7 March 2019 **ASX/MEDIA RELEASE**

AERIS RESOURCES LIMITED
(ASX: AIS)

TORRENS PROJECT DRILLING UPDATE

Key Points:

- **Drillhole TD7 has been successfully completed on Lake Torrens**
- **Encouraging geology intersected including hematite alteration zones**
- **The unique drill set-up and infrastructure on the lake surface has performed exceptionally well**

Aeris Resources Limited (ASX: AIS) (**Aeris** or the **Company**), an Australian copper producer and explorer, is pleased to provide an update on its 70% owned Torrens Exploration Project in South Australia. The first drillhole, TD7, from the Phase 1 drill program at Lake Torrens has been successfully completed.

Drillhole TD7 targeted a coincident magnetic and gravity anomaly defined from the FALCON geophysical survey flown early in 2018. TD7 was located approximately 1.5km from the shoreline of Lake Torrens and was drilled to a total depth of 858.6m.

Preliminary geology observations of TD7 include a 60m wide intersection with hematite + K feldspar + sericite altered non-magnetic interval. Hematite is recognised as an accessory mineral associated with IOCG mineralisation within the Gawler Craton.

The unique drill set-up and infrastructure requirements to allow drilling to occur on the salt crust surface of Lake Torrens has been a success. Following the completion of drillhole TD7, the drill rig and site infrastructure was safely demobilized and moved a further 7km east from Lake Torrens shoreline (western margin) for commencement of drilling TD8.

Aeris Executive Chairman, Andre Labuschagne said that the drilling process has gone very well to date.

“Whilst it is early days and logging and assays are still pending, we are very encouraged with what we have seen from this first hole. It is also pleasing that we have safely completed this first hole using the unique drill rig configuration.” he said

Drillhole TD7

TD7 was located approximately 1.5km from the shoreline of Lake Torrens and was drilled to a total depth of 858.6m. This drillhole (TD7) targeted a coincident magnetic and gravity anomaly defined from the FALCON geophysical survey flown early in 2018.

Preliminary geology observations have identified a broad zone of skarn-like alteration containing magnetite ± K feldspar ± quartz ± chlorite. The alteration assemblage was expected and is consistent with similar magnetite dominant alteration intersected within previous drillholes on Lake Torrens.

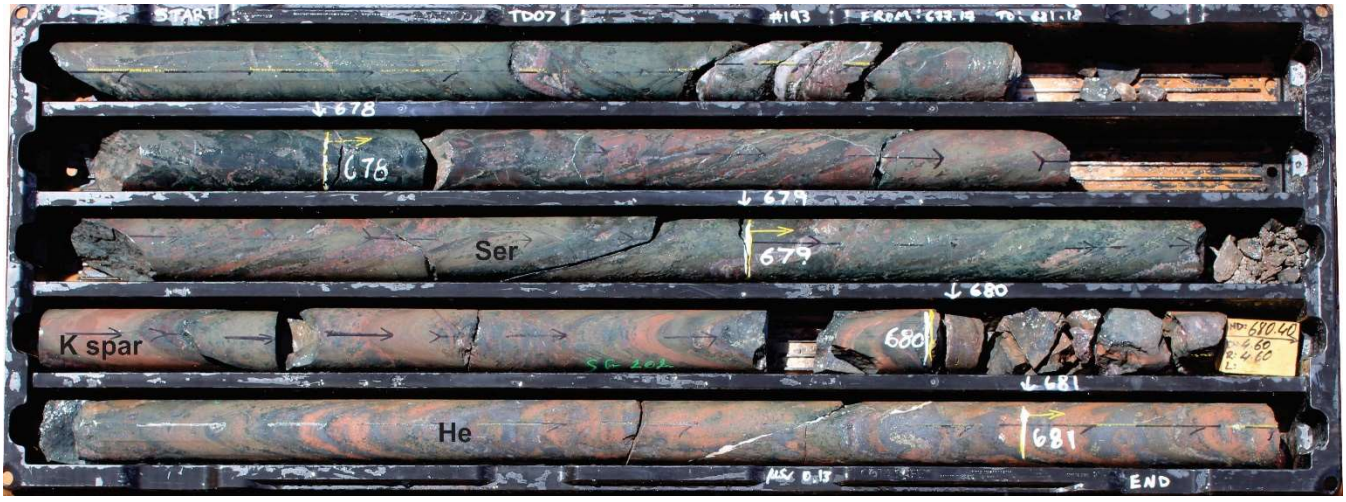
Within the broader magnetite skarn, a 60m wide hematite + K feldspar + sericite altered non-magnetic interval was intersected (see Figure 1). The presence of hematite is important for several reasons:

