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Aeris RESOURCES

Emerging Mid-Tier Copper Producer

Corporate Presentation – Brisbane Resources Round-Up

17 October 2018

ASX: AIS

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Forward-Looking Information

Certain statements contained in this press release constitute forward-looking statements or forward-looking information. The words "intend", "may", "would", "could", "will", "plan", "anticipate", "believe", "estimate", "expect", "target" and similar expressions are intended to identify forward-looking statements. These statements are based on certain factors and assumptions and while Aeris considers these factors and assumptions to be reasonable based on information currently available, they may prove to be incorrect. Forward-looking statements are given only as at the date of this release and Aeris disclaims any obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Competent Persons Statement

Competent Person's Statement: The Mineral Resource statement has been prepared by Mr Brad Cox.

Mr Cox confirms that he is the Competent Person for all the Mineral Resource estimates summarised in this Report and he has read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition). Mr Cox is a Competent Person as defined by the JORC Code, 2012 Edition, having relevant experience to the style of mineralisation and type of deposit described in the Report and to the activity for which he is accepting responsibility. Mr Cox is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM No. 220544). Mr Cox has reviewed the Report to which this Consent Statement applies. Mr Cox is a full time employee of Aeris Resources Limited.

Mr Ian Sheppard, confirms that he is the Competent Person for all the Ore Reserve estimates summarised in this Report and Mr Sheppard has read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition). Mr Sheppard is a Competent Person as defined by the JORC Code, 2012 Edition, having relevant experience to the style of mineralisation and type of deposit described in the Report and to the activity for which he is accepting responsibility. Mr Sheppard is a Member of The Australasian Institute of Mining and Metallurgy, No. 105998. Mr Sheppard has reviewed the Report to which this Consent Statement applies. Mr Sheppard is a full time employee of Aeris Resources Limited.

Mr Sheppard has disclosed to the reporting company the full nature of the relationship between himself and the company, including any issue that could be perceived by investors as a conflict of interest. Mr Sheppard has disclosed to the reporting company the full nature of the relationship between himself and the company, including any issue that could be perceived by investors as a conflict of interest. Specifically Mr Sheppard has rights to 22,418,546 share options that were issued on 15 December 2015 that will vest over five years from the issue date and may be converted to shares over time when various conditions are met. All dollar figures are in Australian dollars unless otherwise indicated.

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Company snapshot

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- **Flagship Tritton Copper Operations located in regional hotspot in Western NSW**
  - Historical 5 year, average annual copper production of 27kt, a 19% increase on previous 5 year average
  - Mine plan expected to deliver average annual copper production of 24ktpa over the next 5 years, underpinned by reserves
  - 1.8Mtpa processing plant fed from multiple underground mines with prospective greenfield and brownfield mine life extensions, highlighted by recent encouraging Kurrajong drill results
  - Promising regional exploration opportunities across 1,800km^2 tenement package, with 750kt copper discovered to date in Southern corridor and 4 initial targets identified in Northern area
- **Torrens is a highly prospective IOCG copper-gold project located in Eastern Gawler Craton (SA)**
  - Significant coincident magnetic and gravity footprint, proximate to Olympic Dam and Carrapateena
  - 8-10 target areas based on the 28 gravity anomalies identified through recent airborne gravity survey
  - All approvals secured and Phase 1 drilling campaign (8-10 drill holes) to commence before the end of 2018.
- **Successful operational turnaround and financial restructure implemented**
  - Future value growth strongly leveraged to copper price and exploration upside
  - $35.1M equity raise completed in October. US$20M Debt repaid, $6.9M to accelerate exploration
  - Continue prudent capital management to optimise capital structure and add value
- **Company now focused on realising organic and strategic growth opportunities**
  - Attractive mix of organic growth opportunities across existing portfolio
  - Strategy to become a mid-tier, multi-mine copper producer through organic growth and M&A

Aeris Resources

Corporate overview

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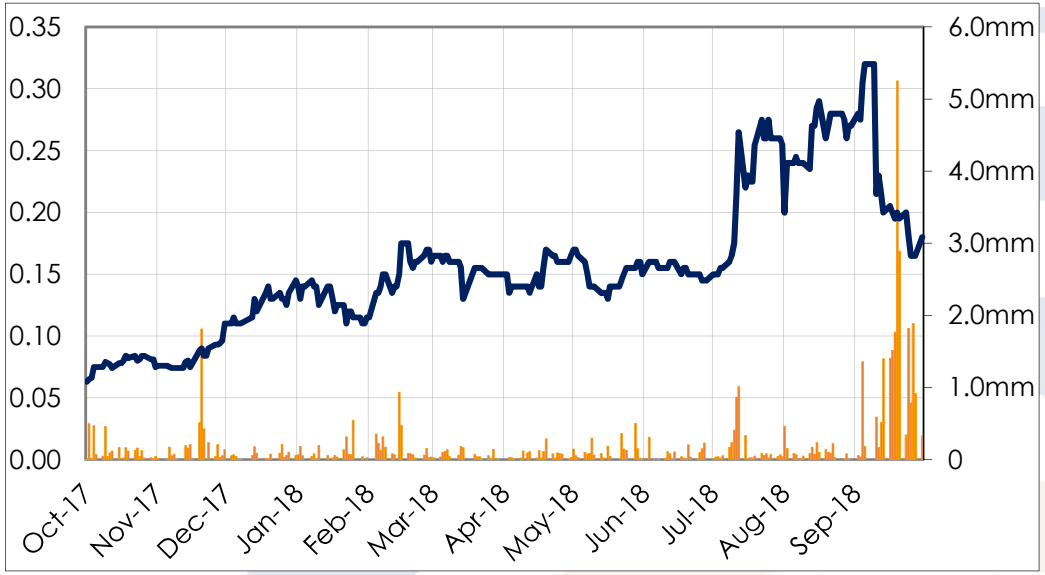
Capital Structure

Ordinary shares on issue	455.7 million
Convertible preference shares (CPS)	93.4 million
Management performance options[1]	93.4 million
Fully diluted shares outstanding	**642.5 million**
Share price (as at 15 October 2018)	**A$0.18**
Fully diluted market capitalisation	**A$116m / US$83m**
Plus: Debt (4 October 2018)	A$40m / US$29m
Less: Cash (30 September 2018)[2]	A$16m / US$12m
Enterprise value	**A$140m / US$101m**

Share Price Performance



Shareholding Structure

SPOV (a subsidiary of a fund managed by PAG)	198.6m	30.9%
Other shareholders	257.1m	40.0%
Standard Chartered Bank (CPS)	93.4m	14.5%
Management (options)	93.4m	14.5%

Board and Management

Andre Labuschagne Executive Chairman	**Alastair Morrison** Non-Executive Director
Rob Brainsbury Chief Financial Officer	**Michele Muscillo** Non-Executive Director
Ian Sheppard Chief Operating Officer	**Marcus Derwin** Non-Executive Director

Note: AUDUSD FX rate of 0.72 applied

(1) Management options are subject to vesting conditions over a 5 year period

(2) A$28.4m was received on 2 October 2018 and A$6.7m on 16 October 2018 in relation to the A$35.1m Placement and Entitlement Offer announced on 21 September 2018.

