04 July 2024 **ASX/MEDIA RELEASE**

STOCKMAN PROJECT – FLOTATION & ALBION LEACH TESTWORK RESULTS PROVIDES OPPORTUNITY TO MATERIALLY IMPROVE PROJECT RETURNS

- **Metallurgical 'proof of concept' testwork improves overall metal recoveries:**
  - **Modified flotation circuit producing export quality copper concentrate and bulk concentrate (copper/zinc/gold/silver), with significantly improved recovery of all metals[1]**

Metal Recovery to Concentrate– Original Conventional Flotation Flowsheet			
	Cu con	Zn Con	Total
Cu	76.6%	-	76.6%
Zn	-	68.9%	68.9%
Au	18.9%	4.5%	23.4%
Ag	27.4%	26.7%	54.1%

➡

Metal Recovery to Concentrate – Updated Conceptual Flotation Flowsheet			
	Cu con	Bulk Con	Total
Cu	46.2%	45.8%	**92.0%**
Zn	-	92.8%	**92.8%**
Au	11.0%	36.9%	47.9%
Ag	15.6%	59.2%	74.8%

  - **Metal leaching of bulk concentrate in an Albion Process™[2] indicates leach recoveries of +98% for copper and zinc**
  - **Overall copper and zinc recoveries now >90% and gold recoveries significantly improved. Opportunities to improve silver recovery identified**

- **Catalyst to significantly improve Stockman Project economics by:**
  - **Increased revenue from higher metal recoveries; and**
  - **Material reduction in physical plant footprint, capital, operating costs and carbon emissions of the ore processing plant**

- **Detailed testwork and Options Engineering of a simplified ore treatment and Albion processing plants can now proceed**

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[1] Tables show metallurgical recovery results comparisons for metal recovered to concentrate between conventional flotation flowsheet originally considered and modified flotation flowsheet configuration

[2] The Albion Process is a registered trademark of Glencore Technology

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Aeris Resources Limited (ASX: AIS) (Aeris or the Company) is pleased to announce this update on the Feasibility Study underway on its 100% owned Stockman Project in Victoria.

Aeris' Executive Chairman, Andre Labuschagne said "These latest metallurgical testwork results validate our view that the Albion Process has the potential to significantly enhance the overall economics of the Stockman Project.

The plan is now to further study, engineer and complete detailed metallurgical testwork on the modified flotation flowsheet at the ore processing plant, producing an export quality copper concentrate and a bulk concentrate containing copper/zinc/gold/silver for further treatment.

This will result in a simpler flowsheet for the ore processing plant, enhancing project economics through a smaller physical footprint, lower capital and operating costs and reduced carbon emissions (reduced energy consumption). The bulk concentrate will be processed through an offsite Albion Leach facility, producing saleable copper, zinc and precious metals products.

The Albion Leach testwork results shows +98% recoveries of both copper and zinc from the bulk concentrate, bringing overall recoveries of these metals to >90%, whilst also significantly improving overall recovery of gold."

Background

The Stockman Project Feasibility Study (FS) recommended the investigation of a modified flotation and metals leaching process (Alternative Processing Route). This Alternative Processing Route would replace the conventional selective flotation plant, which would have produced separate export quality copper and zinc concentrates, for metal recovery by smelting.

The conventional selective flotation process originally considered in the FS results in modest metal recoveries, requires extensive use of reagents and high-power consumption for fine grinding to liberate the copper and zinc minerals. The high-power consumption and the isolation of the mine would require a diesel or gas power station, with attendant carbon emissions, at a significantly higher cost than grid power.

The Alternative Processing route investigation has conceptually tested the use of proven metal treatment technologies: the Jameson cell for improved froth flotation; and the Albion Process for metal leaching.

The investigation was designed to proof, at a laboratory scale, the improved metal recoveries and lower power and reagent consumption for the ore processing plant, through inclusion of an Alternative Processing route. The investigation included a conceptual engineering design of a smaller, simpler and more sustainable (lower carbon emission) ore flotation processing plant, as well as the remote Albion Process leach plant.