1. Hematite is recognised as an accessory mineral associated with IOCG mineralisation within the Gawler Craton. Although not all hematite occurrences directly correlate with mineralisation, it does indicate the rocks have been exposed to an oxidizing fluid event which are a prerequisite for the formation of IOCG mineralization; and
2. The hematite alteration zone may help to explain the modelled gravity high anomaly within the broader magnetic high. Petrophysics data is being collected from TD7 and once complete will be used to update and refine the geophysical models to assist with refining drill targets.

The drill target, whilst prospective for IOCG mineralisation, is not the highest priority target and was chosen for the first drillhole, in part, given its proximity to the shoreline (1.5km).

Drill core from TD7 will be transported to Adelaide for sample preparation (core cutting) and assaying next week, with assay results expected in towards the end of April.

Figure 1: TD7 core photo from 677.17m downhole showing dark grey hematite bands (He) within a K feldspar (K spar) and sericite (Ser) dominant alteration assemblage.



Drillhole TD8

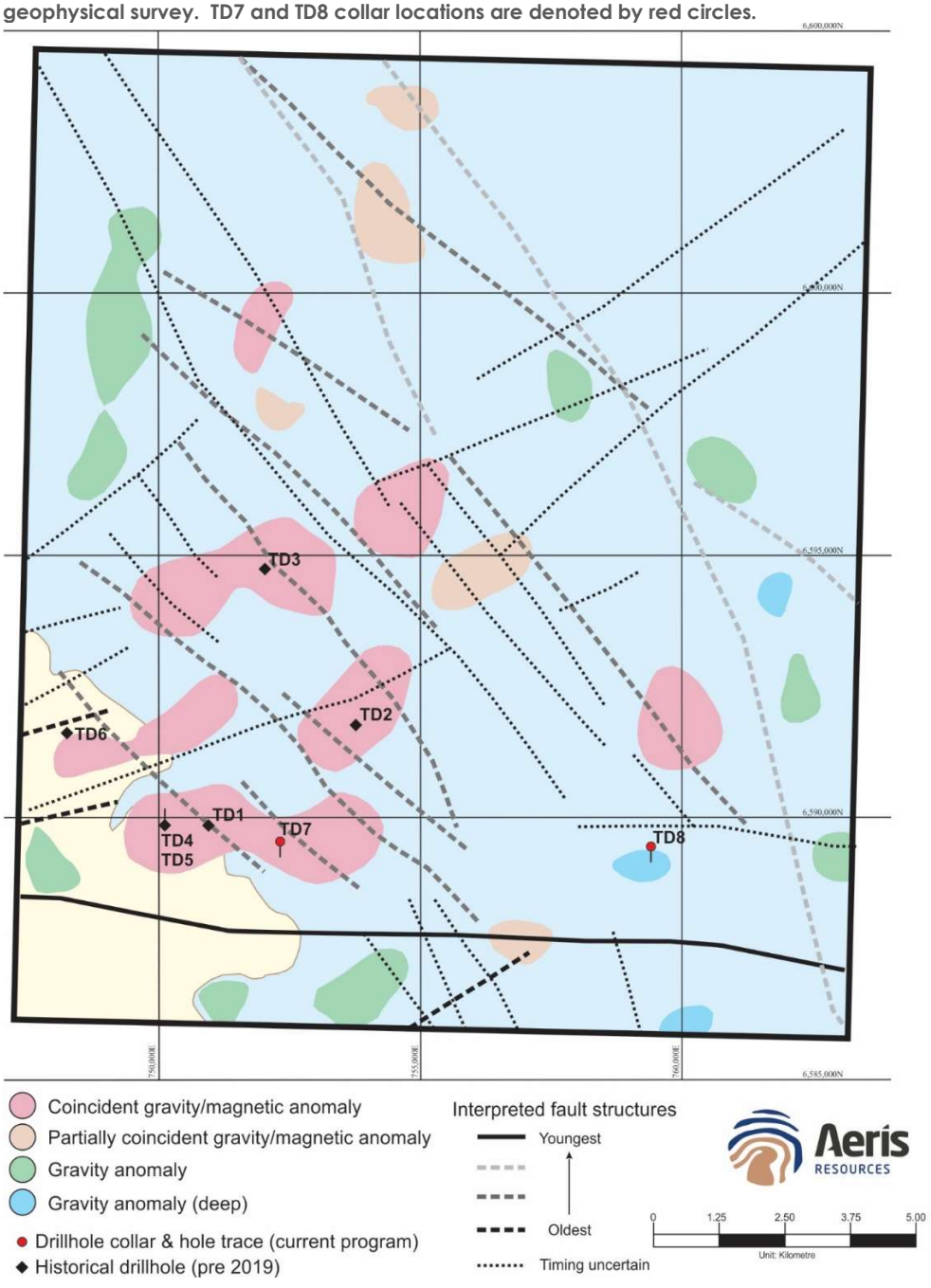
TD8 drillhole was targeting a deep gravity anomaly further out under Lake Torrens (see Figure 2). Drilling of TD8 commenced on the 23rd February and is the first drillhole to be drilled beyond 4km from the Lake Torrens shoreline.

