resource envelope.

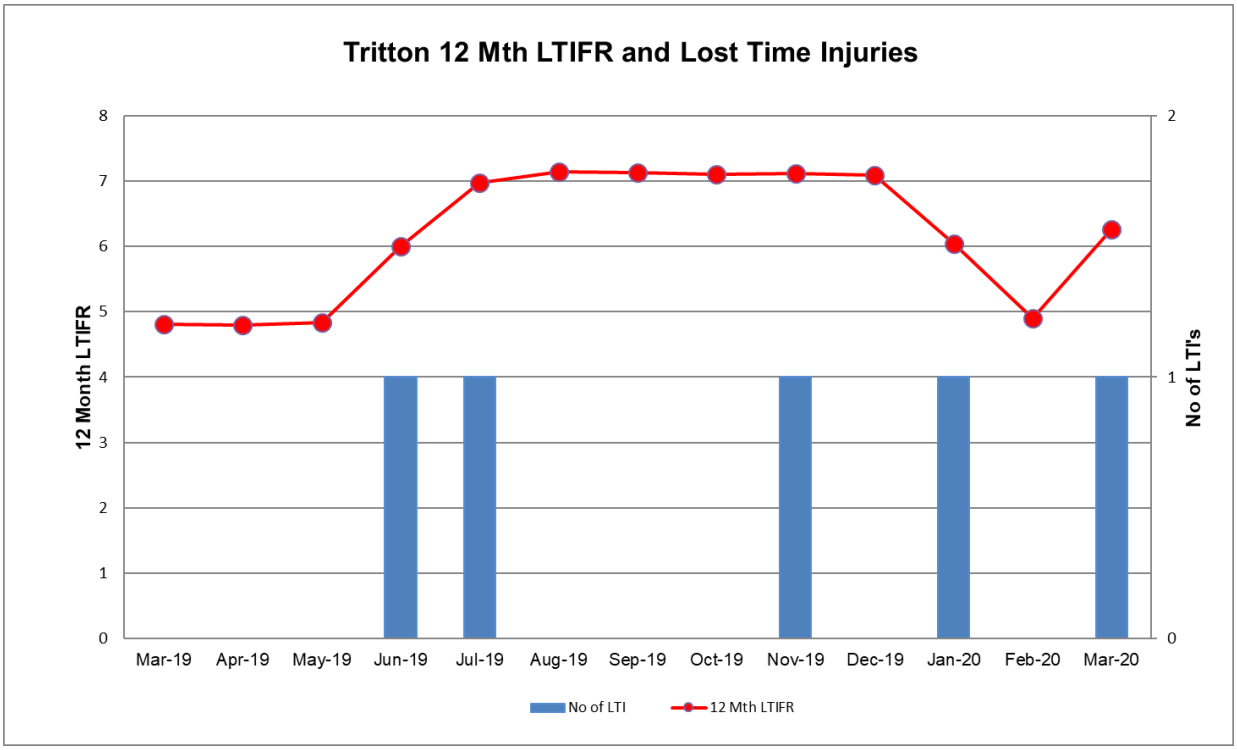
CORPORATE:

- **Cash and receivables of $13.3M at quarter end**
- **The last of the Convertible Redeemable Preference Shares (CRPS) held by Standard Chartered Bank have been converted or cancelled:**
  - **86.7 million CRPS were acquired by Tudor Court and converted to ordinary shares, bringing total holding to 19.9%**
  - **Remaining CRPS (9.7 million) have been redeemed for US$1 and cancelled**

Q3 FY2020 Quarterly Activities Report

Safety, Environment and Community

There were two lost time injuries in the quarter. A boilermaker injured his foot when a wear lip fell while replacing it on a loader bucket and a fitter injured his hand when it got caught between the bucket and a liner plate whilst loading worn liner plates into a loader bucket positioned on the ground.



There were no reportable environmental incidents during the quarter.

COVID-19 Management and measures implemented

Aeris has implemented various measures to comply with government requirements and to minimise the transmission risks of COVID-19, including limiting access to operational sites to essential personnel only, limiting travel, adjusting work arrangements for site and corporate teams and increased communication to our workforce and partners. These measures are being regularly reviewed, updated and communicated as additional information becomes available.

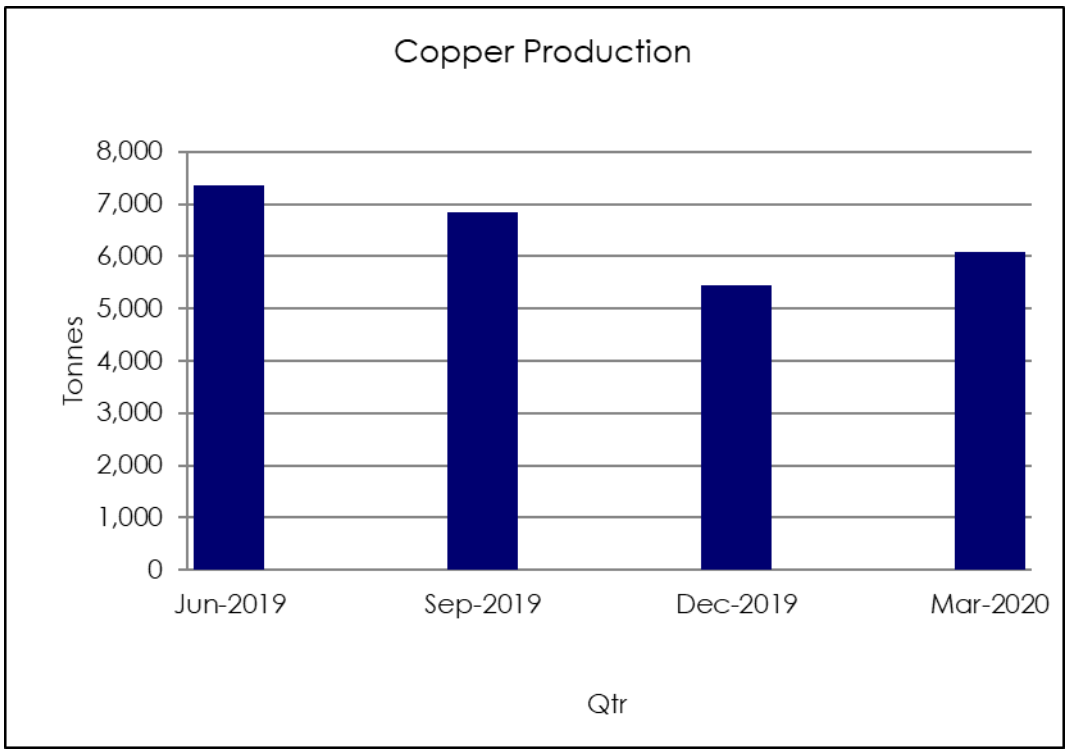
Tritton Copper Operations (NSW)