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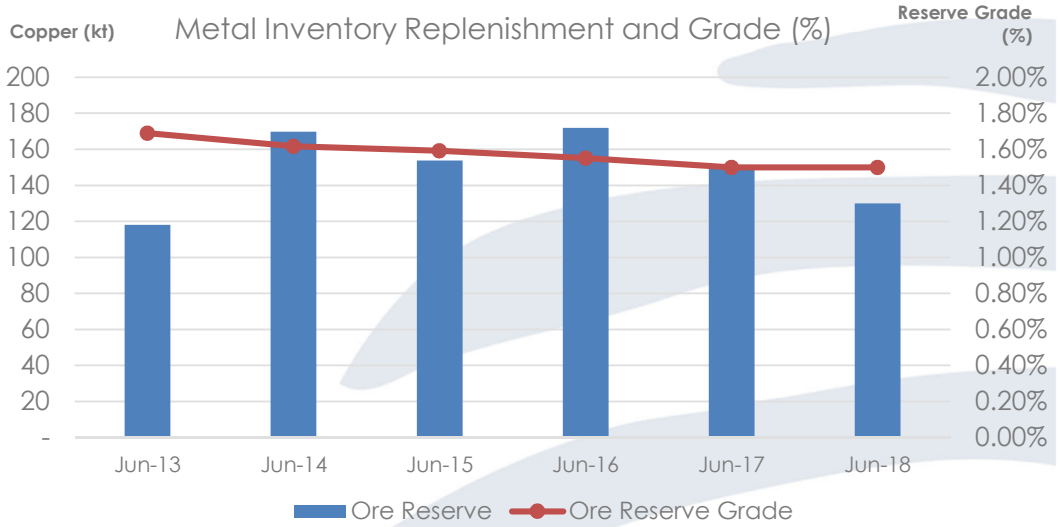
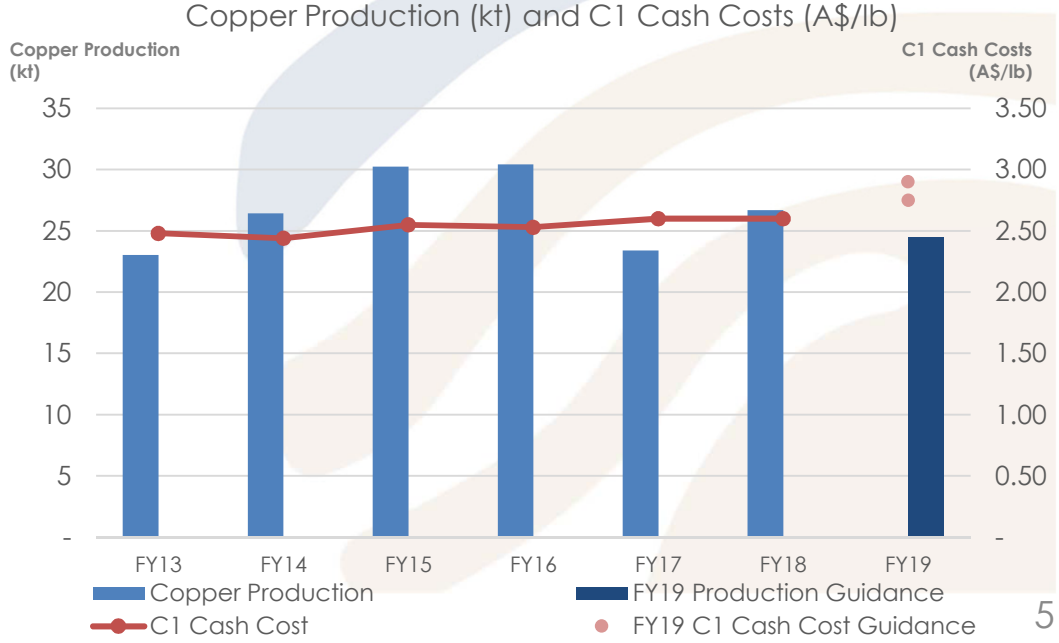
Successful operational turnaround implemented

- 5 year, average annual copper production of 27.4kt, a 19% increase on prior 5 year average
- Tritton Deeps and Murrawombie underground mines successfully developed
- Mill throughput increased from 1.27Mtpa in FY13 to 1.6Mtpa in FY18
- Pipeline of new mining projects identified and developed to replenish reserve inventory base
- Exploration programs recommenced with early success at the Kurrajong prospect, located 20km east of Tritton processing infrastructure
- Divestment or closure of non-core assets
- Cost reduction and management through operational enhancements





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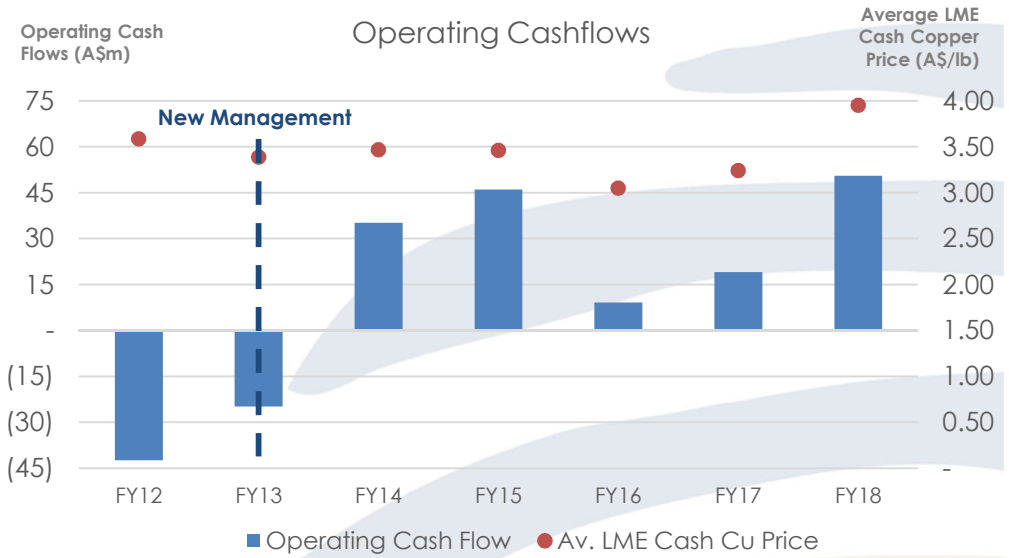
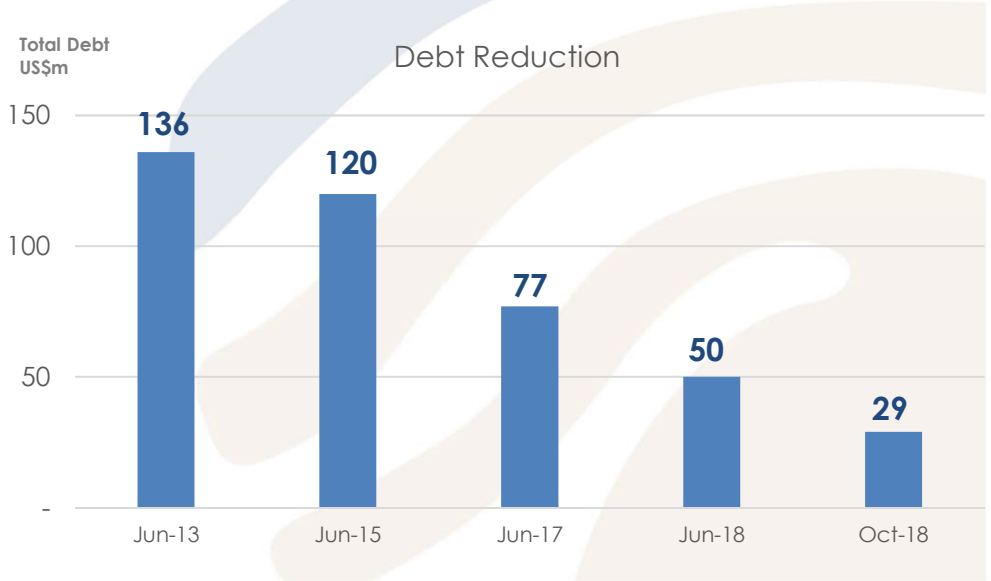
Financial restructure completed