On 27th February the drillhole intersected an unexpected aquifer at approximately 100m downhole, which resulted in artesian water flow. Drilling activities were suspended once the aquifer was intersected and remediation actions enacted to stop the flow of water reporting to surface. The decision has been made to discontinue drilling activities at TD8.

The Torrens technical team, in-conjunction with the site-based contractors, are reviewing all procedures and hazard mitigation strategies to incorporate the intersection of artesian aquifers in future drill holes. Once the documentation to incorporate the modified procedures/ processes has been completed, drilling will recommence.

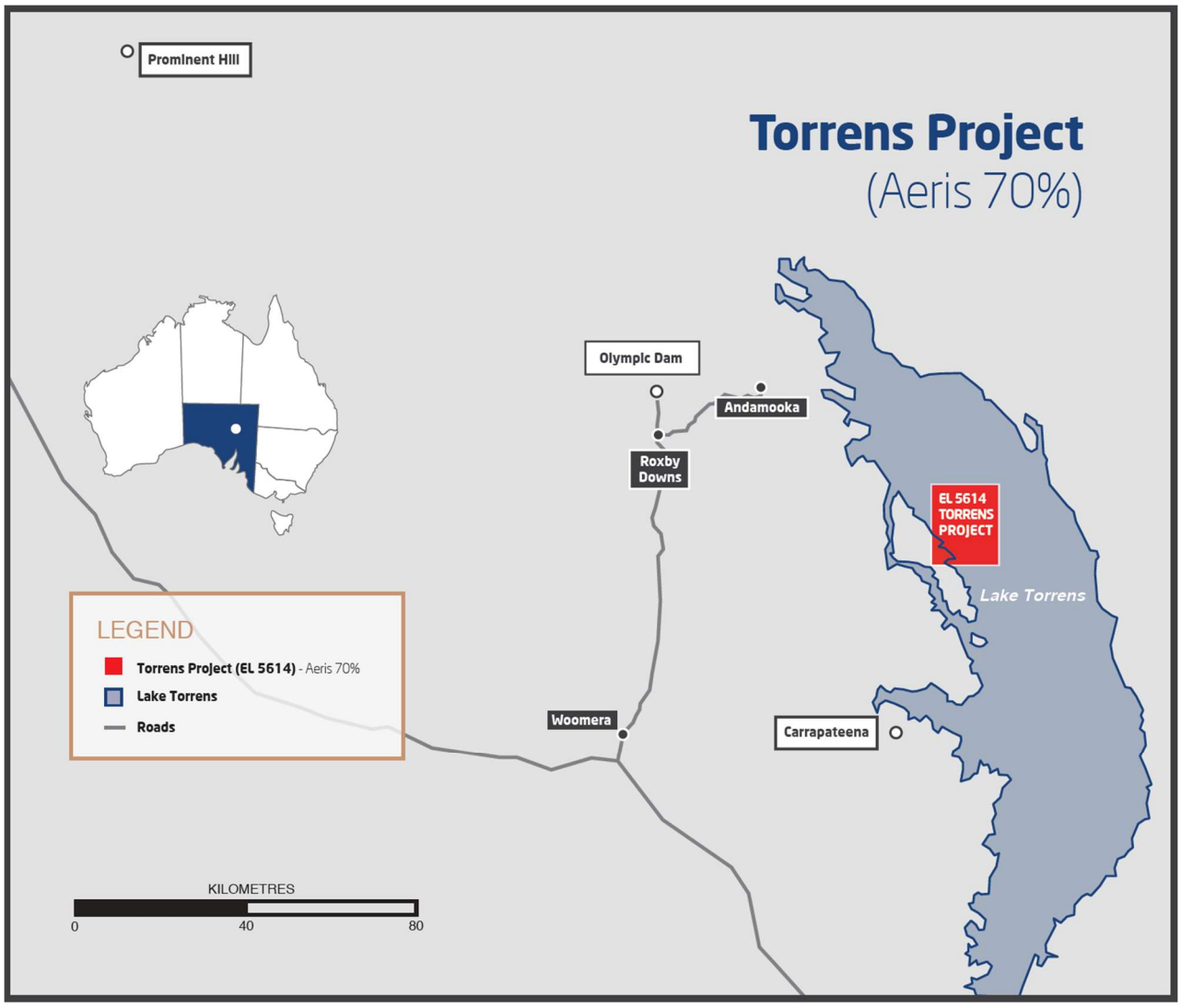
The next drillhole (TD9) will be in close proximity to TD8 as the targeted deep gravity anomaly is still to be tested.

Figure 2: Plan view of the Torrens project area highlighting geophysical anomalies interpreted from the 2018 FALCON geophysical survey. TD7 and TD8 collar locations are denoted by red circles.



The Torrens Project

Figure 3: Map showing location of EL5614 (The Torrens Project)



The Torrens Project (EL5614), is a joint venture between Aeris Resources (70% interest) and Kelaray Pty Ltd (a wholly owned subsidiary of Argonaut Resources NL (ASX: ARE)).

Located within the Stuart Shelf region of South Australia, the Torrens Project lies 50 kilometres from Oz Minerals' Carrapateena deposit and 75 kilometres from BHP's Olympic Dam mine and covers a large magnetic and gravity anomaly with a footprint greater than Olympic Dam. The Torrens Anomaly is a large regionally significant coincident magnetic and gravity anomaly with a footprint in excess 120km^2.

Within the Torrens Project area, geophysical modelling/interpretation has identified 28 geophysical anomalies based on gravity and magnetic geophysical datasets. Limited drilling, totalling 6 drill holes between 1977 and 2008, defined a large magnetite dominant with lesser hematite alteration system interpreted to form the distal component of a large IOCG system. Zones of anomalous copper mineralisation (≥0.1% Cu) were intersected from several drill holes with the most significant mineralised zone associated with TD2 (246m @ 0.1% Cu).