Metallurgical test work

The metallurgical test program sought to validate the assumptions of the Alternative Processing route:

- First selective flotation of the easy-to-liberate copper minerals to a clean export quality copper concentrate. About 40 to 50% of the copper minerals are liberated without fine grinding and will report to the copper concentrate;
- Second flotation of all zinc and the remaining copper minerals to a bulk concentrate. More of the precious metals should also report to this bulk concentrate;
- Bulk concentrate is treated in an Albion Process plant by acid leaching to recover the copper and zinc; and,
- Precious metals are recovered from the Albion Process tailings via a cyanidation or similar process. The Albion Process can convert refractory gold and silver minerals to cyanide soluble form.

Flotation test results

Flotation tests were completed at the AMML laboratory. Experience from earlier test programs was used to design the test conditions.

The ore samples were provided from the 2023[3] diamond drilling program, which provided new drill core for metallurgy testing purposes. This drill core has been carefully managed and stored in refrigeration to reduce rate of oxidation aging.

The modified conceptual flotation flowsheet produces copper concentrate first and then bulk concentrate. The flotation regime did not require optimisation since the previous results were already encouraging when using known reagents and conditions. This supports the concept of a simple, easy-to-run flotation plant with built-in flexibility.

The modified conceptual flotation flowsheet test results show a significant step-up in metal recovery compared to the original selective copper and zinc flotation flowsheet. Total recovery to concentrate for copper and zinc now exceeds 90% - see Figure 1 below.

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[3] Refer JORC Table 1 exploration drill hole 23CWDD006 details in Appendix C

Figure 1 - Metallurgical recovery results comparisons for metal recovered to concentrate between conventional flotation flowsheet originally considered and modified flotation flowsheet configuration

Metal Recovery to Concentrate– Original Conventional Flotation Flowsheet			
	Cu con	Zn Con	Total
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The copper concentrate quality produced from the modified conceptual flotation flowsheet test results was 18% copper content, before any cleaning or optimisation of the flotation conditions.

Optimisation of the precious metal recovery was not the focus of the test work. The recoveries achieved, without any particular attention, are already a significant improvement on prior selective flotation tests.

Albion Process test results

The Albion Process metallurgical test work program used the bulk concentrate prepared from the modified flotation flowsheet, containing copper, zinc and gold and silver, for the leach testing.

Albion Process metallurgical tests were completed at the Core Resources laboratory in Brisbane and were very encouraging. Core Resources are very experienced in Albion Process laboratory testing.

Two possible Albion leach flowsheets were tested:

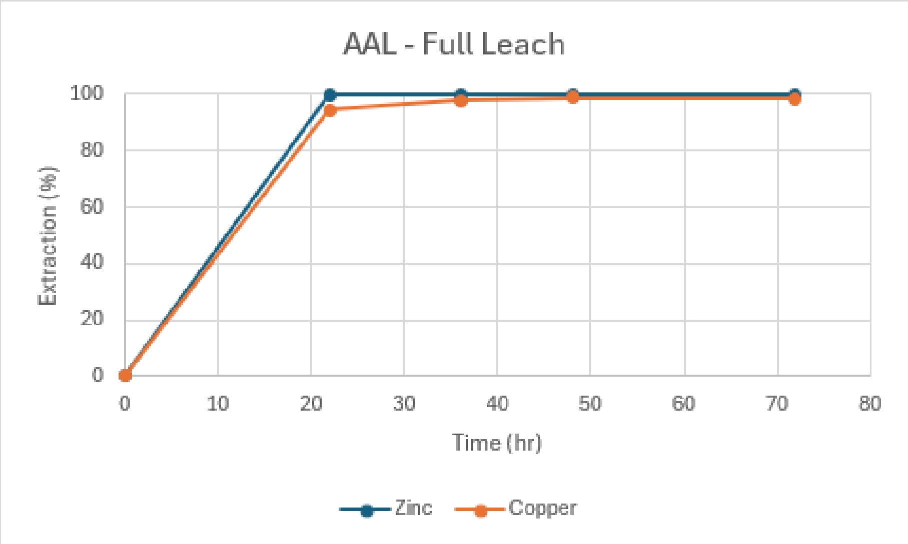
1. A full leach that extracts both copper and zinc; and
2. A zinc-only leach.

The testwork results have shown the 'full leach' of both copper and zinc as the preferred Albion Process flowsheet for the Stockman Project. A 'zinc-only leach' was tested to provide flowsheet options, and it helps to confirm the 'full leach' results under a different test regimen.