- Inherited highly over-levered balance sheet
- Strong cash flow management and improved operating performance
- Consistent positive operational cash flow achieved
- Completed two major financial restructures in December 2015 and February 2018
- Completed fully underwritten A$35.1M equity raise in October 2018
- Total debt reduced from US$136M to US$29M





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Strong FY18 / Exciting FY19

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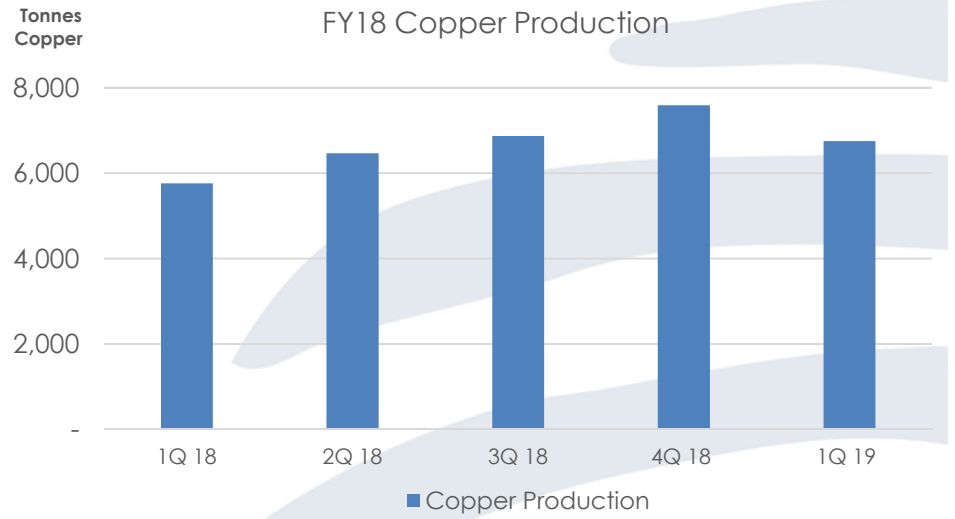
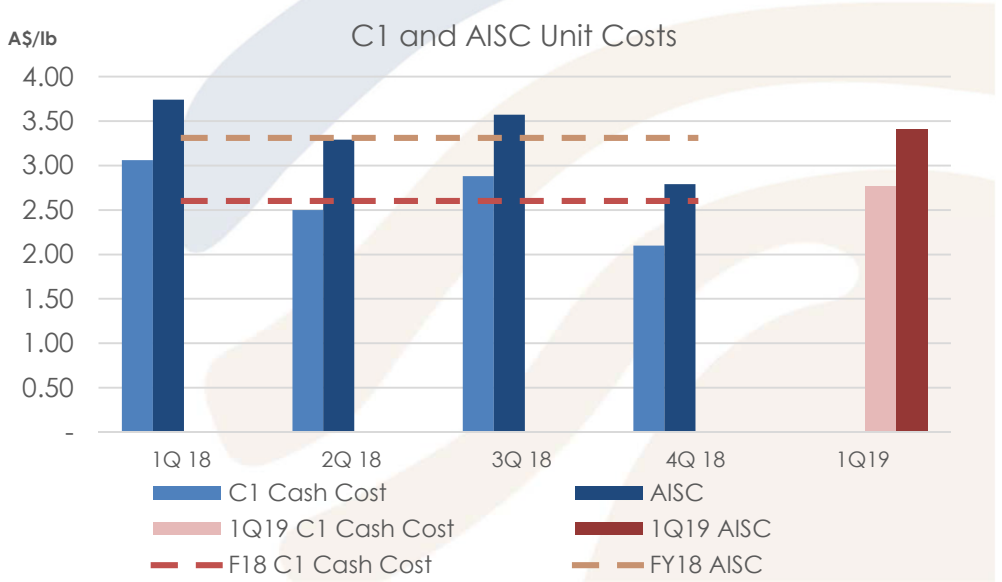
- FY18 total copper production of 26,686 tonnes at average C1 cash cost of A$2.60/lb:
  - 14% increase compared to the previous financial year (FY17: 23,404 tonnes; C1 cash cost A$2.60/lb)
- FY19 production guidance of 24,500 tonnes copper at C1 cash cost between A$2.75/lb and A$2.90/lb
  - Q1FY19 – 6,753t Cu produced @ C1 $2.77/lb
- Exciting drilling results from the Kurrajong prospect, including:
  - 19.4m @ 2.18% Cu, 0.30g/t Au, 7g/t Ag from 676.6m (TKJD014)
  - 4.60m @ 5.09% Cu, 0.79g/t Au, 17g/t Ag from 403.4m (TKJD015)
  - 5.65m @ 2.52% Cu, 0.20g/t Au, 6g/t Ag from 418.1m (TKJD015)
  - 17m @ 2.59% Cu, 0.3g/t Au, 7g/t Ag from 753.0m (TKJD017)
- Preparations underway at Torrens – drilling to commence before end of 2018