Production and Cost Summary

		JUN 2019 QTR	SEP 2019 QTR	DEC 2019 QTR	MAR 2020 QTR
PRODUCTION					
ORE MINED	TONNES	421,104	427,313	424,875	371,366
GRADE	Cu (%)	1.80%	1.67%	1.47%	1.70%
ORE MILLED	TONNES	430,935	438,483	393,265	390,690
GRADE MILLED	Cu (%)	1.80%	1.66%	1.47%	1.68%
RECOVERY	Cu (%)	94.83%	93.96%	93.76%	92.86%
COPPER CONCENTRATE PRODUCED	TONNES	32,002	32,398	24,322	30,895
COPPER CONCENTRATE GRADE	Cu (%)	22.97%	21.05%	22.36%	19.695
CONTAINED COPPER IN CONCENTRATE	TONNES	7,352	6,821	5,438	6,083
COPPER CEMENT PRODUCED	TONNES	9	14	13	-
TOTAL COPPER PRODUCED	**TONNES**	**7,362**	**6,835**	**5,451**	**6,083**
OPERATING COSTS (A$/lb Copper Produced)					
MINING	A$/lb	1.54	1.59	1.76	1.70
PROCESSING	A$/lb	0.48	0.48	0.58	0.51
SITE G&A	A$/lb	0.29	0.31	0.39	0.41
TC/RC'S & PRODUCT HANDLING	A$/lb	0.55	0.55	0.70	0.64
INVENTORY MOVEMENTS	A$/lb	(0.11)	(0.59)	0.50	0.23
NET BY-PRODUCT CREDIT (INCL PROCESSING/TC/RC/TRANSPORT)	A$/lb	(0.28)	(0.28)	(0.32)	(0.31)
C1 CASH COSTS	**A$/lb**	**2.47**	**2.06**	**3.61**	**3.18**
ROYALTIES	A$/lb	0.10	0.10	0.08	0.08
CORPORATE G&A*	A$/lb	0.08	0.10	0.10	0.11
CAPITAL DEVELOPMENT	A$/lb	0.15	0.19	0.20	0.14
SUSTAINING CAPITAL**	A$/lb	0.34	0.30	0.41	0.28
SUSTAINING EXPLORATION	A$/lb	-	-	-	-
ALL-IN SUSTAINING COSTS (AISC)	**A$/lb**	**3.14**	**2.75**	**4.40**	**3.79**

*Includes Share Based Payments
**Includes financing payments (Principal and Interest) on Leased assets

PRODUCTION



Copper production of 6,083 tonnes for the March quarter was an increase of 12%, compared to the previous quarter (5,451 tonnes). Following the impacts of water availability and quality on processing plant performance, operations returned to normal from early February once the new pipeline was commissioned. The copper grade of ore mined increased compared to the previous quarter due to mining sequencing.

Water Supply

The new pipeline was completed in mid-January, with the first water being delivered to the Tritton processing plant in late January. Rainfall in the Burrendong Dam catchment area during the quarter has seen water levels rise from 1.99% on 30th December 2019 to 16.5% on 27th April. The pipeline and recent rainfall secures fresh water supply.

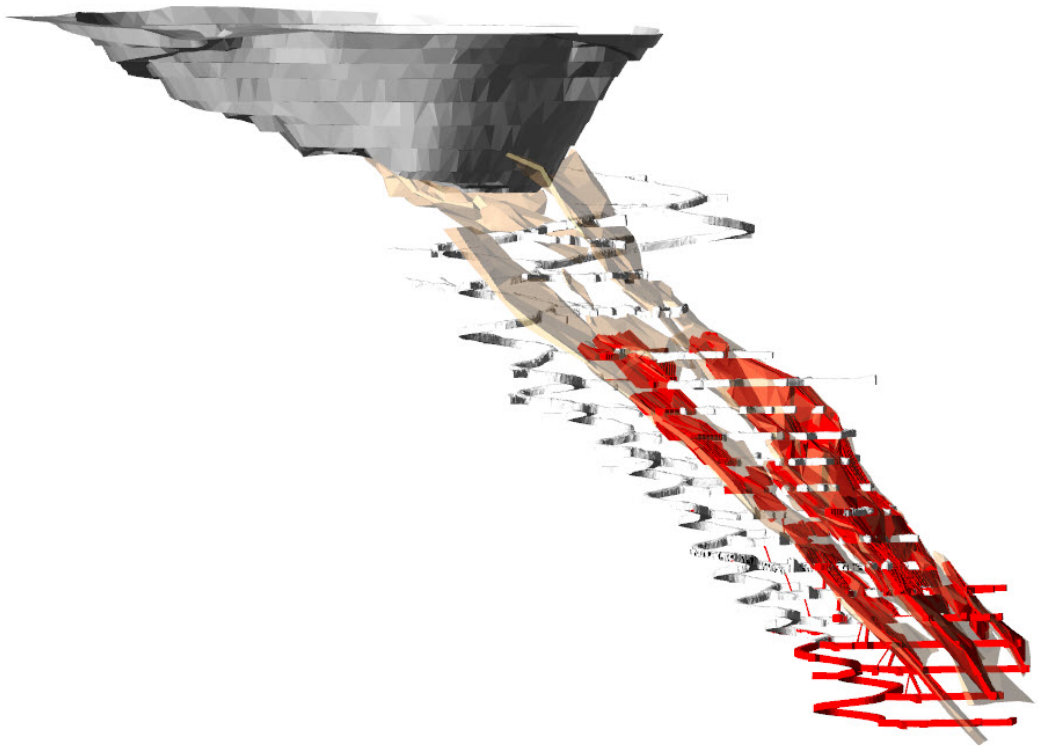
Tritton Underground Mine (Tritton)

Tritton mine ore production at 273kt was in line with plan but was a decrease compared to the previous quarter (296kt). The copper grades, at 1.62%, were higher than the previous quarter (1.43%) as a result of mining sequence.