Full leach test results

The bulk concentrate was ground to a P_{80} size 12µm. The oxidative leach treatment returned zinc extraction of 99.9%, copper of 98.5% and sulphide oxidation of 91% after 72 hrs (under Acid Albion Leach (AAL) conditions). Sulphur (SO_x) oxidation was 83%. High rates of leach extraction (97.7% Cu, 99.8% Zn) were observed in ~36 hrs. The kinetic leach chart is shown below. A summary of the 'full leach' testwork results is shown in Figure 2.

Figure 2 – Albion Leach testwork results showing copper and zinc recoveries over time based on maximising recoveries of both metals

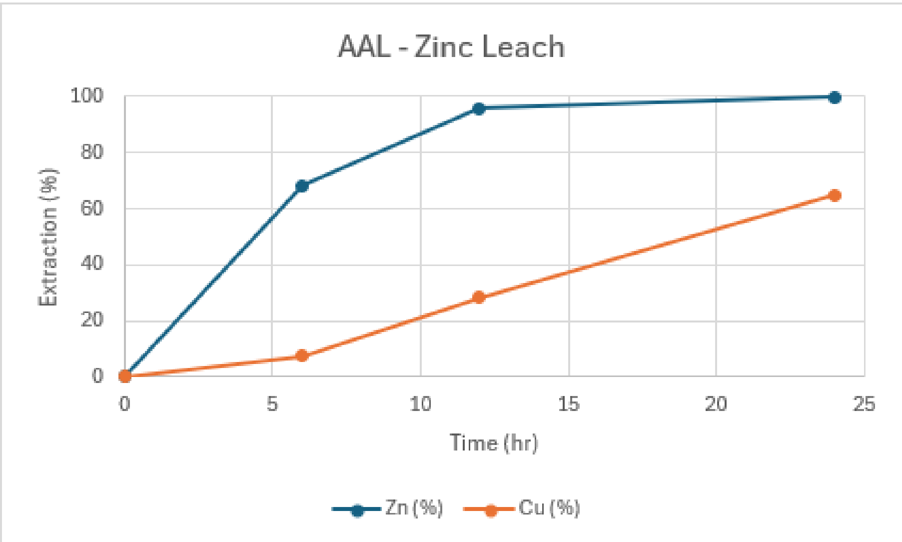


Time (hr)	Extraction Zn (%)	Extraction Cu (%)
0	0	0
22	99.8	94.4
36	99.8	97.7
48	99.9	98.8
72	99.9	98.5

Zinc-only leach test results

The bulk concentrate was ground to P_{80} of 18µm. Oxidative leach treatment returned zinc extraction of 99.7%, copper 64.9% and sulphide oxidation of 63% after 24hrs (under AAL conditions). High rates of zinc extraction (95.8%) were observed after 12 hrs. The fast leach kinetics of the zinc metal in the Albion Process have been confirmed. A summary of the 'Zinc only leach' testwork results is shown in Figure 3.

Figure 3 – Albion Leach testwork results showing copper and zinc recoveries based on maximising zinc metal recoveries after 24 hours



Time (hr)	Extraction Zn (%)	Extraction Cu (%)
0	0	0
6	68.1	7.5
12	95.8	28.2
24	99.7	64.9

Precious metals leaching and cyanidation

Oxidised residues from the oxidative leach were further treated through a cyanidation process, realising recoveries of gold between 72% - 88%. Silver recoveries were lower at 3% - 36%.

The low silver extraction rate is likely due to the formation of argentojarosites in the AAL process and can be addressed through a 'lime boil' pre-treatment process, which will be tested in the next phase.

Commentary on Testwork results

- Given the fast-leaching kinetics in both scenarios, there are opportunities to optimise leaching conditions (e.g. grind, residence time, acid consumption);
- Process optimisation has significant potential to improve project economics (e.g. a smaller plant and lower capital or operating costs);

These opportunities will be explored in the next phase of the investigation

- Zinc and copper metal in the leach solution will be recovered into payable products by precipitation to intermediate products or electrowinning of metal from the solution; and
- There are a number of potential copper and zinc intermediate products that can be precipitated, with a wide range of options for the sale of the products. Further investigation to determine the optimum precipitation chemistry and the marketing terms for the intermediate products will be included in the next phase of the study

Engineering Study

Results from the test work program have enabled an updated engineering study (conceptual) for the ore processing plant located at the mine and the offsite Albion Process plant.

