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ASX/MEDIA RELEASE

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**AERIS RESOURCES LIMITED**  
**(ASX: AIS)**

**TORRENS PROJECT – FEDERAL COURT PROVIDES RULING**

Please see the attached ASX release made by Argonaut Resources NL (ASX:ARE) (Argonaut), dated 11 August 2016 in relation to the Torrens Project and the Federal Court's decision to dismiss certain Native Title applications over Lake Torrens.

Aeris is currently reviewing the decision and determining the next steps in relation to progressing the project, in conjunction with its joint venture partner.

The Torrens Project is a joint venture between Aeris (70%) and Argonaut (30%), exploring for iron-oxide copper-gold systems in the highly prospective Stuart Shelf region of South Australia.

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## **About Aeris**

Aeris Resources Limited (ASX: AIS) is an established, top 10 independent Australian copper producer and explorer.

The Company's core asset is its Tritton operations in New South Wales, which currently produce approximately 28,000 tonnes of copper annually. The existing operations incorporate multiple mines and a 1.6 million tonne per annum processing plant.

Aeris also has an exciting portfolio of highly prospective near mine and regional exploration projects creating a pipeline for future growth and a clear opportunity to leverage the Company's established infrastructure at Tritton.

Aeris has a highly experienced Board and management team, and is actively reviewing suitable merger and acquisition opportunities.

# ASX announcement

11 AUGUST 2016

## Torrens access impediment removed by native title judgement

Argonaut Resources NL (ASX: ARE) (*Argonaut* or the *Company*) announces that applications for native title over Lake Torrens by three native title groups have been dismissed by the Federal Court of Australia.

### Highlights

- A claim by the group that has prevented access to the Torrens anomaly was refused.
- Applications for native title over Lake Torrens by two other groups were also dismissed.
- An application for authorisation to drill the Torrens anomaly will now be made in the absence of registered native title claims or granted native title rights.
- The Torrens anomaly is confirmed to be the geophysical response to a very large iron oxide copper-gold (IOCG) system in the area of the Olympic Dam and Carrapateena mineral deposits.

“Whilst Argonaut has for years sought a pathway through the legal quagmire at Lake Torrens, it has never advocated the denial of rights to parties with long-held connection to the area. The emotional investment by aboriginal witnesses is substantial and Argonaut empathises with those concerned,” Argonaut’s Chief Executive Officer, Mr Lindsay Owler, said.

“To say this judgement simplifies the native title situation is an understatement,” Mr Owler said.

## The Torrens Anomaly – Why all the Fuss?

The Torrens anomaly is a coincident magnetic and gravity anomaly with a footprint larger than that of Olympic Dam. The anomaly is located over the Torrens Hinge Zone, a continent-scale zone of crustal weakness that appears to have been a conduit for mineralising fluids from the Earth's mantle.

Drilling of the Torrens anomaly by Western Mining Corporation in the late 1970s and by the Torrens Joint Venture in 2007 and 2008 confirmed the existence of a major iron oxide copper-gold mineralising system beneath several hundred metres of sedimentary cover.

More drilling is required to vector-in on the modelled copper-gold mineralisation. In the event of a discovery, Torrens has the potential to host a world-class copper-gold deposit.

## The Lake Torrens Overlap Proceeding

The Lake Torrens Overlap Proceeding was initiated by the Federal Court to determine which of three native title claimant groups is entitled to hold native title rights and which claimed rights can be granted.

The aboriginal claimant groups involved in the proceeding were the Adnyamathanha people, the Barngarla people and the Kokatha people. All three groups have held multiple native title claims over Lake Torrens since the introduction of the Native Title Act in 1993. All three groups hold granted native title rights in areas adjoining the lake.

The trial involved two main parts: lay-evidence, given both 'on-country' and in the courtroom by senior aboriginal representatives of each group; and expert evidence, given by anthropologists, archaeologists and an historian.

Argonaut's wholly owned subsidiary and tenement holder over the Torrens anomaly, Kelaray Pty Ltd, was an active respondent in the proceeding.

The overlap proceeding came after a long period where competing native title claims and intra-group conflict made access negotiations impossible.

## Judgement Implications

Certain members of the Kokatha group fought against access to the Torrens anomaly on the basis that exploration works were incompatible with mythological beliefs held in regard to Lake Torrens and Andamooka Island.

Justice Mansfield commented that:

*"There is no evidence of Kokatha occupation of any areas to the east of [the] western boundary of Lake Torrens at the time of first European contact, or indeed... until well into the 20th century, probably about the 1980s."*

As a result of this judgement, the Kokatha people – particularly the individuals referred above – will have significant difficulty in establishing standing to grant or withhold native title authority in the area of the Torrens anomaly.

Confrontational litigation in the early stages of a mineral development project is not conducive to a long-term working relationship and Argonaut is grateful for the opportunity to restart access negotiations on the basis established by this judgement.

## The Way Forward

The Torrens Joint Venture can now make an application for exploration approval in the absence of both registered native title claims and granted native title rights in the proposed exploration areas. This change significantly simplifies the approval process, particularly in light of the Joint Venture's previously approved environmental and operations proposals.

In addition, the Joint Venture must re-establish certain expired government approvals.

## SA Legislation

Earlier in the year, the SA Government acted to remove an unintended veto mechanism from the SA Aboriginal Heritage Act. Argonaut commends the Government on this action.

“It is timely to consider the SA Mining Act and its dated approach to native title authority. Argonaut supports moves to modernise Part 9B of the Mining Act, to bring it into line with the Commonwealth Native Title Act and mining legislation in other states. Importantly, the National Native Title Tribunal must be appointed as the arbitral body in the event of disputes,” Mr Owler said.

“Argonaut is in a unique position to call for hastened action in this regard. These changes will increase confidence in SA mining investment and substantially reduce the cost and time required for dispute resolution. The commodities cycle is swinging upwards from its recent slump. The time is right to remove unnecessary risk and cost for the benefit of the state,” he said.

### **Lindsay Owler**

Director and CEO

Argonaut Resources NL

*Sections of information contained in this report that relate to Exploration Results were compiled or supervised by Mr Lindsay Owler BSc, MAusIMM who is a Member of the Australasian Institute of Mining and Metallurgy and is a full time employee of Argonaut Resources NL. Mr Owler holds shares and options in Argonaut Resources NL, details of which are disclosed in the Company's 2015 Annual Report. Mr Owler has sufficient experience which is relevant to the style of mineral deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Mr Owler consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*