Murrawombie Underground Mine (Murrawombie)

Murrawombie ore production at 99kt was lower than the previous quarter (129kt). Production was impacted in January due to a lack of access to fresh water (production drilling was suspended on several occasions due to a shortage of good quality water) and a shortage of skilled employees in mine development and maintenance. Mined copper grades were 1.92%, an increase on the previous quarter (1.57%), due to mine sequencing.

Figure 1: Murrawombie Mine Section View



Ore Processing

Ore processed during the quarter was 391kt, a slight decrease on the previous quarter (393kt). Copper recovery of 93% for the quarter was lower than plan.

The processing plant throughput was lower during January whilst running on the limited supply of poor-quality water recovered from underground storage. The operations transitioned to fresh water in late January, delivered from the newly constructed pipeline. Production rates and metallurgical performance in the processing plant improved significantly by the end of the quarter.

COSTS

C1 cash costs for the quarter, at A$3.18/lb were lower than the previous quarter (A$3.61/lb) primarily due to increased production and lower negative inventory movements, compared to the previous quarter. YTD C1 cash of A$2.90/lb is within full-year guidance of A$2.80/lb - A$2.95/lb.

All-In Sustaining Costs (AISC) for the quarter at A$3.79/lb were lower than the previous quarter (A$4.40/lb), primarily due to the lower C1 cash costs.

Capital expenditure at the Tritton Copper Operations for the quarter was $6.5 million, including $0.2 million on exploration.

Tritton Capital Expenditure (A$ Million)

	JUN 2019 QTR	SEP 2019 QTR	DEC 2019 QTR*	MAR 2020 QTR
SUSTAINING CAPITAL:				
PROPERTY, PLANT AND EQUIPMENT	3.3	2.5	3.7	1.6
MINING DEVELOPMENT	2.4	2.9	2.4	2.5
LEASED ASSETS**	2.2	2.0	1.2	2.2
GROWTH:				
EXPLORATION	1.3	0.4	0.6	0.2
TOTAL	9.2	7.8	7.9	6.5

***Exploration spend in Dec 2019 was updated to reflect actual spend for that Quarter, previously it was noted as $1.2M**

****Represents the finance lease payments (principal and interest) incurred in the quarter**

OUTLOOK

The copper production guidance for FY2020 is between 23,500 tonnes and 24,500 tonnes at a C1 cash cost of between A$2.80/lb and A$2.95/lb.

Exploration and Project Development

GREENFIELDS EXPLORATION – TRITTON TENEMENT PACKAGE

The Tritton tenement package covers 2,160km^2 in central western New South Wales. To date over 750,000 tonnes of copper, including the Current Mineral Resource deposits [1], has been discovered within the bottom half of the tenement package.

In December 2018, an airborne electromagnetic (AEM) survey was flown, covering 617km^2 over the northern half of the tenement package. The AEM survey, utilising the SKYTEM™ 312 airborne EM system, was designed and optimised to test for deep conductive bodies. The AEM survey identified 25 new anomalies and confirmed the Company's view that there is significant potential to discover additional copper sulphide deposits in the northern half of the Tritton tenement package.

Regional ground-based EM survey results

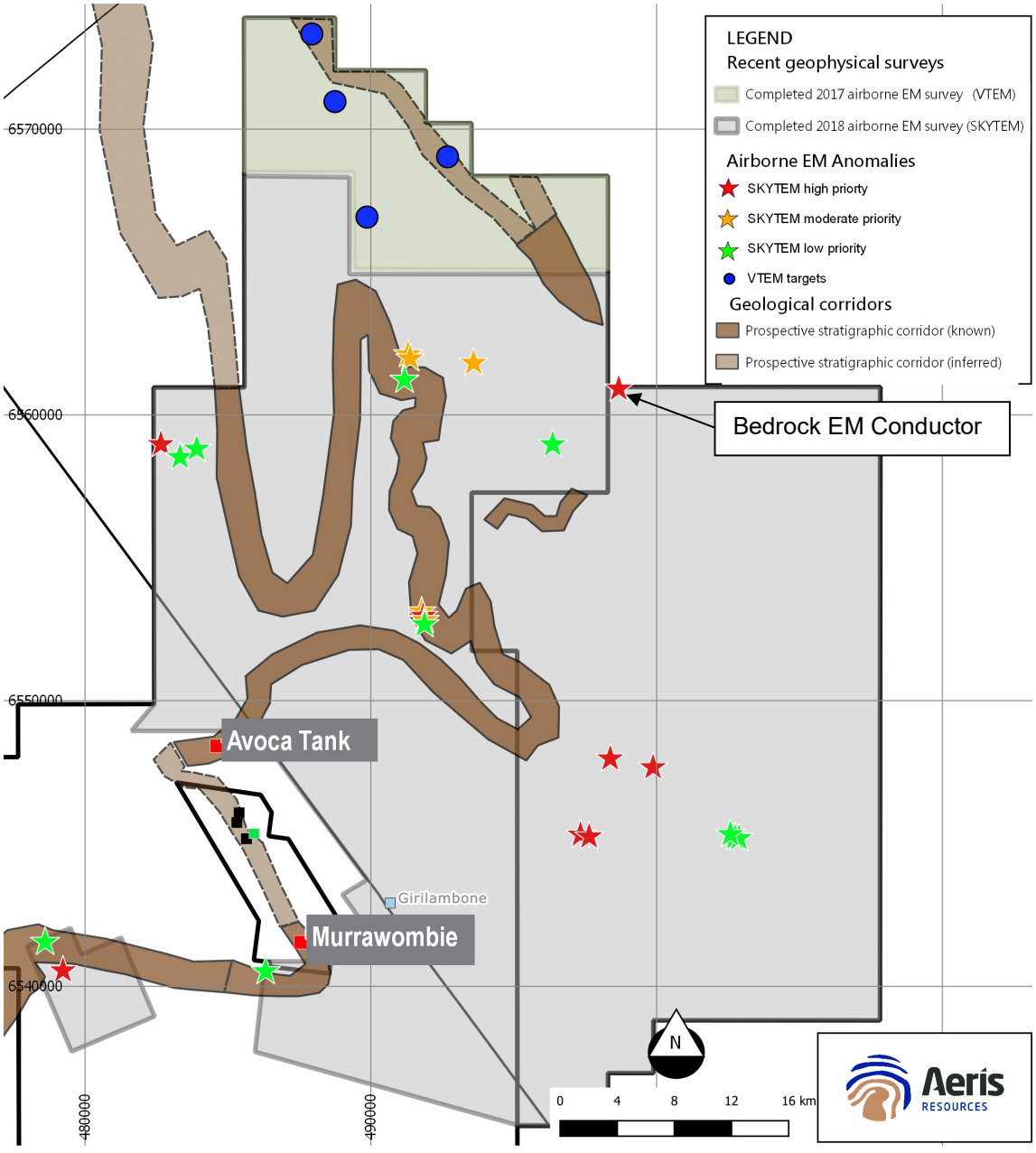
During the previous quarter, the regional ground-based electromagnetic (MLTEM) survey was completed. The MLTEM survey was designed to confirm whether priority AEM anomalies represented legitimate bedrock conductors. A total of 23 potential AEM conductors were surveyed. Interpretation of the results were finalised during the current quarter.

