Quarterly Activities Report

For the period ended 30 September 2019

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 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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SEPTEMBER QUARTER HIGHLIGHTS

TRITTON COPPER OPERATIONS:

- **Copper production ahead of plan at 6,835 tonnes**
- **C1 cash cost of A$2.06/lb below guidance**
- **Budgerygar access drive progressing as per plan**
- **Restricted water supply actively managed**

EXPLORATION:

- **Ground based EM surveys completed in the Murrawombie to Avoca Tank corridor**
- **Positive drilling results at Murrawombie continue to show potential to extend at depth and to the north**

CORPORATE:

- **Cash and receivables of $14.5M at quarter end**

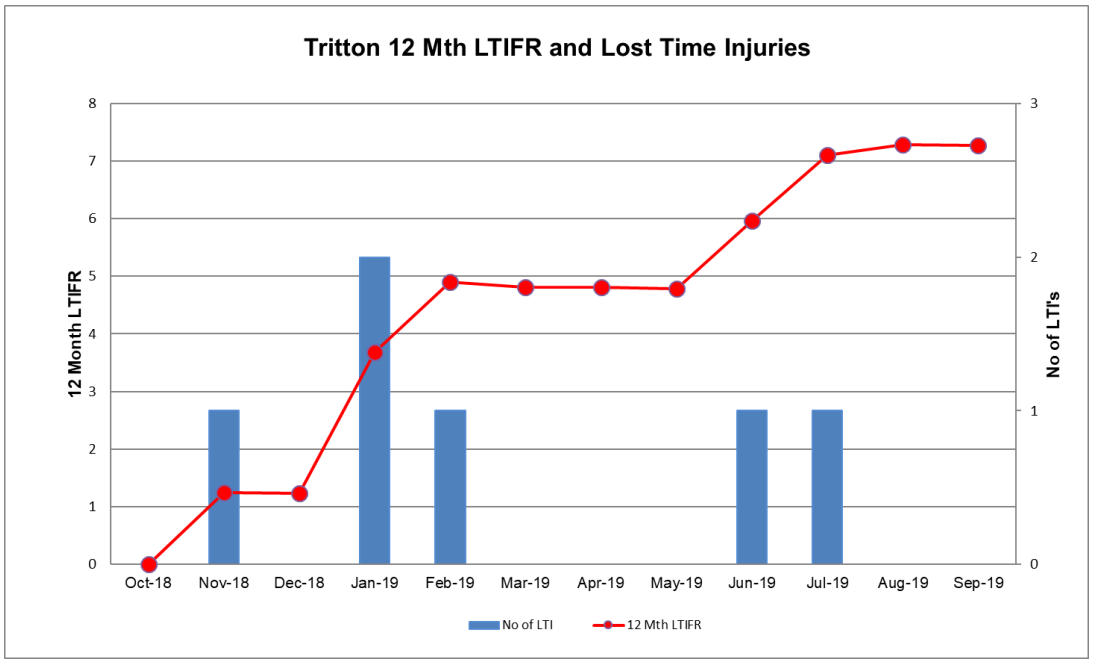
GUIDANCE:

- **FY2020 Copper production guidance of 24,500 tonnes at a C1 cash cost of between A$2.80/lb and A$2.95/lb**

Q1 FY2020 Quarterly Activities Report

Safety, Environment and Community

There was one lost time injury in the quarter. An underground operator fell over while walking along a drive sustaining a small fracture to the wrist.



There were no reportable environmental incidents during the quarter.

Tritton Copper Operations (NSW)