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Tritton Copper Operations

Established copper mine in highly prospective region

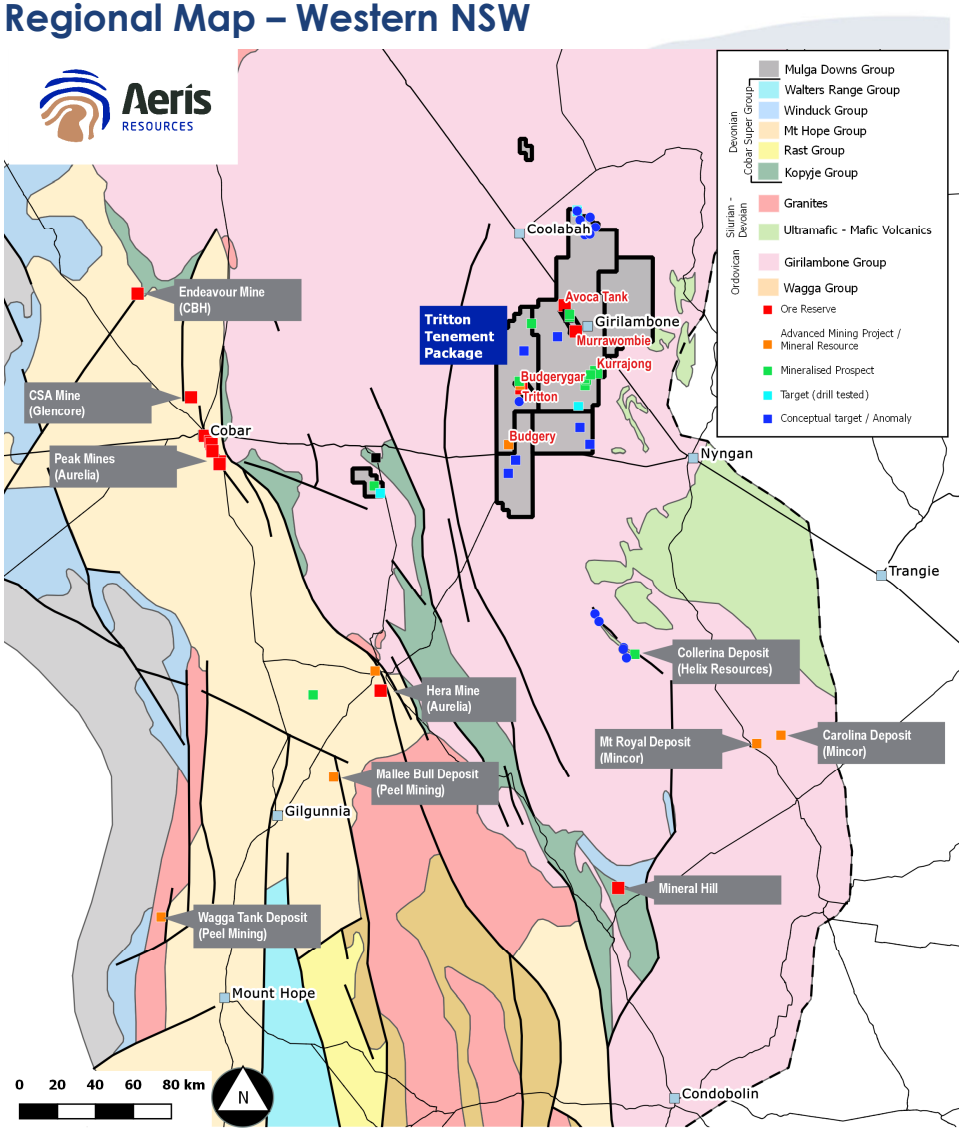
Tritton Copper Operations

- Tritton deposit is a >20Mt copper dominant system
- UG long hole open stoping from Tritton and Murrawombie mines
- First production in 2005 with >320kt Cu produced to date
- Copper concentrate shipped from Port Waratah (Newcastle) under offtake arrangement with Glencore

Western NSW Region (Girilambone and Cobar Basins)

- Strategic position in prolific mining district renowned for vertical continuity and clustering of deposits
- Highly endowed region with notable producers and explorers:
  - CSA (Glencore)
  - Peak Mines (Aurelia)
  - Mallee Bull / Southern Nights (Peel)
- >50% Tritton tenement package under-explored

Regional Map – Western NSW



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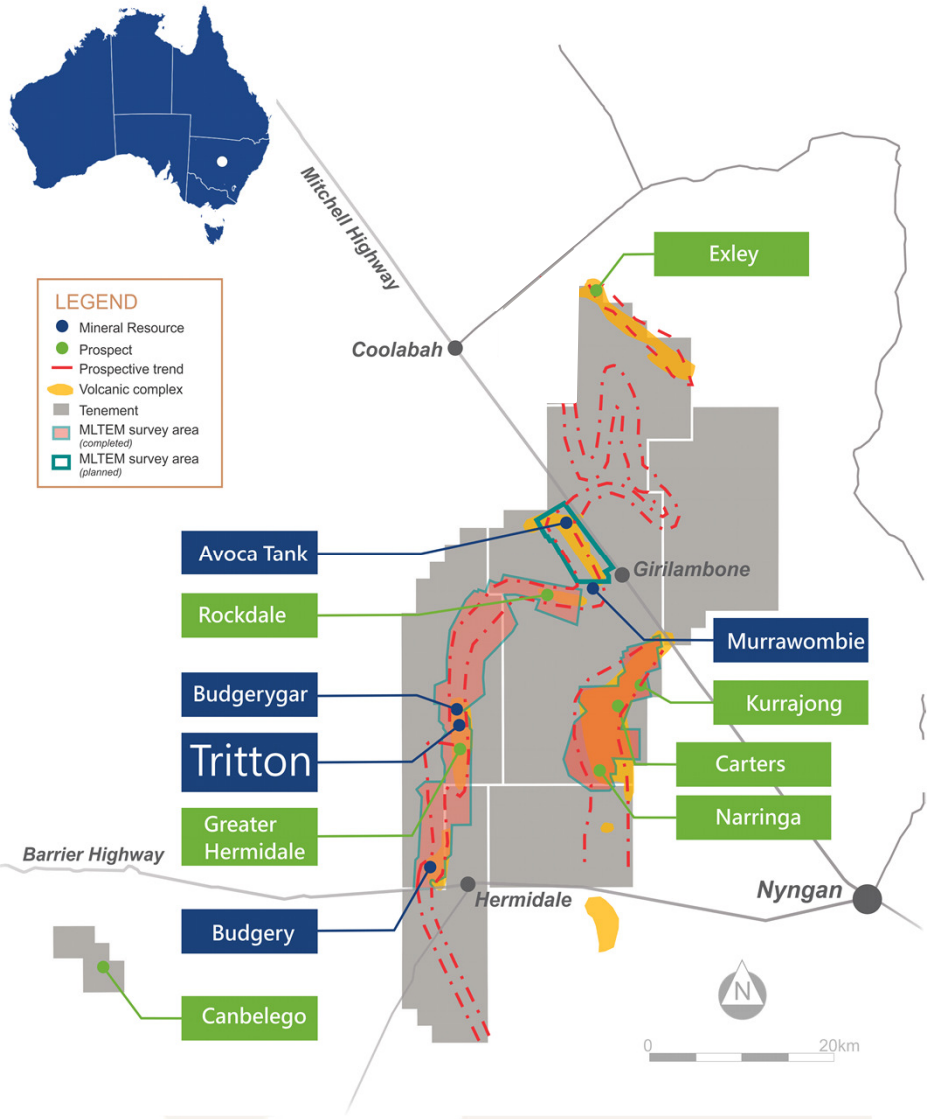
Tritton Copper Operations