MLTEM surveying over an AEM anomaly toward the northern margin of the Company's exploration tenement boundary confirmed the presence of a bedrock conductor (Figure 2). Current modelling indicates plate dimensions varying from 200 metres x 200 metres to 325 metres x 325 metres with modelled conductance ranging between 100 S to 150 S. The modeled body is positioned approximately 150 metres below surface. The conductive plate is interpreted to extend beyond the northern boundary of the Company's exploration tenement.

An exploration licence (EL) application was submitted to the Department of Planning, Industry and Environment during the previous quarter to cover the additional area. Additional MLTEM surveying will be required over the northern half of the modelled plate and this will occur once the exploration licence application is approved (expected in the June quarter).

[1] 30 June 2019 Mineral Resource 19.8Mt @ 1.5% Cu for 290kt Cu metal

Figure 2: Plan view showing the airborne EM survey coverage and potential bedrock conductors through the northern extents of the Tritton tenement package



Drilling Updates within the Murrawombie to Avoca Corridor

CARIBOU PROSPECT

Assay results were returned during the quarter for drillhole TCBD010. The drillhole targeted down plunge mineralised extensions at the Caribou prospect (located within the Larsens – Northeast mining province).

Drillhole TCBD010 intersected a broad zone of pyrite +/- chalcopyrite disseminations and minor stringer veins 100 metres down plunge to the known mineralised system. Copper assays over the broad interval reported 36.0m @ 0.10% Cu. Strong chlorite alteration was observed throughout the sulphide interval, which is commonly observed in close association to known mineralised systems elsewhere in the region.

Previous exploration drilling activities at the Caribou prospect intersected variable amounts of copper sulphide mineralisation with several encouraging results including:

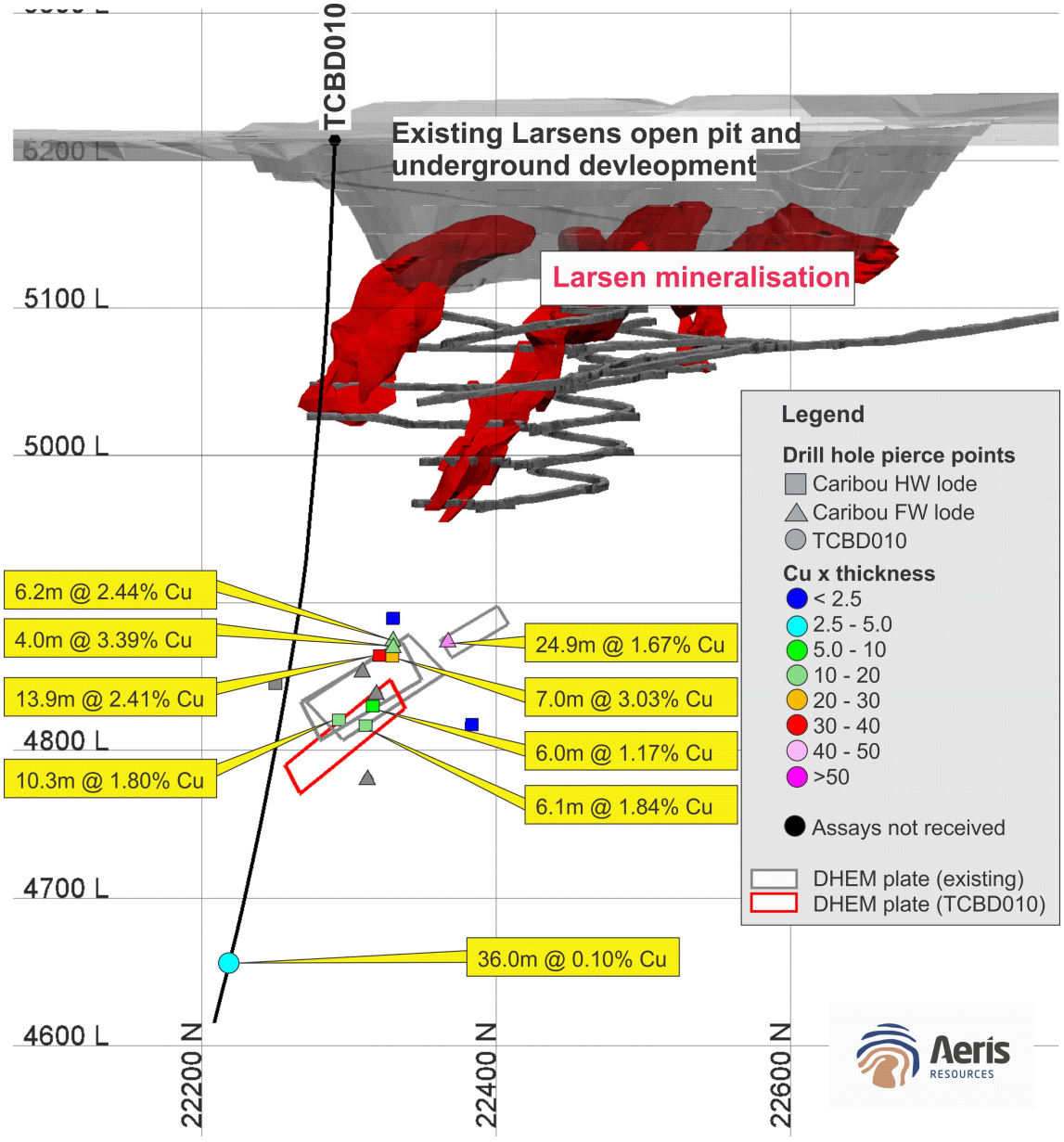
- TCBD007 6.0m @ 3.45% Cu (true thickness approx. 4m);
- TLRNM006 4.7m @ 3.05% Cu (true thickness approx. 2m);
- TLRNM002 28.8m @ 1.56% Cu (true thickness approx. 16m) including 15.5m @ 2.03% Cu (true thickness approx. 10m).