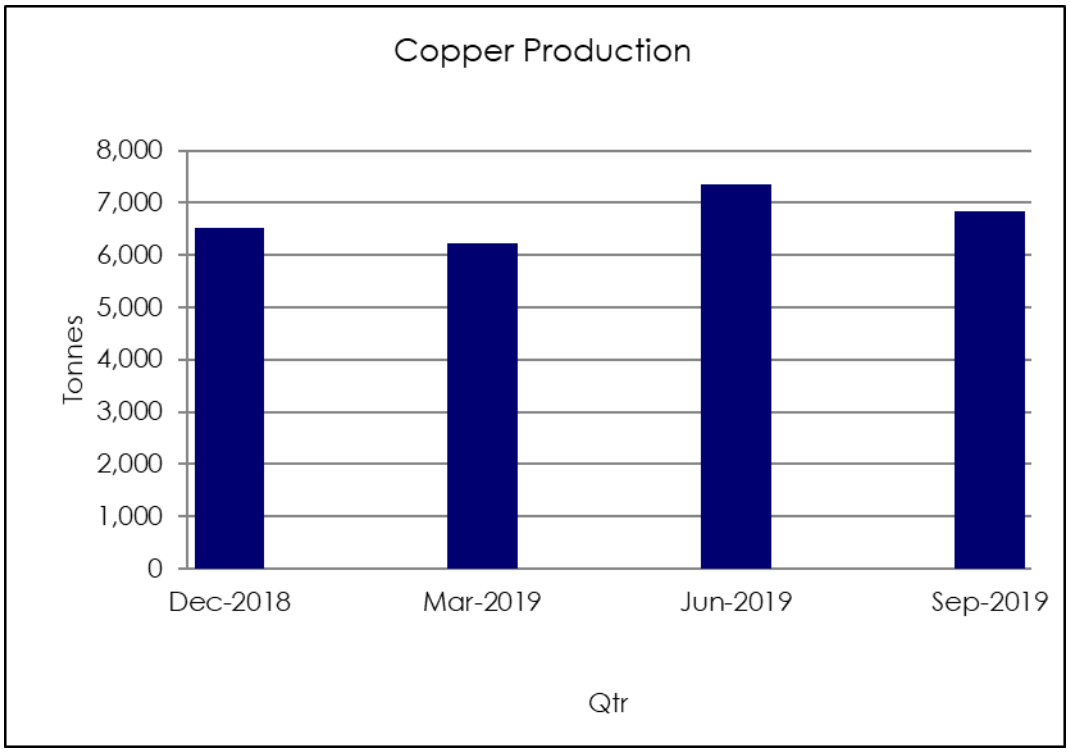
Production and Cost Summary

		DEC 2018 QTR	MAR 2019 QTR	JUN 2019 QTR	SEP 2019 QTR
PRODUCTION					
ORE MINED	TONNES	396,705	429,502	421,104	427,313
GRADE	Cu (%)	1.71%	1.57%	1.80%	1.67%
ORE MILLED	TONNES	395,994	409,543	430,935	438,483
GRADE MILLED	Cu (%)	1.73%	1.61%	1.80%	1.66%
RECOVERY	Cu (%)	94.86%	94.47%	94.83%	93.96%
COPPER CONCENTRATE PRODUCED	TONNES	28,113	28,259	32,002	32,398
COPPER CONCENTRATE GRADE	Cu (%)	23.10%	21.98%	22.97%	21.05%
CONTAINED COPPER IN CONCENTRATE	TONNES	6,495	6,212	7,352	6,821
COPPER CEMENT PRODUCED	TONNES	20	11	9	14
TOTAL COPPER PRODUCED	**TONNES**	**6,515**	**6,223**	**7,362**	**6,835**
OPERATING COSTS (A$/lb Copper Produced)					
MINING	A$/lb	1.70	1.71	1.54	1.59
PROCESSING	A$/lb	0.45	0.51	0.48	0.48
SITE G&A	A$/lb	0.33	0.27	0.29	0.31
TC/RC'S & PRODUCT HANDLING	A$/lb	0.61	0.60	0.55	0.55
INVENTORY MOVEMENTS	A$/lb	0.10	0.08	(0.11)	(0.59)
NET BY-PRODUCT CREDIT (INCL PROCESSING/TC/RC/TRANSPORT)	A$/lb	(0.23)	(0.24)	(0.28)	(0.28)
C1 CASH COSTS	**A$/lb**	**2.96**	**2.93**	**2.47**	**2.06**
ROYALTIES	A$/lb	0.09	0.09	0.10	0.10
CORPORATE G&A*	A$/lb	0.12	0.05	0.08	0.10
CAPITAL DEVELOPMENT	A$/lb	0.15	0.12	0.15	0.19
SUSTAINING CAPITAL**	A$/lb	0.35	0.31	0.34	0.30
SUSTAINING EXPLORATION	A$/lb	-	-	-	-
ALL-IN SUSTAINING COSTS (AISC)	**A$/lb**	**3.67**	**3.50**	**3.14**	**2.75**

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

PRODUCTION

The Tritton Copper Operations continued to deliver a consistent performance with the September quarter copper production totaling 6,835 tonnes, compared with 7,362 tonnes in the previous quarter. Copper production for the quarter is ahead of plan and continues to follow the mine sequence as planned.



Tritton Underground Mine (Tritton)