5 year mine plan producing 24ktpa, underpinned by reserves

- 5 year mine plan averaging Cu production of 24ktpa:
  - 1.65Mtpa average annual processing rate
  - Capex and exploration funded through operating cashflows
  - Gold production 5koz+ pa
- Underpinned by existing reserves of 8.4Mt at 1.5% Cu for 130kt Cu metal(1)(2)
- Mining primarily from existing UG operations at Tritton and Murrawombie, supplemented by new mining areas from FY20

	Ore Reserves(1)		Mine Plan	
Tritton LoM Mining Areas	Cu Metal (kt)	Cu Grade (%)	Development	Production
Tritton UG	56	1.5%	Developed	FY19-FY22
Murrawombie UG	38	1.6%	Developed	FY19-FY22
Avoca Tank UG	18	2.5%	FY19- FY20	FY20
Budgery UG/OP	n/a(2)	n/a(2)	FY20-FY21	FY22-FY23
Murrawombie OP	14	0.9%	FY22	FY23



(1) As at 30 June 2018
(2) 5 year plan is reserve backed with the exception of Budgery Pit (Mineral Resource)

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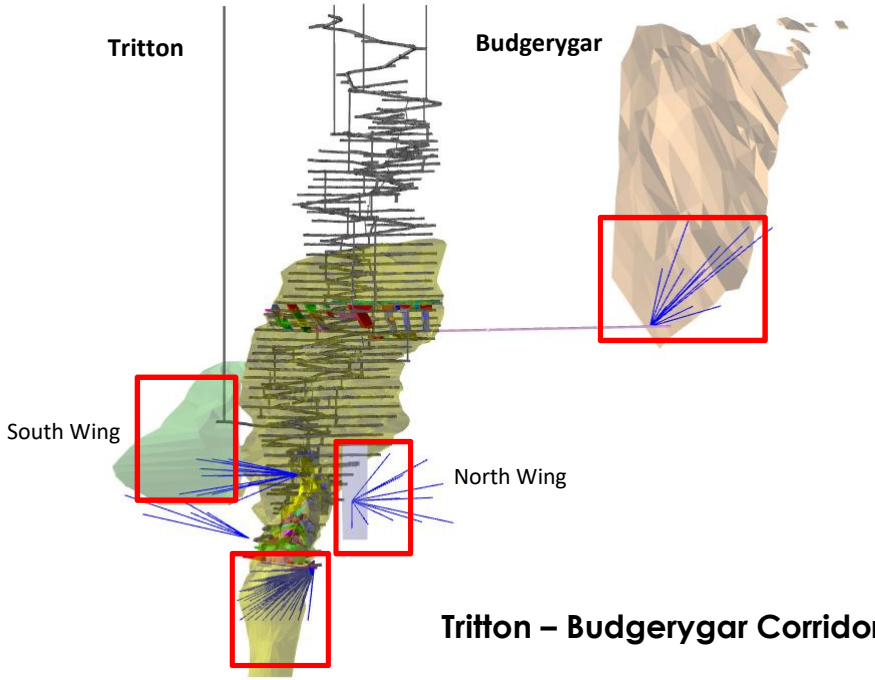
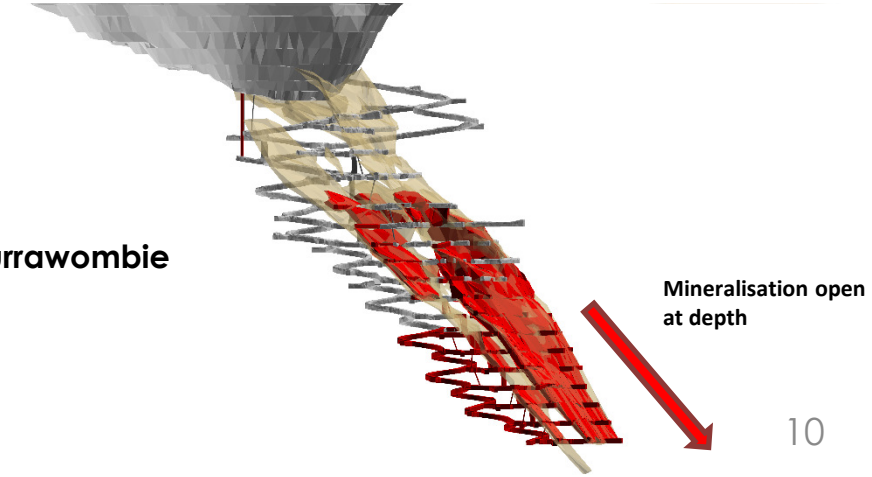
Tritton Copper Operations

Near-mine exploration potential to extend mine life

- Exploration has been limited due to capital constraints over last 5+ years
- Strong down-dip continuity is a feature common across all known deposits within tenement package:
  - Tritton traced down-dip 2km and still remains open
- Tritton Mine:
  - Mineralisation continues at depth
  - Mineralisation traced along strike (North and South wings)
- Budgerygar Deposit:
  - Near-mine Mineral Resource not in mine plan of 1.6Mt @ 1.5% Cu (20kt Cu)
  - Potentially mined from Tritton
  - Tritton to Budgerygar corridor prospective but little drilling to date
- Murrawombie Mine:
  - Mineralisation continues at depth but little drilling to date
- Key focus for FY19 is:
  i. Tritton at depth and wings
  ii. Tritton - Budgerygar corridor