A downhole EM (DHEM) survey was completed down TCBD010. The DHEM survey detected an off-hole conductor above the drillhole, which corresponds with the mineralised zone intersected from previous drilling. The modelled plate extends further down plunge than previously modelled DHEM plates (combined total plunge extent 200 metres) (Figure 3).

The drill results and modelled DHEM plates at the Caribou prospect are encouraging and may reflect a similar mineralised system to the Larsens deposit[2] (~1Mt @ +2% Cu), located 300 metres to the west.

[2] Comparisons to the Larsens deposit are based only on sulphide textures and mineralisation geometry. There is insufficient drilling information at the Caribou prospect to form a view on the potential size (tonnage) and copper grade.

Figure 3: Long section view showing drillhole pierce points through the Caribou prospect. The Larsens mineralised system and mined workings are located 300 metres further west



MURRAWOMBIE DEPOSIT

At the Murrawombie deposit, underground drilling continued throughout the quarter, testing the periphery of the main mineralised body (102 lode). In total 9 drillholes were completed, targeting the southern margin of the mineralised system between the 4,700mRL to 4,660mRL level. The drillholes defined the southern limits of the mineralised envelope with variable quantities of sulphides intersected in each drillhole (assays pending).

Periodically, drillholes have been extended further into the Hanging Wall (HW) beyond the main mineralised lodes at Murrawombie. Encouragingly, copper sulphide mineralisation has been intersected in most drillholes extending into the HW (refer to a previous ASX Announcement dated 27th February 2020 "*Exciting Drilling Results at Murrawombie*").

Geological interpretation and modelling of the mineralised lodes continued during the quarter. Drillhole intersections through the HW has clearly defined multiple sulphide horizons. The main mineralised lodes appear to be pinching out at depth however the HW mineralisation is open along strike (north and south) and down plunge.

Whilst assays are pending for the majority of the drillholes completed within the quarter, results from the previous quarter have returned and include:

102 lode:

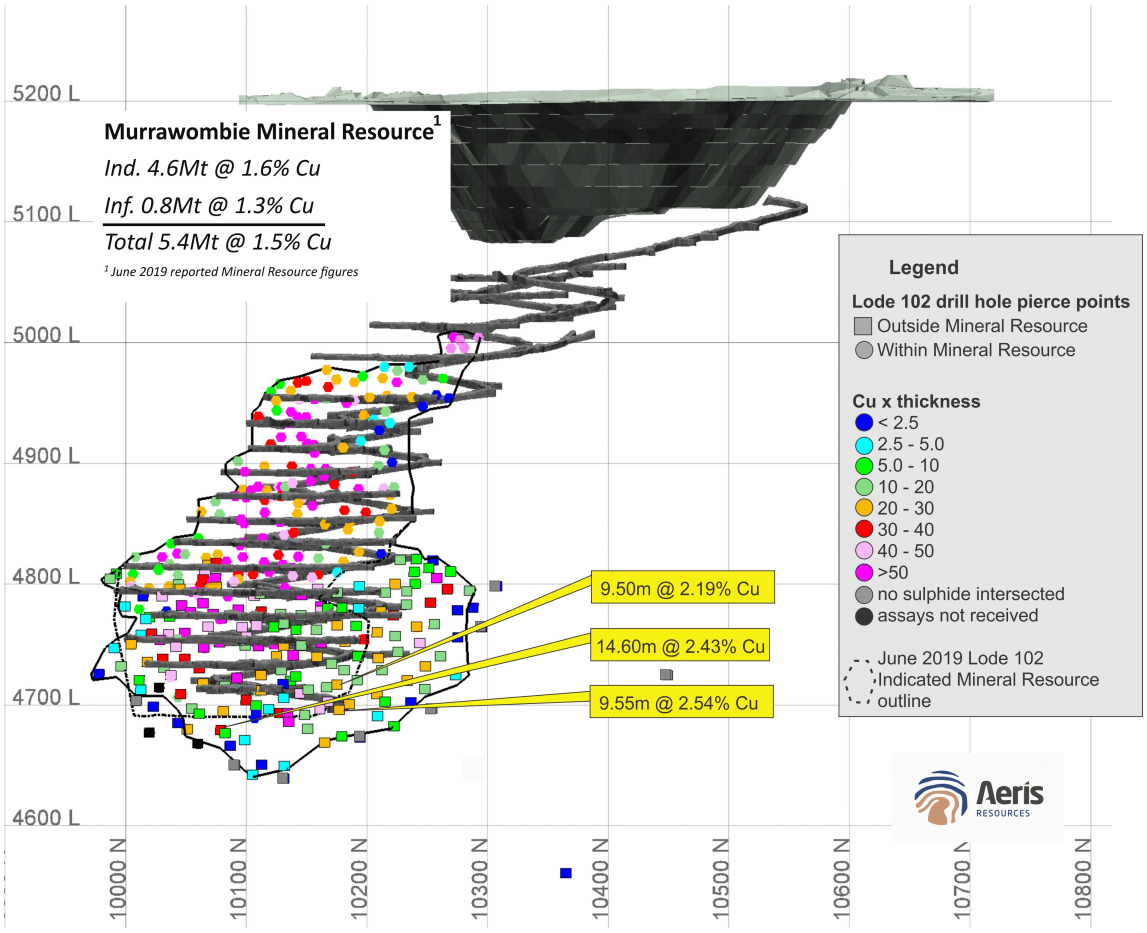
- MWGC510 10.60m @ 2.07% copper (true thickness approx. 9.5m)
- MWGC514 14.60m @ 2.43% copper (true thickness approx. 7.8m)
- MWGC516 9.55m @ 2.54% copper (true thickness approx. 7.2m)