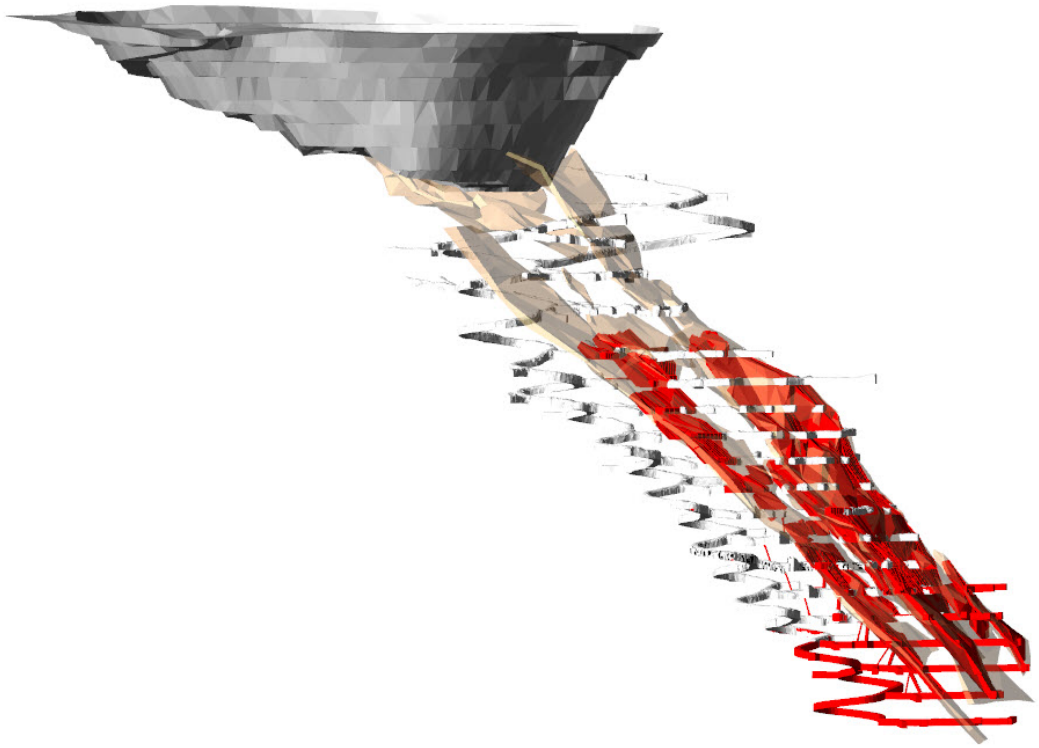
Tritton mine ore production of 301kt was slightly lower compared with 307kt in the previous quarter. Copper grades at 1.58%, were lower than in the previous quarter (1.73%). The stope mining sequence is following the mine plan and copper grades are as expected for the quarter.

All mine development was focused on the mining of exploration and the access drive being developed from the Tritton decline, to the Budgerygar deposit, located 600 metres to the north of the Tritton mine. The access drive will provide a drilling platform for close spaced grade control drilling and if a decision is made to proceed with production, it will become the main haulage access. The Budgerygar Inferred Mineral Resource was revised to 2.3Mt at 1.5% copper in the 2019 estimate, (refer to ASX announcement 1 October 2019).

Murrawombie Underground Mine (Murrawombie)

Murrawombie ore production at 126kt was higher than in the previous quarter (114kt). Mine grades of 1.86% were lower than the 1.98% achieved in the previous quarter due to planned stope extraction that optimizes extraction and access cost.

Figure 1: Murrawombie Mine Section View



Ore Processing

Ore processed during the quarter was 438kt, an increase on the previous quarter (431kt). Consistent milling operations throughout the quarter continued to enable good metallurgical performance, with copper recovery of 93.96% for the quarter.

Water Supply

The Tritton Operations extracts water for mining activities and ore processing from the Macquarie river system that is supplied from the Burrendong Dam ("the dam"). The dam is located roughly 30 kilometers south-east of Wellington, midway between Orange and Dubbo in Central-west NSW. The dam is currently at 4.2% of capacity, (the dam receives extra water from the Windamere Dam currently at 30.8%). Level 4 water restrictions to be applied from 1 November 2019. High security water licenses have been reduced to a 70% allocation with no allocation of water to low security and general water licenses.

Rainfall deficiencies since 2017 have affected the water supply, with the lowest on record rainfall extending to areas from the Great Dividing Range west as far as Dubbo and Walgett.

Tritton operations has an annual 705 mega-litres (ML) of high security water licenses and usually supplemented with the purchase of low and general security water on an as needed basis. Due to the reduced allocation in the recent drought conditions, Aeris has purchased an additional 600ML of high security licenses on market to supplement supply in financial year 2020.

The NSW water authorities, relevant state departments, and local councils are actively engaged with all water consumers along the Macquarie River and Aeris has been in discussions with all of these bodies regarding the ongoing management of the water supply.

A variety of solutions are being investigated to improve the efficiency of supply of available water. These include a potential new pipeline to obtain supply from the Nyngan to Cobar pumping system. The pipeline would significantly reduce the water lost in transport compared to the current Tritton system, where water is delivered to our pumps via a branch of the Macquarie River.

The Tritton operations has a modest stock of water stored in old pits and the old Larsen underground mine. A dewatering bore hole was drilled and a pump purchased during the quarter to assist with accessing this water if required. Water run-off from any significant storms will be harvested and stored in the old pits. A sizeable rainstorm would contribute several months of water supply. During the drought conditions, water supply will be from a combination of stored water and the increased quantity of high security licenses. The impact of restricted water supply is being actively managed. The Company is reviewing its business continuity planning so that if water supply for the operation is interrupted there is an action plan.

COSTS

C1 cash costs for the quarter, at A$2.06/lb were lower than the previous quarter (A$2.47/lb) primarily due to positive inventory movement from the timing of shipments.

All-In Sustaining Costs (AISC) for the quarter at A$2.75/lb was lower than in the previous quarter (A$3.14/lb), mainly due to the impact of the lower C1 cash costs.

Capital expenditure at the Tritton Copper Operations for the quarter was $7.8 million, including $0.4 million on exploration.