Tritton – Budgerygar Corridor



Tritton Copper Operations

Regional exploration opportunities across highly prospective corridors

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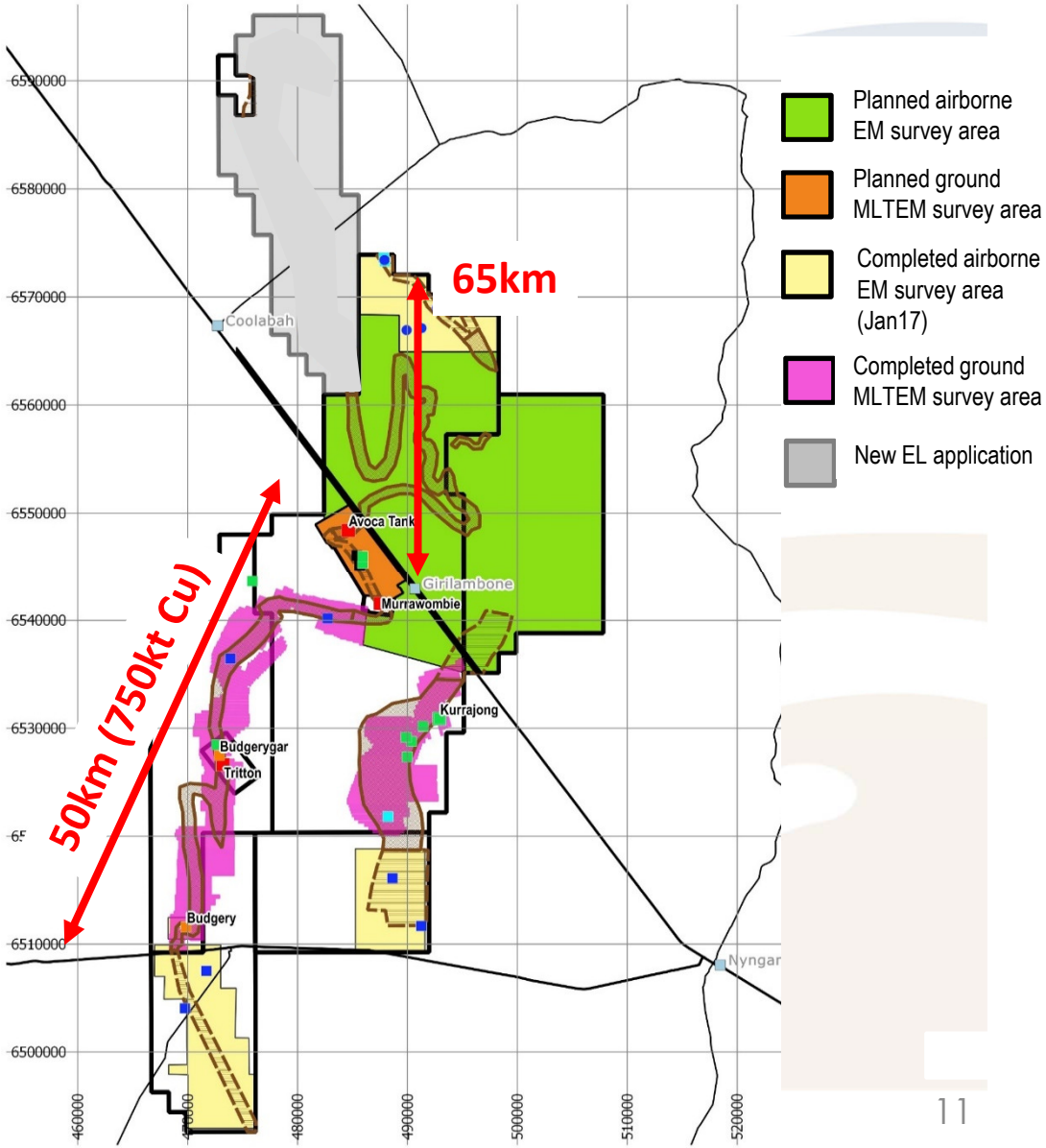
- Greenfield exploration strategy is focused on discovering Tritton-scale orebodies (i.e. +10Mt)
- Airborne EM and ground based EM surveying technology now able to see deeper and identify new anomalies (i.e. Kurrajong)
- Southern half highly endowed and producing strong results from restart drilling at Kurrajong:
  - To date, 750kt of Cu has been discovered along a geological trend of 50km of strike
- Northern half historically underexplored:
  - Recent mapping extended prospective geological corridor by 65km
  - Airborne EM program in early 2017 identified 4 new EM anomalies at northern extremity of tenements
- Key activities of FY19 for exploration:
  i. Second phase drill program at Kurrajong (up to 12 additional holes)
  ii. Airborne EM over remainder of northern half of tenement package
  iii. Ground EM over the 4 new anomalies identified in the 2017 airborne EM program



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Tritton Copper Operations

Highly encouraging drill results at Kurrajong prospect

- Kurrajong prospect located 20km east of Tritton processing infrastructure

- Exploration program to date:
  - 2012-13 drill campaign confirmed mineralisation
  - 2017 MLTEM survey
  - 2018 initial 6 drill hole campaign

- Highlights of recent campaign include:

  TKJD014: 19.4m @ 2.18% Cu, 0.3g/t Au, 7g/t Ag

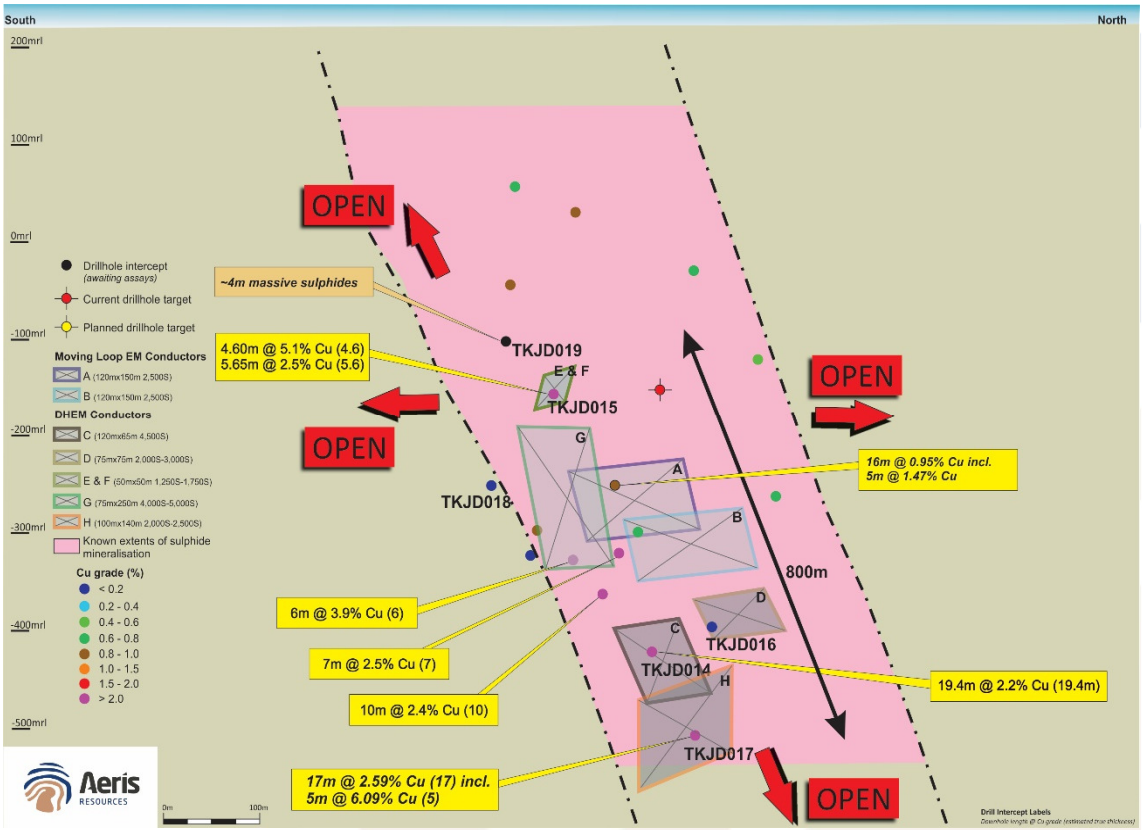
  TKJD015: 4.60m @ 5.09% Cu, 0.79g/t Au, 17g/t Ag
  5.65m @ 2.52% Cu, 0.2g/t Au, 6g/t Ag