Ore Processing Plant

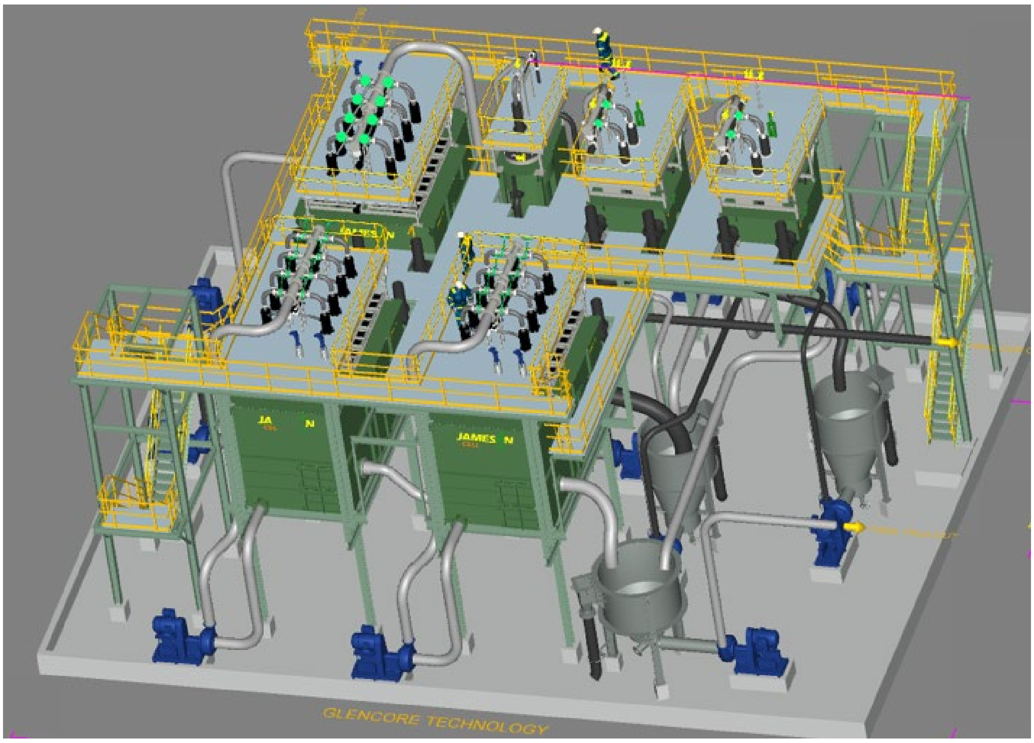
The results from these latest and previous flotation tests have been used to simulate the use of Jameson cell flotation equipment in the ore processing plant. Simulation of Jameson cell performance from standard laboratory flotation test results is common practice and delivered the following estimate of performance:

- The first selective flotation of the copper circuit achieved an estimated recovery of 41% at 21% Cu to a copper-only concentrate for export and smelting; and
- The bulk flotation circuit achieved a copper and zinc recovery to a bulk concentrate of 51% and 95% respectively (slightly higher than the test work due to the inclusion of the tail from the copper cleaner). This bulk concentrate is feed for the Albion Process plant.

The reason for engineering a Jameson cell-only flotation circuit is to significantly reduce the size of the ore processing plant at the mine, compared to a conventional sequential flotation layout. A smaller plant footprint will reduce vegetation clearing, environmental offsets and land disturbance at the mine. The smaller plant will also benefit from lower capital for the building construction. Yet to be determined are the power and carbon emission savings from running a smaller simpler flotation plant. Figure 4 shows a 3-dimensional snippet from the conventional flotation circuit at the ore processing plant (at Feasibility level) and Figure 5 shows the conceptual Jameson cell flotation plant being explored.

Figure 4 – Original Conventional flotation circuit (at Feasibility level)

Figure 5 – Conceptual Jameson cell flotation circuit



Albion Process leach plant

The engineering study has recommended conceptual level flowsheets, equipment sizes and reagent consumption rates for the Albion Process plant. The fast kinetics of the leaching of the Stockman bulk concentrate allows for a modest size plant. Further plant options engineering including site layout, general arrangement and cost estimates require more work before public reporting. The final selection of the most likely intermediate products for copper and zinc metal will influence the plant design including further product refinement, as required.