Tritton Capital Expenditure (A$ Million)

	DEC 2018 QTR	MAR 2019 QTR	JUN 2019 QTR	SEP 2019 QTR
SUSTAINING CAPITAL:				
PROPERTY, PLANT AND EQUIPMENT	2.5	1.9	3.3	2.5
MINING DEVELOPMENT	2.1	1.6	2.4	2.9
LEASED ASSETS*	2.5	2.4	2.2	2.0
GROWTH:				
EXPLORATION	1.8	0.5	1.3	0.4
TOTAL	8.9	6.4	9.2	7.8

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

OUTLOOK

The copper production guidance for FY2020 is 24,500 tonnes at a C1 cash cost between A$2.80 and A$2.95 per pound.

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 within a 50 kilometre corridor adjacent to a stratigraphic unit referred to as the Budgery Sandstone. Geological mapping has extended the known extents of the Budgery Sandstone unit a further 65 kilometres through the northern half of the tenement package, with potential to extend for a further 40 kilometres.

Electromagnetic surveying

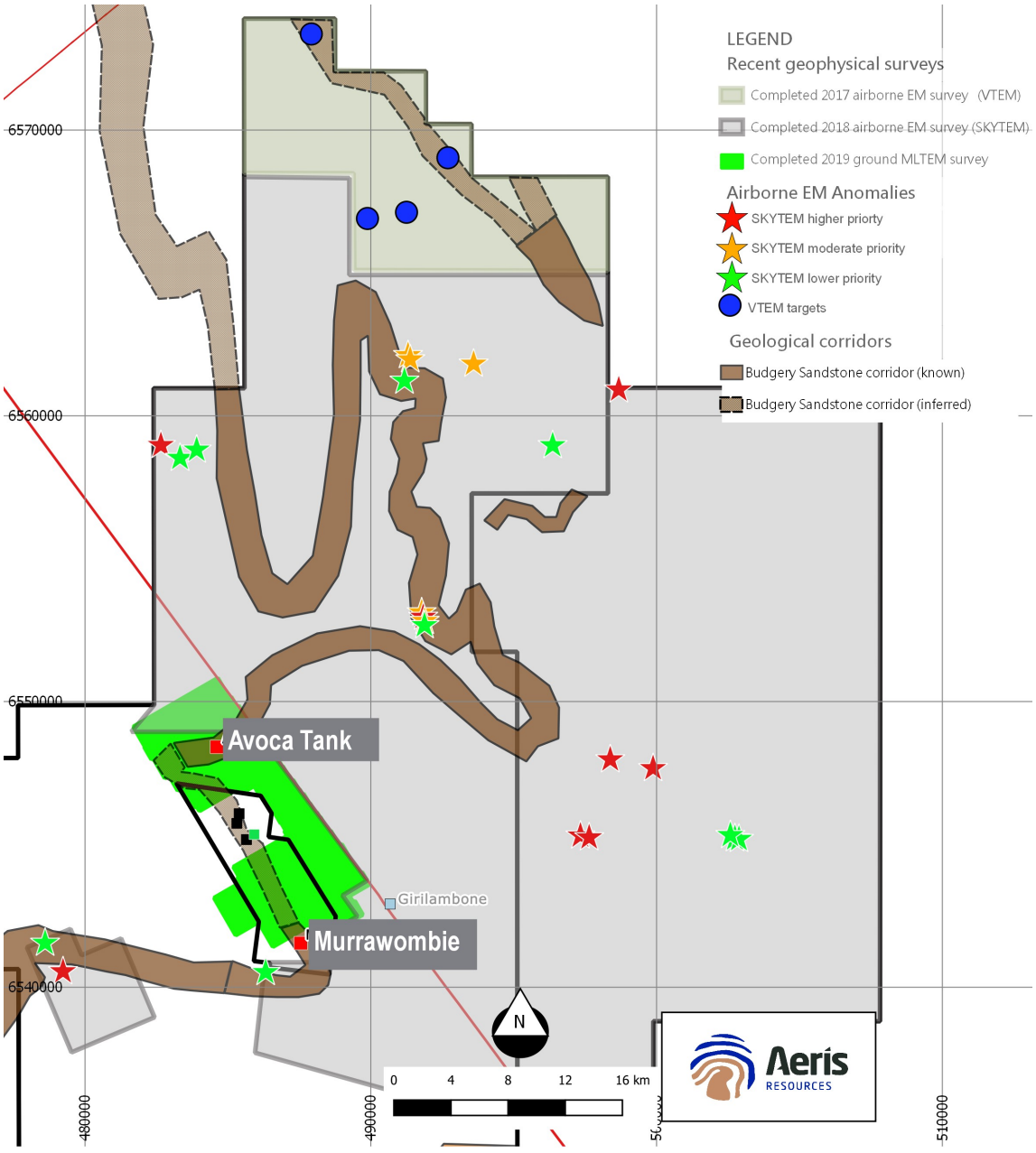
The review of potential bedrock electromagnetic (EM) conductors detected from the airborne electromagnetic (AEM) survey flown in December 2018 has been completed. In total, 26 targets have been identified for follow-up ground based moving loop electromagnetic (MLTEM) surveying which commenced toward the end of the quarter (Figure 2). The ground MLTEM surveying is designed to confirm whether the AEM detected anomalies define a legitimate bedrock conductor(s). MLTEM surveying over the AEM anomalies will continue throughout the current quarter.