  TKJD017: 17m @ 2.59% Cu, 0.3g/t Au, 7g/t Ag

  TKJD019: 4m massive sulphides with visible chalcopyrite (assay results pending)

- High grade mineralisation now traced over 800m down-plunge and downhole EM surveys infer extension of strike (still open in all directions)

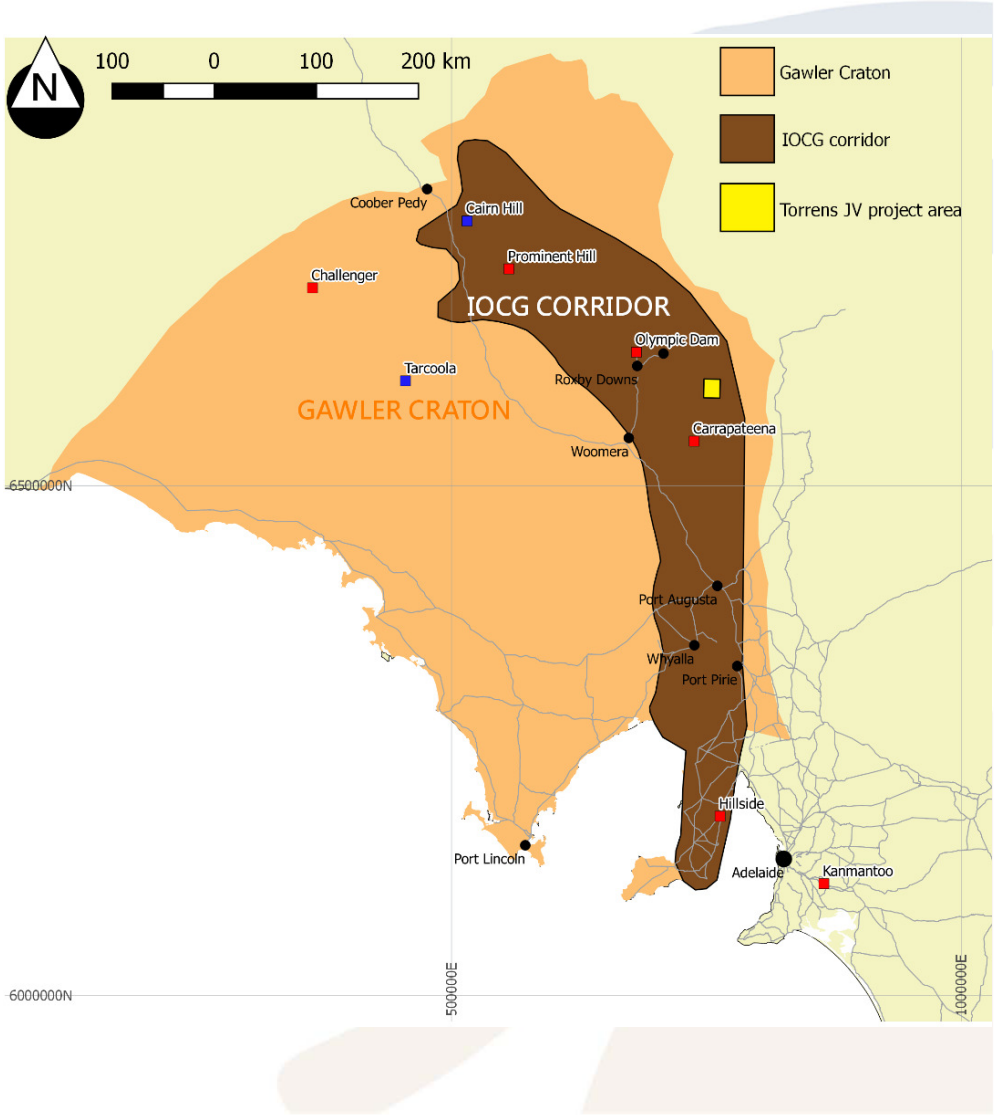
- Second phase drilling program of up to 12 holes has commenced with drill results to be announced periodically



Torrens Project (AIS 70%)

Potential major new copper-gold project in the Eastern Gawler Craton

- Aeris holds a 70% interest and is the manager of the Torrens Project through a JV with Argonaut Resources (30%)
- Torrens located on Eastern Gawler Craton IOCG corridor in South Australia, which hosts several large scale deposits and world class copper-gold operations:
  - Olympic Dam
  - Carrapateena
  - Prominent Hill
- Torrens Project contains a regionally significant coincident magnetic and gravity footprint 160km^2):
  - Bigger footprint than Olympic Dam (6km x 3.5km)
  - In total 28 gravity anomalies identified from latest geophysical survey
- All regulatory approvals recently secured to commence major new drill program in first half FY19
- Approval permit for drilling of up to 70 deep diamond drill holes



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Torrens Project (AIS 70%)