From a plant location perspective, the concept is for the Albion plant to be located remote from the mine site but within reasonable trucking distance. There are several locations in the region being considered that are adjacent to major electricity grids, have excellent logistics access and available industrial land.

Summary

The 'proof of concept' engineering and testwork for the modified flotation and Albion Process plant have proved that the Stockman Project offers material upside in metal recoveries and estimated project economics. The Albion Process in combination with a simpler ore processing plant, either in a conventional or Jameson cell flotation configuration, will enable the development of a more sustainable project, resulting in significantly reduced carbon emissions and less land clearing impacts.

Next Steps

The next phase of test work and options engineering will focus on:

- Optimising the grind size, leaching chemistry and residence time to support both the flotation plant and Albion Process plant design;
- Selection of intermediate copper and zinc products and marketing payability estimates; test further product refinement paths and value;
- Improved silver and gold recovery and saleable product pathways;
- Ore variability testing;
- Potential economic recovery of sulphur through the production of sulphuric acid (used in the leach process); and
- Updated estimation of capital and operating costs;

An ASX update on the concept engineering study results should be available in the next quarter.

This announcement is authorised for lodgement by:

Andre Labuschagne
Executive Chairman

ENDS

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About Aeris

Aeris Resources is a mid-tier base and precious metals producer. Its copper dominant portfolio comprises three operating assets, a mine on care and maintenance, a long-life development project and a highly prospective exploration portfolio.

Aeris has a strong pipeline of organic growth projects, an aggressive exploration program and continues to investigate strategic merger and acquisition opportunities. The Company's experienced board and management team bring significant corporate and technical expertise to a lean operating model. Aeris is committed to building strong partnerships with its key community, investment and workforce stakeholders.

Competent Persons Statement

The information in this Press Release that relates to exploration results is based on information compiled by Dr Andrew Fowler, a Competent Person and a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM ID: 301401). Dr Fowler has sufficient experience to the style of mineralisation and type of deposit described in the Report and to the activity for which he is accepting responsibility. Dr Fowler has reviewed the Press Release to which this Consent Statement applies and consents to the inclusion in the Press Release of the matters based on his information in the form and context in which it appears. Dr Fowler is a full-time employee of Aeris Resources Limited.

APPENDIX A: Drillhole 23CWDD006 Collar details

Hole ID	Total Depth (m)	MGA z55				SRG				
		Easting (m)	Northing (m)	Elevation (m)	Azimuth (°)	Easting (m)	Northing (m)	Elevation (m)	Azimuth (°)	Dip (°)
23CWDD006	299.7	581111	5906681	1010.891	180	43757.825	800982.73	6010.891	150	-39

[1] SRG = Stockman Regional Grid

APPENDIX B: Drillhole 23CWDD006 Significant intercept

Hole ID	Domain	DH Length (m)	True Thickness (m)	Cu (%)	Zn (%)	Au (g/t)	Ag (g/t)
23CWDD006	M lens	35.03	31.6	2.1	4.7	0.62	33.8

[1] All reported grades are length-weighted mean grades.

APPENDIX C: JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	*Commentary*
Sampling techniques	• A metallurgical sample was taken over a contiguous interval from 241.9m - 276.03 m from one HQ drillhole. • The drillhole was designed specifically for metallurgical test work to obtain as much sample as possible for analysis. The location was chosen to be representative of the mineralisation in general. • Mineralisation was defined based on visual observations of massive, stringer or disseminated sulphides in drill core, consistent with normal logging procedures at the Stockman Project. • Sampling followed industry standard procedures for sampling of diamond drill core.
Drilling techniques	• The drilling method was HQ diamond drilling (nominal 63.5 mm core diameter). • Core was not orientated.
Drill sample recovery	• Core recovery was >95%, with minimal losses except in highly fractured ground outside of the mineralisation. • Generally at Stockman there are no observed relationships between sample recovery and grades. Assay biases due to the preferential loss or gain of core are not observed.
Logging	• The drill crew included core blocks at every drill run interval that displayed information regarding the previous run, interval length, recovery and depth. If any core loss was experienced, this was reflected in the core recovery. • RQD measurements were completed as routine. • Drill core was logged to geological boundaries. The total

	• length of the hole was logged, with greater detail captured through zones of mineralisation and the footwall and hangingwall rocks up to 30 m from mineralisation. • Core was photographed both wet and dry, after logging had taken place, and qualitatively logged.