HW mineralisation:

- MWGC513 13.30m @ 1.96% copper (true thickness approx. 9.8m)
- MWGC516 6.95m @ 2.35% copper (true thickness approx. 5.3m)
- MWGC516 5.80m @ 2.93% copper (true thickness approx. 3.0m)

Drilling will continue at Murrawombie in the coming quarter targeting down plunge extensions to the HW mineralisation. The drillholes will also test for potential extensions to the 102 lode at depth.

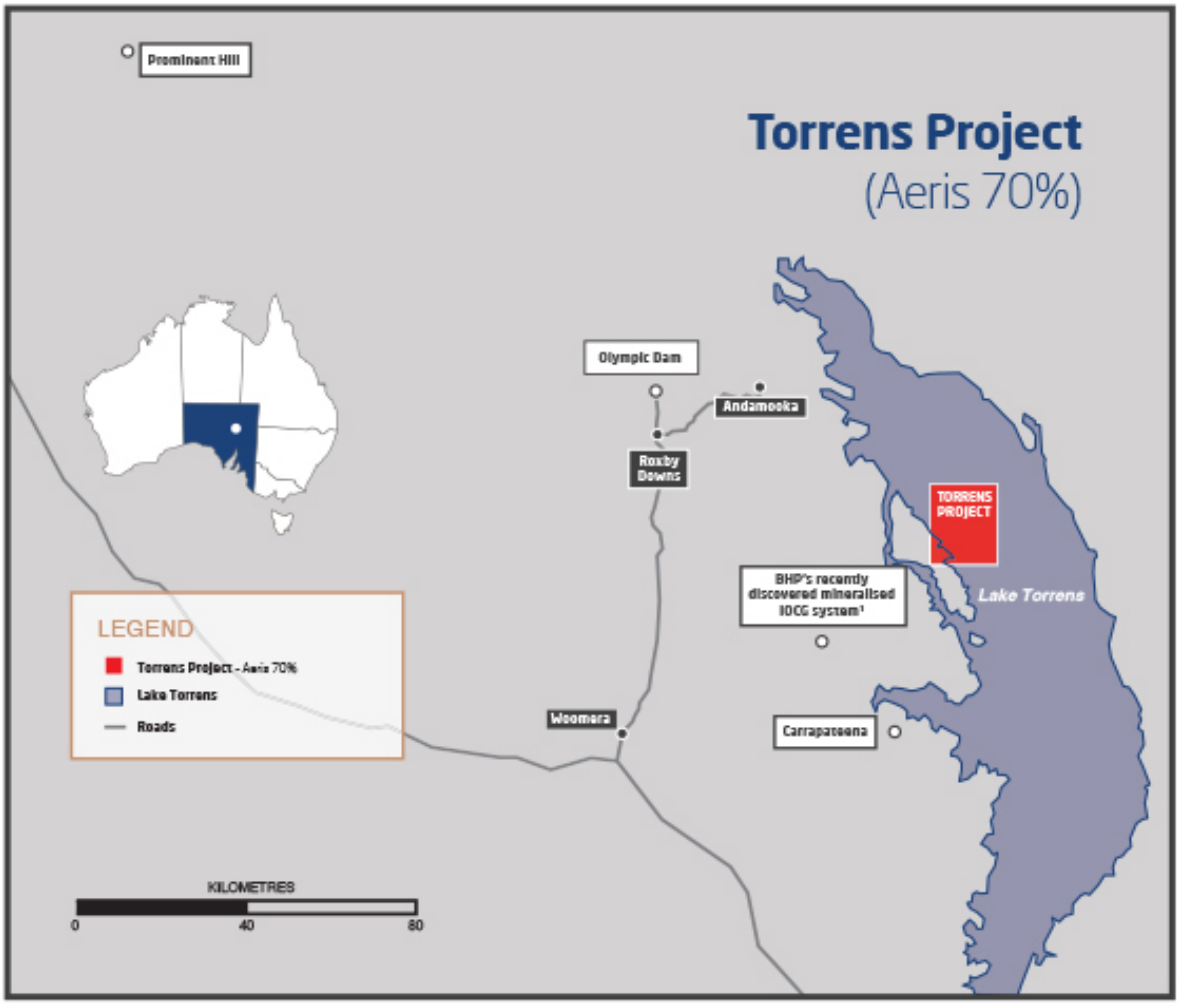
Figure 4: Long section view at Murrawombie showing drillhole pierce points through the 102 lode



TORRENS PROJECT, SOUTH AUSTRALIA

The Torrens Project (EL6407), a joint venture between Aeris Resources (70% interest) and Kelaray Pty Ltd (a wholly owned subsidiary of Argonaut Resources NL), is exploring for iron-oxide copper-gold (IOCG) systems in the highly prospective Stuart Shelf region of South Australia. The Torrens Project is located on Lake Torrens, near the eastern margin of South Australia's Gawler Craton and lies within 50 kilometres of Oz Minerals' Carrapateena deposit and 75 kilometres from BHP's Olympic Dam mine.