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Competent Persons Statement – Exploration Results

The information in this report that relates to Exploration Results is based on information compiled by Bradley Cox, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Bradley Cox is a full time employee of Aeris Resources. Bradley Cox has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Bradley Cox consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

About Aeris

Aeris Resources Limited is an established mining and exploration company listed on the Australia Securities Exchange (ASX: AIS).

The Company's flagship asset, the Tritton Copper Operations (Tritton) in New South Wales, produced 26,686 tonnes of copper in FY2018 and is targeting production of 24,500 tonnes of copper in FY2019. Tritton includes multiple underground mines (Tritton and Murrawombie) and a 1.8 million tonne per annum processing plant. Tritton also has a pipeline of advanced mining projects and a highly prospective tenement package covering 2,160km^2, on which to date over 750,000 tonnes of copper has been discovered.

The Company also has 70% of the exciting Torrens Exploration Project (Torrens) in South Australia. Torrens is defined by a coincidental magnetic and gravity anomalous zone with a footprint larger than Olympic Dam. Stage 1 diamond drilling program, targeting IOCG style mineralisation, commenced in Q1 2019.

Aeris' Board and Management team is experienced in all aspects of mining and corporate development. The Company has a clear vision to become a mid-tier, multi-operation company – delivering shareholder value through an unwavering focus on operational excellence.

APPENDIX A:

Table 1 – Drillhole details

Hole ID	Northing	Easting	Dip	Azimuth	Drilled Depth (m)	Planned Depth (m)
TD7	6,589,450	752,350	-70°	173°	858.60	750 – 1,000
TD8	6,589,300	759,500	-70°	173°	111.00	1,000

*Easting and northing coordinates are reported in GDA94 Zone 53 grid.
*Azimuth values are recorded as magnetic azimuths.

APPENDIX B:

JORC Code, 2012 Edition – Table 1
Section 1 Sampling Techniques and Data
2019 Phase 1 drill program

Criteria	Commentary
Sampling techniques	Drilling 1. All samples have been collected from diamond drill core. 2. Samples taken over the entire basement interval at nominal 1.0m lengths. Sample lengths was adjusted to suit lithology at 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. 3. The minimum sample length is 0.4m. The maximum sample length is 1.4m.
Drilling techniques	1. All drilling results reported are from diamond drill core. Drillholes are collared using PQ diameter diamond drilling to approximately 50m to 70m, followed by HQ and NQ diameter core to the end of hole. 2. Downhole survey data was collected via a north seeking gyroscope.
Drill sample recovery	1. Core recoveries are recorded by the drillers on site at the drill rig. Core recoveries are checked and verified by a Torrens project 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. Core recoveries are very high within the basement. Isolated occurrences of core loss occurred in the cover sequences. Diamond core drilled to date from the current drill program have recorded very high recoveries which is in line with the historical observations.
Logging	1. All diamond drill core is logged by a suitably experienced 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, veining, structure, density, magnetic susceptibility and geotechnical parameters. 3. All geological data recorded during the core logging process is stored in Aeris Resources AcQuire database. 4. All diamond drill core is photographed wet and dry and digitally stored on the company network. 5. Core is stored in core trays and labelled with downhole meterage