The December 2018 AEM survey was flown, covering 617km^2 and used the innovative SKYTEM™ 312 airborne EM system designed and optimised to test for deep conductive bodies. Systematic and focused greenfields exploration over the northern half of the tenement package has been limited to date. The results from the AEM survey confirms the Company's view that there is significant potential to discover additional copper sulphide deposits in the northern half of the Tritton tenement package.

The ground based MLTEM survey over the strike corridor between Murrawombie to Avoca Tank was completed during the quarter. The 7.5 kilometre corridor is considered highly prospective with seven separate copper sulphide mineralised systems previously discovered along the corridor. By quarter end, the data was being finalised in preparation for interpretation and target generation.

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

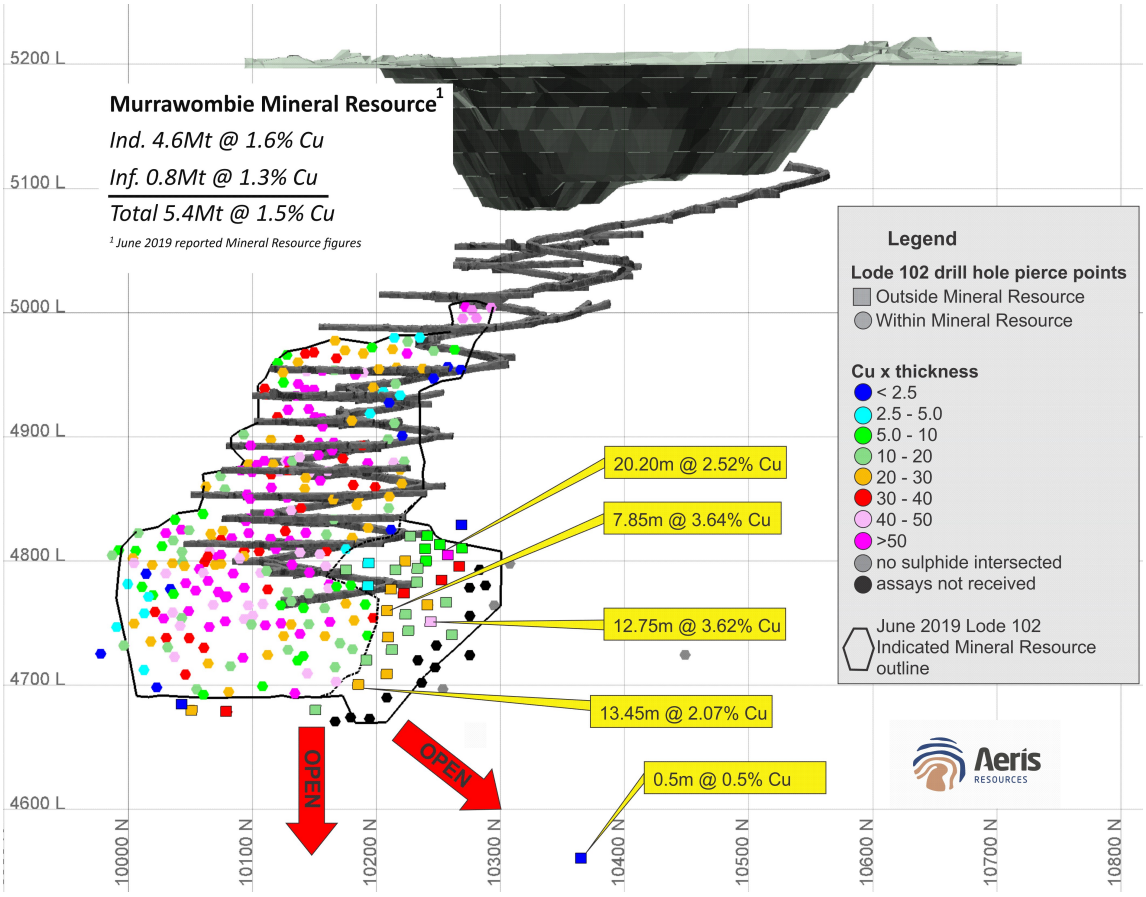
Figure 2: Plan view showing the airborne EM survey coverage and potential bedrock conductors through the northern extents of the Tritton tenement package. The completed MLTEM (ground based) survey over the Murrawombie to Avoca Tank corridor is defined by the green shaded region.



BROWNFIELDS EXPLORATION – MURRAWOMBIE

At the Murrawombie deposit, underground drilling continued testing strike extensions along the periphery of the known mineralised footprint toward the base of the Indicated Mineral Resource. In total 28 drill holes were completed by quarter end with a majority intersecting sulphide mineralisation. The additional drilling has contributed to extending the mineralised system approximately 100m further north beyond the June 2018 Mineral Resource footprint. The additional drilling data has not closed off sulphide mineralisation which remains open along strike and down plunge. A step out drillhole (MWGC468) intersected a small (0.5m @ 0.5% Cu) semi-massive sulphide interval approximately 150m down plunge from the Indicated Mineral Resource. A downhole electromagnetic (DHEM) survey is planned to be completed on MWGC468 in the current quarter to assist with defining the extents to current sulphide bodies and potentially defining new bodies within a 200m radius from the drillhole.