Figure 5: Map showing location of EL 6407 (The Torrens Project)

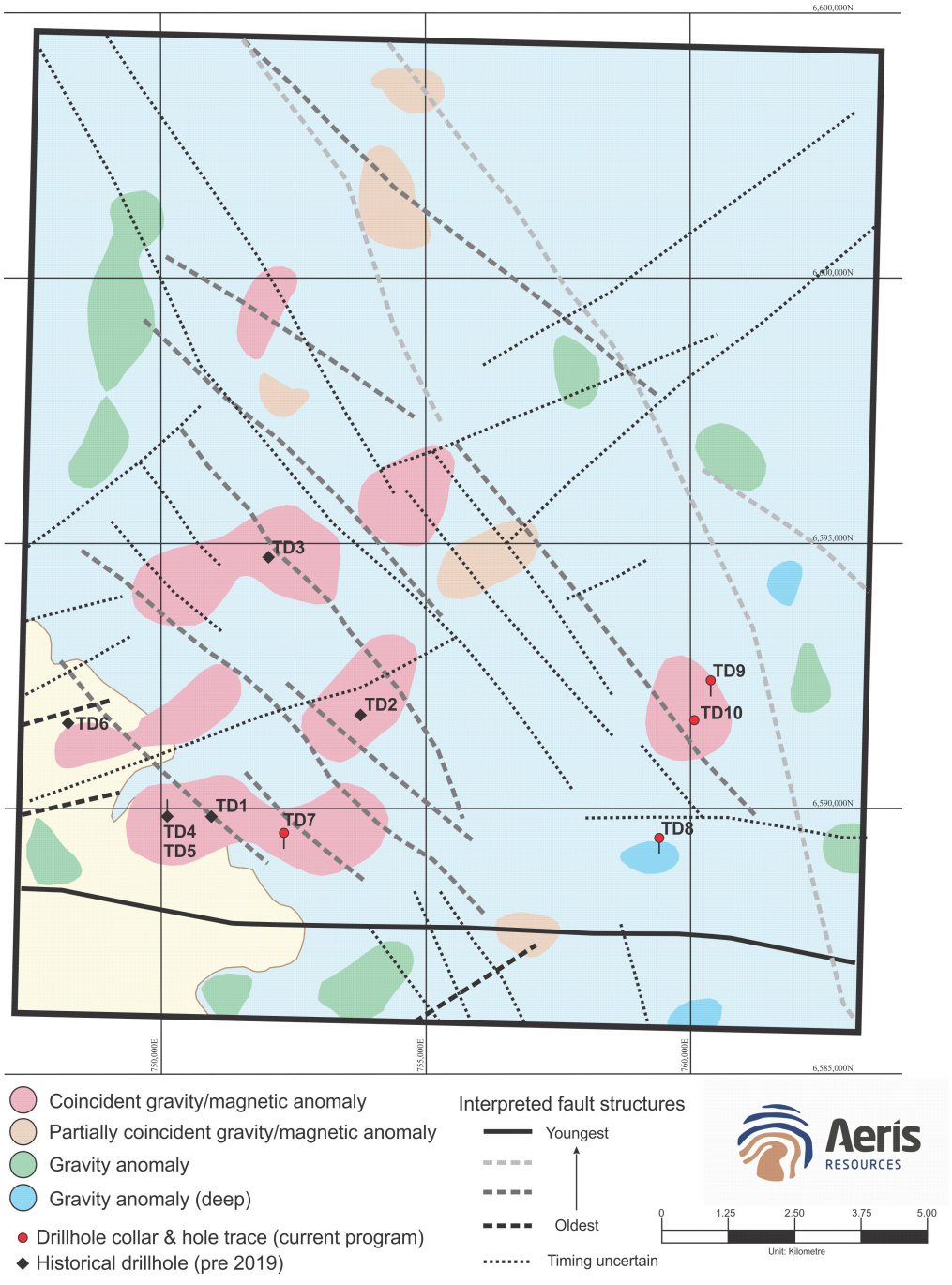


The Torrens Project is defined by a regionally significant coincident magnetic and gravity anomalous zone with a footprint greater than that of Olympic Dam. Within the Torrens Project area, geophysical modelling/interpretation has identified 28 geophysical anomalies based on gravity and magnetic geophysical datasets.

The Torrens Joint Venture are awaiting two regulatory approvals before recommencing exploration activities. Both regulatory approvals (updated Program for Environmental Protection and Rehabilitation and a Native Title summary determination to conduct mining operations within the Torrens project area) were initiated in the previous quarter.

It is envisaged that both regulatory approvals will be completed toward the end of the current financial year.

Figure 6: Torrens project area showing the location of interpreted geophysical anomalies based on the 2018 FALCON airborne gravity and aeromagnetic survey



Corporate

CASH

At the end of the March quarter, Aeris had useable cash and receivables of $13.3 million, a decrease compared to the previous quarter.

(A$ Million)	MAR 2019 QTR	DEC 2019 QTR
Useable Cash - Aeris Corporate and Tritton	11.4	8.6
Tritton - Copper concentrate receivables	1.9	8.5
Aeris/Tritton - Useable Cash and Receivables	**13.3**	**17.1**

Corporate capital expenditure for the quarter was nil.

CONVERTIBLE REDEEMABLE PREFERENCE SHARES (CRPS)

During the quarter, Standard Chartered Bank (SCB), assisted by Aeris, exited its remaining position in Aeris through its holding of CRPS. Substantial shareholder, Tudor Court Limited (Tudor Court), acquired 86.7 million of the CRPS and converted to ordinary shares, bringing its holding in Aeris to 19.9%.

Aeris redeemed, for US$1, the remaining CRPS (9.7 million), which were then cancelled.

Authorised for lodgement by:
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ENDS

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References in this report to "Aeris Resources Limited", "Aeris" and "Company" include, where applicable, its subsidiaries.