Sub-sampling techniques and sample preparation	• The core was cut longitudinally along the core axis in half and quarters. One quarter was sent for assay and three quarters were sent for metallurgical test work.
	• The samples sent for assay were cut at nominal 1m intervals, while the core sent for metallurgical test work was composited and sent in bulk.
	
	Assay samples
	• Core sampling intervals were based on geological boundaries varying between 10cm and 1.4m, with the majority 1m in length. All core processing was completed at the Company's core yard in Benambra. Core was cut using a Corewise Pty Ltd automatic core saw.
	• Sample preparation and analysis was undertaken at Intertek Genalysis.
	• The samples are dried at 105C for a minimum of 5 hours.
	• Core samples are crushed using an Essa JC2500 to produce a product of <6mm particle size. If the sample is >3kg it is rotary split in a Boyd crusher to generate a sample <3kg and placed in an LM5 pulveriser. All excess material from splitting is collected and stored.
	• The pulverising stage generates an 85% passing 75 µm particle size sample. A pulp is taken from the bowl and the remainder of the sample removed and retained as a residue. Every 50th sample has an additional portion removed from the bowl and sieved @ 75 µm to confirm quality of product. The LM5 bowl is then vacuumed before pulverising the next sample.
	• Samples are then analysed by the following methods (lower detection limits in ppm):
	  - Au by method FA25/OE04 (Ore grade Au, Fire Assay, 25g sample, ICP-OES finish).
	  - Multi-element suite analysed by 4A/OE33; Trace level of 33 elements by 4-acid digest with an ICP OES finish.
	  - Over range results on selected elements (Cu, Pb, Zn, As, S) as directed by Aeris was completed via 4AHBr/OM.
	
	Metallurgical samples
	The metallurgical program was supervised by Simon Loro. Mr Loro is Senior Metallurgist at Aeris Resources Limited and has 18 years experience relevant to the activity that is being reported in this study.

	• Core was kept in a refrigerated shipping container on site to minimise the rate of oxidation. • Sample preparation and flotation test work was completed by Australian Minmet Metallurgical Laboratories, NSW, with assays completed by ALS. The test work proceeded as follows: - Receive and inventory ~ 235 sample of 5kg - 15kg - The samples are initially stage crushed to a size of -9.5mm, blended, then riffle split to isolate a portion (~40kg - 80kg). The residual coarse crushed material is returned to cold storage for reuse later. - The isolated portion is further crushed to -3.35mm, blended and riffle split into 2 kg portions.
Quality of assay data and laboratory tests	• Assay techniques are considered total. • No geophysical tools were used in the program. • QA/QC was undertaken by the laboratory as part of their standard operating procedures. • Aeris considered that this QA/QC was appropriate given the small batch and objectives of the study.
Verification of sampling and assaying	• No independent verification has been undertaken. Twinned holes have not been drilled. • Aeris considers that this was appropriate given the nature and objectives of the study.
Location of data points	• The grid system for drilling is the Stockman Regional Grid (SRM) which was prepared as a two-point transformation from GDA94 Zone 55, AHD using the following control points: - Point 1: 581,179.03 MGA east = 43,855.34 SRG east, 5,906,758.20 MGA north = 801,015.57 SRG north,1,005.56 AHD = 6,005.56 SRG RL - Point 2: 578,741.74 MGA east = 40,610.25 SRG east,5,904,489.51 MGA north = 800,269.47 SRG north,687.90 AHD = 5,687.90 SRG RL. • This transformation results in a 30-degree counter-clockwise rotation from GDA north. • The Stockman topography DTM was prepared by a contractor as part of a 2008 aeromagnetic survey. • Downhole surveys were completed by an independent contractor using a gyroscopic tool. • Aeris considers that the topographic and down hole survey control was suitable for the objectives of the study.
Data spacing and distribution	• Sample compositing was applied for the metallurgical test work. • The single drill hole was considered by Aeris to be representative of Stockman mineralisation. • Data spacing and distribution is not considered relevant in this