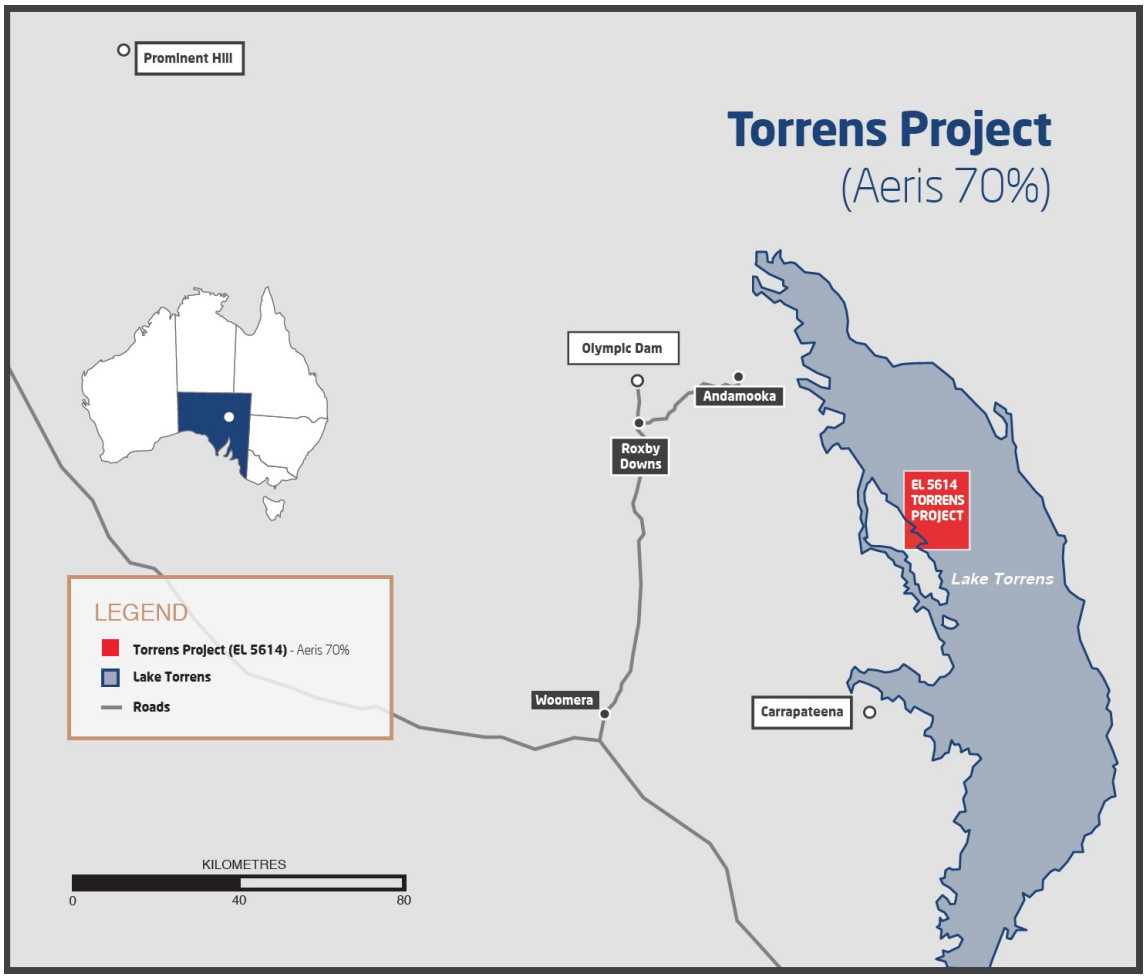
Figure 3: Long section view showing drill hole pierce points through the main Murrawombie 102 lode.



TORRENS PROJECT, SOUTH AUSTRALIA

The Torrens Project (EL5614), 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 4: Map showing location of EL 5614 (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.

Limited drilling, totalling 6 drillholes between 1977 to 2008, defined a large magnetite dominant with lesser hematite alteration system interpreted to form the distal component of an iron oxide copper god (IOCG) system. Zones of anomalous copper mineralisation (≥0.1% Cu) were intersected from several drillholes with the most significant mineralised zone associated with TD02 (246 metres @ 0.1% Cu).