APPENDIX A:

Table 1 – Collar details for drillholes completed during the quarter targeting sulphide mineralisation at Murrawombie outside the current Mineral Resource footprint.

Hole ID	Northing	Easting	RL	Dip	Azimuth	Depth (m)
MWGC516	10152.382	5784.374	4733.83	-19.9	73.9	295.3
MWGC517	10153.179	5784.521	4733.78	-15.3	61.4	284.6
MWGC518	10057.757	5742.790	4718.79	1.1	113.8	135.8
MWGC519	10054.800	5742.347	4718.59	-8.6	128.6	120.0
MWGC520	10056.487	5742.542	4718.71	-7.0	95.3	281.7
MWGC521	10056.109	5742.469	4718.85	-2.5	103.8	161.7
MWGC522	10055.716	5742.429	4718.70	-6.5	111.5	160.3
MWGC523	10056.755	5742.652	4718.30	-18.3	88.9	340.8
MWGC524	10056.133	5742.459	4718.47	-15.1	104.0	49.2

*Easting and northing coordinates are reported in Murrawombie mine grid.

*Azimuth values are transposed to the Murrawombie mine grid.

Table 2 – Significant drillhole intersections through the various Murrawombie mineralised zones from assay results received during the quarter.

Hole ID	From (m)	To (m)	Length (m)	Est. true thickness (m)	Cu grade (%)	Lode
MWGC510	99.10	109.70	10.60	8.4	2.07	102
MWGC511	197.50	202.20	8.00	6.0	1.14	HW
MWGC511	105.00	114.00	9.00	4.1	1.94	102
MWGC512	143.00	151.15	8.15	6.5	1.71	HW
MWGC512	176.90	181.35	4.45	3.5	1.32	HW
MWGC512	97.45	98.55	1.10	0.7	1.75	102
MWGC513	196.20	209.50	13.30	10.8	1.96	HW
MWGC513	108.80	110.20	1.40	0.9	3.23	102
MWGC514	172.75	174.45	1.70	1.3	2.31	HW
MWGC514	226.15	230.30	4.15	3.1	1.85	HW
MWGC514	113.20	127.80	14.60	5.6	2.43	102
MWGC515	233.00	240.35	7.35	5.0	0.84	HW
MWGC515	139.75	142.15	2.40	1.9	0.61	102
MWGC516	204.15	211.10	6.95	6.0	2.35	HW
MWGC516	228.20	234.00	5.80	4.3	2.93	HW
MWGC516	122.35	131.90	9.55	5.3	2.54	102
MWGC517	127.90	138.05	10.15	6.1	0.67	102
MWGC518	113.20	118.95	5.75	4.0	0.98	102
MWGC519	No sulphides intersected.					
MWGC520	205.65	206.65	1.00	0.7	0.47	HW
MWGC520	126.00	136.00	10.00	5.5	1.52	102
MWGC521	Drillhole sampled. Assays not received.					
MWGC522	No sulphides intersected.					
MWGC523	Drillhole sampled. Assays not received.					
MWGC524	Drillhole abandoned prior to intersecting sulphide lodes.					

* Composites are based on a 0.5% Cu cut-off and can include up to 3.0 metre of internal dilution.

Table 3 – Significant drillhole intersections at the Caribou prospect from assay results received during the quarter.

Hole ID	From (m)	To (m)	Length (m)	Est. true thickness (m)	Cu grade (%)	Lode
TCBD010	568.0	604.0	36.0	36	0.10	Caribou

APPENDIX B:

Competent Persons Statement – Exploration Results

The information in this report that relates to Exploration Results or Mineral Resources 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

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 samples are as close to 1.0m as possible. Most samples are collected at 1.0 metre intervals. HW and FW intervals are taken as close to 1.0 metre.
Drilling techniques	1. Drilling results reported are via diamond drill core (NQ diameter).
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.

Criteria	Commentary
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 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 saw, and half core samples are collected on average at 1 metre intervals, with a minimum sample length of 0.4 metre and a maximum length of 1.4 metre. 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.

Criteria	Commentary
	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 surveyed via a qualified surveyor. 2. All drillhole locations are collected in Murrawombie mine grid. The Murrawombie Mine Grid origin (0E,)N) = 490306.92mE 6530140.69mN (AGD66). Grid North = 318.259 true. The Caribou drillhole (TCBD010) location is referenced using AGD66 zone 55. 3. Quality and accuracy of the drill collars are suitable for exploration results. 4. Downhole surveys taken during drilling are completed by the drill contractor using a Reflex gyroscopic tool measuring azimuth and dip orientations every 30 metres or shorter intervals if required.
Data spacing and distribution	1. Drill spacing at the Murrawombie deposit is spaced between 20 metres to 80 metres down plunge. Drillhole spacing along strike is similarly varied, ranging between 20 metres to 80 metres. 2. The drill spacing at Murrawombie is appropriate to assess the potential size and grade of a mineralised system to an Inferred and Indicated Mineral Resource status.
Orientation of data in relation to geological structure	1. All drillholes are designed to intersect the target at, ideally right angles. However, the limited drill locations available does mean that for some drillholes the intersection angle to mineralisation is more acute. 2. Each drillhole completed has not deviated significantly from the planned drillhole path. 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

Murrawombie deposit (current drill program)

Criteria	Commentary
Mineral tenement and land tenure status	1. The Tritton Regional Tenement package is located approximately 45 kilometres north-west 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 Murrawombie deposit is located within ML1280. ML1280 is in good standing and no known impediments exist. The Caribou prospect is located within ML1383. ML1383 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	1. All relevant information pertaining to each drillhole has

Criteria	Commentary
information	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 3.0 metres internal dilution. 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. However, some drill intersections have intersected mineralisation at shallow angles and mineralised intersections are longer than the true thickness.
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 drill results has been disclosed.
Other substantive exploration data	1. There is no other relevant substantive exploration data to report.
Further work	1. Drilling will continue at Murrawombie with additional drilling planned to test the extents of the mineralised system further.