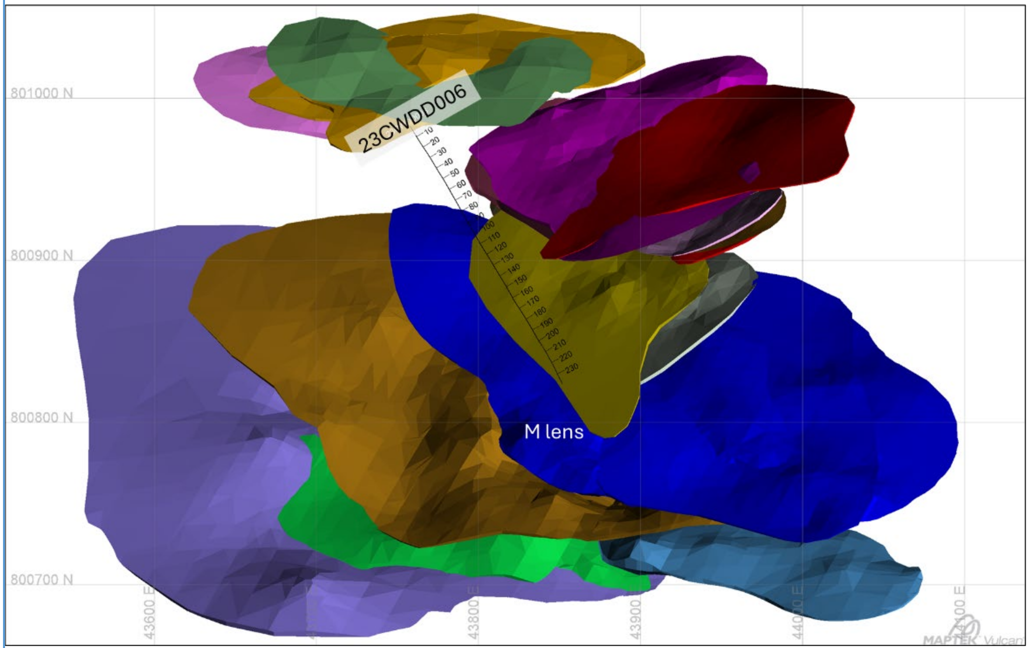
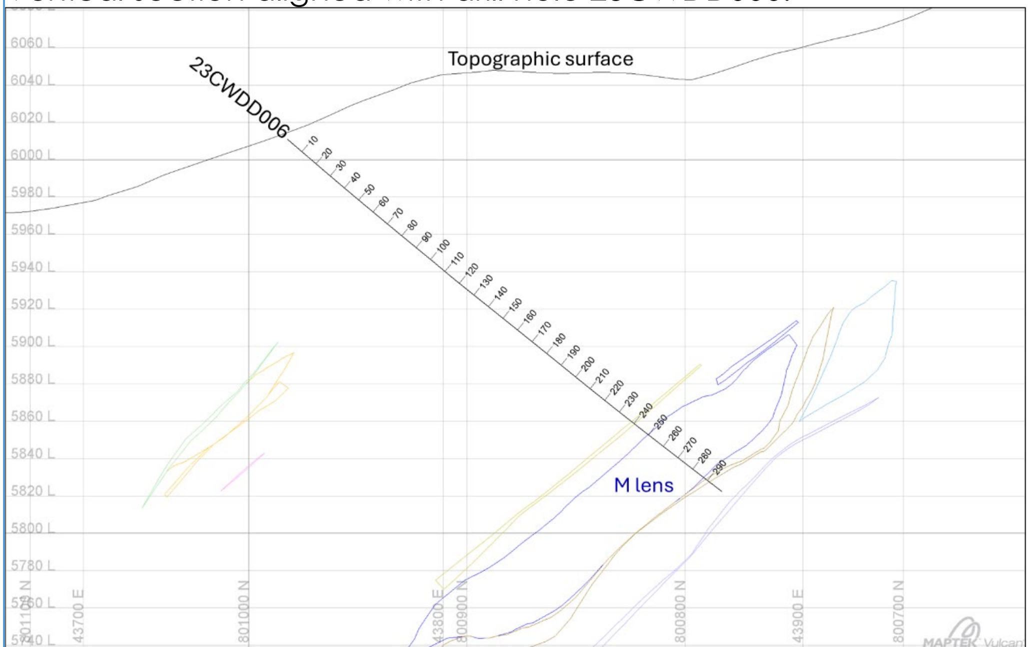
	study.
Orientation of data in relation to geological structure	• The drillhole is orientated approximately perpendicular to the overall orientation of the M Lens. The relationship between the DH length and the true thickness is displayed in the table above. • The sampling is considered to be unbiased with respect to the orientation of the mineralisation, nevertheless, Aeris does not consider that the orientation of the mineralisation in relation to the drill hole is material for the study.
Sample security	• Samples are secured on site in a locked shipping container. • Samples were dispatched to the laboratories via reputable delivery contractors. • Upon sample receipt, laboratory staff reconciled the client submission form against the submitted samples prior to placing them in sequential order onto a trolley. This information was forwarded to the office to prepare paperwork and labels in the LIMS as well as report all discrepancies noted in each delivery. • No discrepancies were noted.
Audits or reviews	• No audits or reviews have been completed.