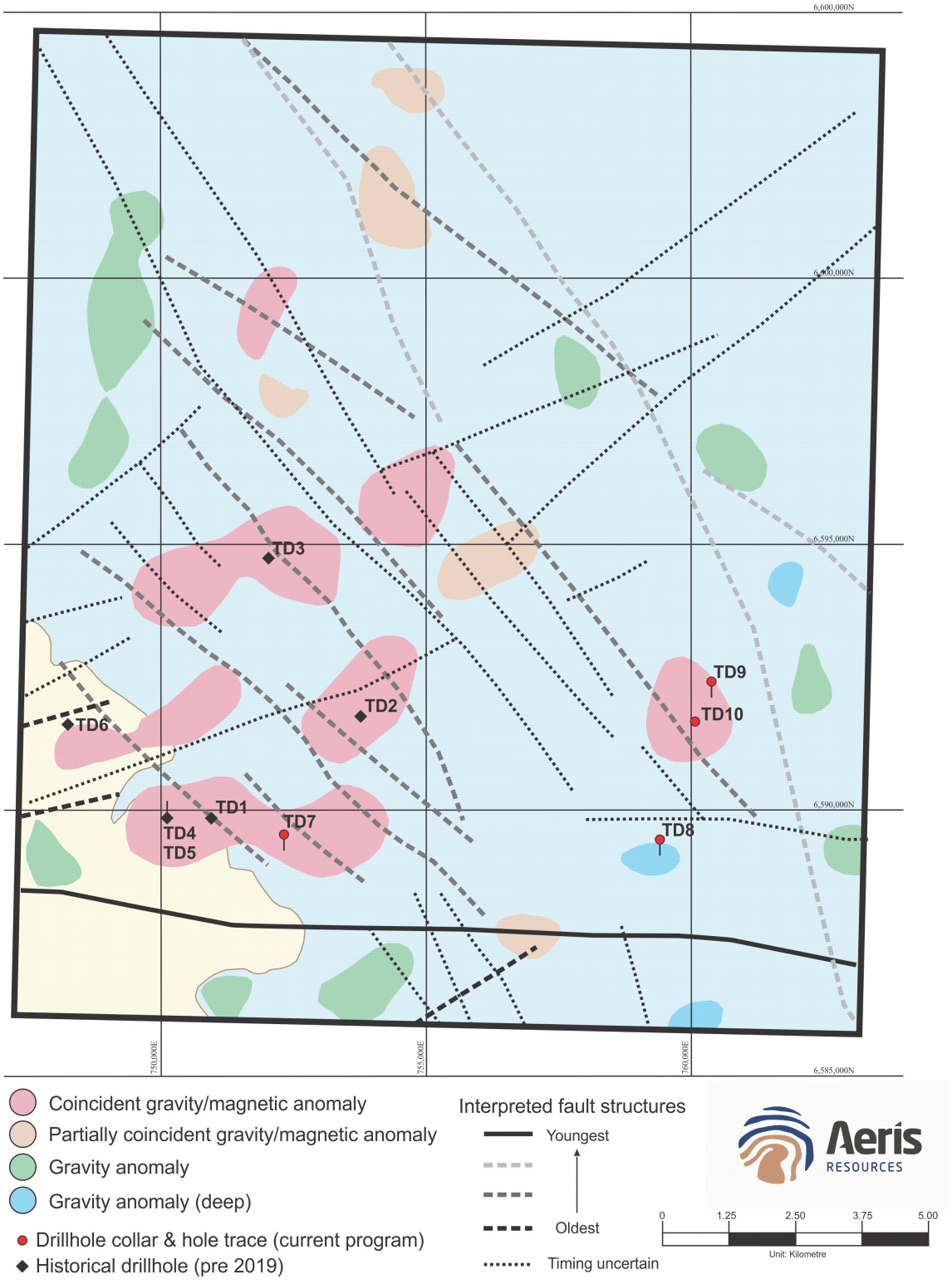
During the quarter assay results for drillhole TD10 were received. TD10 was targeting a significant coincident gravity and magnetic anomaly with a footprint of approximately three square kilometres, situated some nine kilometres from the western edge of Lake Torrens in an area where no previous drilling had occurred (all previous drillholes that reached target depths were within four kilometres of the shoreline).

Drillhole TD10 intersected intensely altered rocks dominated by K feldspar and variable quantities of magnetite and hedenbergite. Assay results indicate only slighlty elevated pathfinder elements reported e.g. copper, rare earth elements etc. The highest copper assay (3.0m @ 0.18% Cu from 1,188 metres downhole) was associated with a zone of faulting and increased fracturing including the occurrence of minor hematite along fractures. Whilst copper mineralisation within this zone was minor, it does support the current geological model of targeting geophysical anomalies in proximity to interpreted fault structures.

Drillholes TD07 and TD10 were submitted for non invasive geochemical scanning utilising the Hylogger™ system at the South Australian Core Reference Library. The Hylogger™ provides a more accurate and quantifiable inventory of mineral assemblages within each drillhole. The Hylogger™ dataset forms part of the planned process of collecting and processing additional geological data sets aimed at refining targets for drill testing.

The application to renew the exploration tenement for a further three year term was accepted by the South Australian Department of Energy and Mining during the quarter.

Figure 5: 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 September quarter, Aeris had useable cash and receivables of $14.5 million, a decrease of $12.1 million on the previous quarter resulting from lower copper sold due to timing of shipments during the quarter.

(A$ Million)	SEP 2019 QTR	JUN 2019 QTR
Useable Cash - Aeris Corporate and Tritton	8.8	22.5
Tritton - Copper concentrate receivables	5.7	4.1
Aeris/Tritton - Useable Cash and Receivables	**14.5**	**26.6**

Corporate capital expenditure for the quarter was nil.