Criteria	Commentary
	intervals and drillhole ID.
Sub-sampling techniques and sample preparation	1. All diamond drill core samples are collected from in a consistent manner. Samples are cut via an automatic core sore, and half core samples are collected on 1m intervals for sampling. 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. Samples have not been sent for assay at the time of reporting. 2. Sample preparation protocols will involve drying each half core 1m sample, crushing to 90% passing 1mm and pulverising to 90% passing 75µm. For samples weighing greater than 3kg a two stages crushing protocol will be utilised. The recombined sample will be rotary split with a 3kg sub sample selected for pulverisation. 3. The intended assay methodology will include a multi element mixed acid digest followed by ICP AES and ICP MS. 4. A 40g fire assay with an ICP-AES finish was used to assay for gold. 5. QA/QC protocols include the use of blanks and standards (commercial certified reference materials used). The frequency rate for each QA/QC sample type is 3%.
Verification of sampling and assaying	1. Logged drillholes are reviewed by the onsite technical team. All geological data is logged directly into Aeris Resources logging computers following the standard Aeris Resources geology codes. Data is transferred to the Acquire database and validated on entry. 2. Upon receipt of the assay data no adjustments are made to the assay values.
Location of data points	1. Drillhole collar locations are collected on a hand held GPS unit with an accuracy of approximately +/- 5m. 2. All drillhole locations are collected in Geocentric Datum of Australia 1994 (GDA94 Zone 53). 3. Quality and accuracy of the drill collars are suitable for exploration results. 4. Downhole surveys are taken by the drill contractor using a north seeking gyroscopic tool measuring azimuth and dip orientations every 30m or shorter intervals if required.
Data spacing and distribution	1. The current drill program is designed to test geophysical and geological targets. Each drillhole was designed to target a different target.
Orientation of data in relation to geological structure	1. All drillholes are designed to transect stratigraphy to maximise the geological information and intersect and travel through the target area. 2. Both drillholes did not deviate significantly from the planned drillhole path.
Sample security	1. TD7 will not be sampled along the entire drillhole, only the basement interval. TD8 did not intersect basement and will not be sampled initially. 2. Sample security procedural protocols include: Each sample is assigned a unique sample number which is written onto calico bags. Samples will be dispatched to the laboratory and a dispatch sheet sent to the laboratory electronically. Upon receipt of the samples the laboratory staff will cross reference samples received against the sample despatch.

Criteria	Commentary
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
2019 Phase 1 drill program

Criteria	Commentary
Mineral tenement and land tenure status	1. The Torrens Project is held within exploration tenement EL5614. The project is located within the Stuart Shelf region of South Australia approximately 75km southwest from Roxby Down. 2. The Torrens Project is a joint venture between Straits Exploration (Australia) 70%, a wholly owned subsidiary of Aeris Resources Limited and Kelaray Pty Ltd 30% a wholly owned subsidiary of Argonaut Resources NL. 3. EL5614 is in good standing and no known impediments exist.
Exploration done by other parties	1. Several geophysical surveys (gravity and magnetics) were flown over EL5614 dating back to the 1970s. WMC drilled three drillholes (TD1, TD2 and TD3) from the late 1970s to early 1980s. More recently the joint venture parties completed additional geophysical surveys and completed three drillholes (TD4, TD5 and TD6) between 2007 to early 2008. More recently an airborne Falcon geophysical survey was flown over the entire tenement. The dataset was heavily utilised to assist with drill targeting for the current drill program which commenced in January 2019.
Geology	1. The Torrens project is located on the eastern margin of the Gawler Craton within the interpreted IOCG (iron oxide copper gold) mineralised corridor. Basement rocks intersected from the drillholes completed within the tenement to date have been interpreted as Wallaroo group sediments. Proterozoic and younger cover sequences unconformably overly Wallaroo Group basement unit. The thickness of cover varies from approximately 400m along the western margin of the tenement and becomes increasingly thicker further off shore within Lake Torrens.
Drillhole information	1. All relevant information pertaining to each drillhole has the current phase 1 drill program has been provided.
Data aggregation methods	1. No data aggregation methods have been applied within this announcement.
Relationship between mineralisation widths and intercept lengths	1. Drillholes are designed to intersect the target horizon across strike at a high angle to the bedding contacts.
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 program has been disclosed.

Criteria	Commentary
Other substantive exploration data	1. There is no other relevant substantive exploration data to report.
Further work	1. The phase 1 drill program will continue at the Torrens project systematically testing drill targets.