Section 2 Reporting of Exploration Results

Criteria	*Commentary*
Mineral tenement and land tenure status	• The Currawong deposit of the Stockman Project is wholly within Victorian mining tenement MIN5523, which is held in good standing. • There are no native title claims registered over the lease, but an agreement is in place with a prior claimant that makes provision for both the prior claimant and/or other indigenous groups to assert an interest in the future. However, no significant heritage sites have been identified. • The lease is located on rugged and heavily forested crown land administered by the Department of Environment, Land, Water and Planning. • The security of tenure at the time of reporting is secure with no known impediments to obtaining a licence to operate on the mining tenement.
Exploration done by other parties	• The Stockman area was identified as being prospective for base metals, by stream sediment sampling and mapping in the early 1970s by WMC. • The Wilga deposit was discovered in drilling by a WMC/BP

Criteria	Commentary
	Minerals JV in 1977, and the Currawong deposit was discovered by drilling 1979. • The project was then explored and drilled by several companies. • Denehurst commenced mining of the Wilga high grade copper zones in 1992, the switched to the high-grade zinc zone, before closing the mine in 1996. Mine closure was attributed to unfavourable exchanges rates, poor metallurgical recovery, and high smelter charges. Denehurst went into receivership in 1998. • Mine-claimed ore mined from Wilga was 0.96Mt grading 6.04% Cu and 8.68% Zn. • Further exploration drilling was completed by other companies following closure, including Austminex, JML, IGO and ROM.
Geology	• The Stockman Currawong polymetallic VHMS deposit (Zn-Cu-Pb-Ag-Au) occurs in the Upper Silurian age Cowombat Rift in the Palaeozoic Lachlan Fold Belt of south-eastern Australia. The Cowombat Rift has undergone strong regional deformation, and the Stockman deposits are both located in a remnant fault bound tectonostratigraphic block known as the Limestone Creek Graben. Both deposits (which are 3.5 km apart) are hosted by the Enano Group which locally overlies Ordovician to Silurian turbidite metasediments, with lesser basaltic and andesitic volcanic components. The Enano Group is overlain by early Devonian age welded ignimbrites of the Snowy River Volcanics and limestones of the Buchans Group. • The Currawong deposit comprises five stacked stratiform massive sulphide lenses and other minor discontinuous massive sulphide/stringer zones, found at the Gibson's Folly Formation. The sulphide mineralogy is analogous to the Wilga mineralogy.
Drillhole information	• Drill hole information has been retained at site digitally on the server in the inherited SQL database, as well as physical drill core. • Sampled material was utilised from drill hole 23CWDD006.
Data aggregation methods	• The quoted drill hole intercepts are length-weighted averages. • Drill hole intercepts are averaged across a contiguous interval within each estimation domain. • No metal equivalent values are used for reporting

Criteria	Commentary
	exploration results.
Relationship between mineralisation widths and intercept lengths	• The drillhole is orientated approximately perpendicular to the overall orientation of the M Lens. The relationship between the DH length and the true thickness is displayed in the table above. • The sampling is considered to be unbiased with respect to the orientation of the mineralisation, nevertheless, Aeris does not consider that the orientation of the mineralisation in relation to the drill hole is material for the study.

Diagrams	Plan view:  Vertical section aligned with drill hole 23CWDD006: 
Balanced reporting	• The reporting is considered balanced, and all material information associated with the metallurgical sample has been disclosed.
Other substantive exploration data	• There is no other relevant substantive exploration data to report.
Further work	• The metallurgical test work will support ongoing mining studies.