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or go to our website at www.aerisresources.com.au

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

Competent Persons Statement – Exploration Results

The information in this report that relates to Exploration Results and Exploration Targets 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.

APPENDIX A:

Table 1 – Drillholes targeting strike extensions to the Murrawombie 102 lode within the September 2019 Quarter[1].

Hole ID	Northing	Easting	RL	Dip	Azimuth	Depth (m)	From (m)	To (m)	Interval (m)	Est. true width (m)	Cu (%)
MWGC464	10187.667	**5744.917**	4774.526	-16.1	103.4	280.0	122.00	132.25	10.25	6.5	2.90
MWGC465	10187.261	**5744.774**	4774.391	-22.6	113.0	260.0	140.15	149.90	9.75	6.7	0.76
MWGC466	10186.656	**5744.629**	4774.302	-23.5	125.4	251.3	197.00	205.80	8.80	5.1	0.89
MWGC467	10230.183	**5732.959**	4740.738	-6.6	44.2	550.0	-	-	-	-	-
MWGC468	10228.889	**5732.804**	4740.238	-30.0	62.9	650.6	413.45	413.95	0.50	0.4	0.50
MWGC469	10190.41	**5745.258**	4777.102	30.7	57.5	113.2	77.90	87.15	9.25	9.0	1.10
MWGC470	10190.79	**5744.977**	4776.966	25.6	44.9	133.8	121.15	122.00	0.85	0.8	0.22
MWGC471	10190.536	**5745.173**	4776.479	20.8	49.5	140.5	99.60	102.60	3.00	2.6	2.68
MWGC472	10190.707	**5744.927**	4776.080	15.8	44.3	155.7	117.90	118.90	1.00	1.0	7.53
MWGC473	10190.614	**5745.288**	4775.512	7.1	49.9	155.7	118.85	129.40	10.55	10.0	3.18
MWGC474	10189.156	**5745.289**	4774.910	-3.0	70.7	139.4	102.00	111.80	9.80	6.8	3.17
MWGC475	10228.884	5732.821	4742.257	24.0	61.3	155	Drillhole sampled. Assays not received.				
MWGC476	10229.005	5732.853	4741.823	17.2	62.0	161.8	Drillhole sampled. Assays not received.				
MWGC477	10228.622	5732.842	4741.646	14.0	70.1	155.8	Drillhole sampled. Assays not received.				
MWGC478	10228.533	5732.892	4741.214	5.6	70.8	164.8	Drillhole sampled. Assays not received.				
MWGC479	10228.302	5732.848	4740.96	-0.3	77.0	165	140.05	151.80	11.75	9.8	1.46

1 MWGC462 and MWGC463 were drilled during the quarter and reported within a previous ASX Announcement 'High grade copper intersections extend Murrawombie' on the 21st August 2019. Both drillholes have been omitted from Table 1.

Hole ID	Northing	Easting	RL	Dip	Azimuth	Depth (m)	From (m)	To (m)	Interval (m)	Est. true width (m)	Cu (%)
MWGC480	10228.133	5732.857	4740.919	-4.0	83.3	164.9	Drillhole sampled. Assays not received.				
MWGC481	10227.884	5732.908	4740.661	-13.5	88.1	185.9	Drillhole sampled. Assays not received.				
MWGC482	10227.865	5732.906	4740.809	-7.6	89.0	170.9	Drillhole sampled. Assays not received.				
MWGC483	10227.479	5732.965	4740.474	-20.6	99.5	290	Drillhole sampled. Assays not received.				
MWGC484	10229.279	5732.75	4742.142	21.8	54.9	164.7	Drillhole sampled. Assays not received.				
MWGC485	10228.957	5732.813	4741.317	7.7	63.1	170.8	Drillhole sampled. Assays not received.				
MWGC486	10229.764	5732.688	4741.998	-7.0	75.9	175.1	Drillhole sampled. Assays not received.				
MWGC487	10229.764	5732.688	4741.998	-10.1	82.5	176.9	Drillhole sampled. Assays not received.				
MWGC488	10229.764	5732.688	4741.998	-15.2	82.1	194.7	Drillhole sampled. Assays not received.				
MWGC489	10229.764	5732.688	4741.998	-19.7	107.9	305.8	Drillhole sampled. Assays not received.				

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

*Azimuth values are transposed to the Murrawombie mine grid.

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

APPENDIX B:

Competent Persons Statement – Exploration Results

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JORC Code, 2012 Edition – Table 1

Section 1 - Sampling Techniques and Data

Murrawombie Deposit (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. Most samples are collected at 1.0m intervals. HW and FW intervals are taken as close to 1.0m.
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.
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 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

Criteria	Commentary
	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 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. 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 30m or shorter intervals if required.
Data spacing and distribution	1. Drill spacing at the Murrawombie deposit is spaced between 20m to 80m down plunge. Drillhole spacing along strike is similarly varied ranging between 20m to 80m. 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 drill holes 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 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 Murrawombie deposit is located within ML1280. ML1280 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. 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.

Criteria	Commentary
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.