Multiple anomalies across large-scale IOCG system

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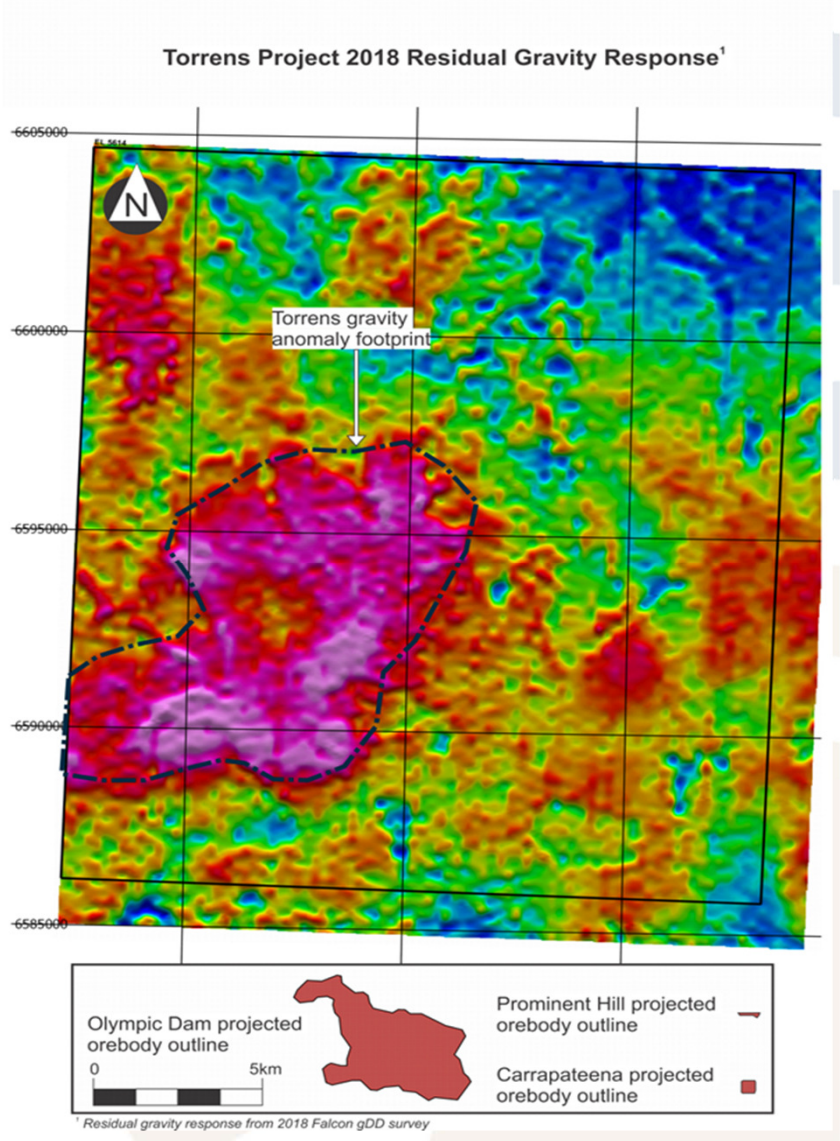
- Limited historical drilling has intersected mineralisation typical of an IOCG system:
  - 6 drill holes drilled between 1977 and 2008
  - Holes assayed and core maintained
- Defined a large magnetite dominant with lesser hematite alteration system interpreted to form the distal component of a large IOCG system:
  - Zones of anomalous copper mineralisation (≥0.1% Cu) intersected from several drill holes
  - Significant intersection from previous drill campaign (hole TD2) intersected a broad zone of low grade mineralisation including 246m @ 0.1% Cu
- Represents rare potential tier 1 Australian copper exploration target



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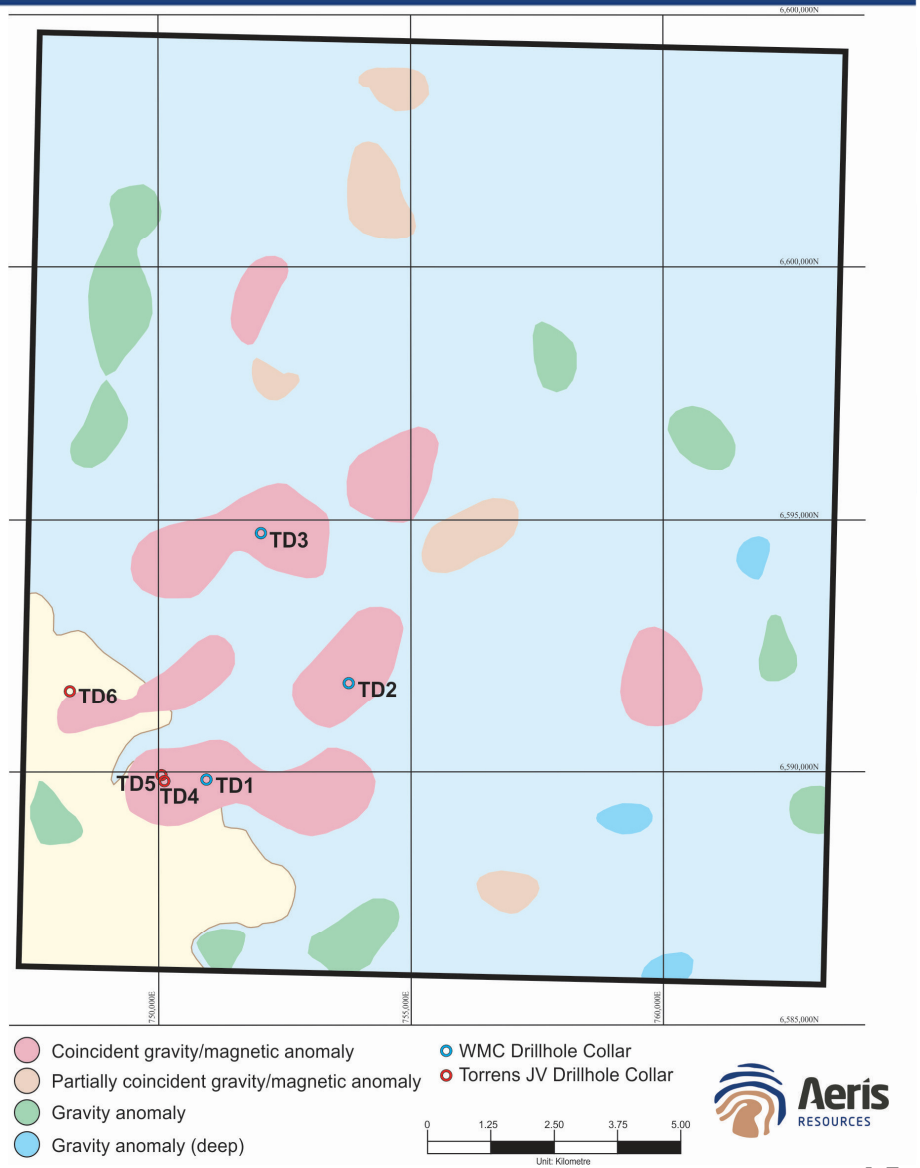
Torrens Project (AIS 70%)

Multiple anomalies across large-scale IOCG system

- Regional airborne gravity survey completed March 2018:
  - 28 gravity anomalies identified(1)
  - Refine drill targets in conjunction with geophysical and structural interpretations
  - Drill targets to be selected based on geophysical anomalies and structural interpretations

- Planning underway to commence drilling by end of 2018:
  - Staged drill campaign
    - Stage 1 drill program targeting 8-10 priority targets
    - 20-30 holes 700m to 1500m below surface
    - 18-24 month program
  - Drill results to be released periodically
  - Aeris FY19 budget of A$3.5m (total JV budget A$5m)



(1) Refer to ASX announcement released 17 July 2018

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FY19 objectives and growth strategy

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FY19 objectives

1. Achieve Tritton FY19 production guidance of 24.5kt of copper at C1 Cash Cost of A$2.75-2.90/lb
2. Continue brownfield drilling to extend depth at Tritton
3. Continue drilling at Kurrajong prospect seeking to define extent of mineralisation
4. Progress mining lease application for Avoca Tank mine
5. Airborne and ground EM surveys across northern half of Tritton tenement package and prioritise 4 anomalies identified for drilling
6. Commence major drilling program at the large Torrens IOCG project in South Australia

Strategic growth initiatives

1. Realise value from attractive portfolio of organic growth opportunities
2. Continue exploration on the highly prospective Tritton tenement package to build the Mineral Resource inventory and leverage existing infrastructure at the Tritton Copper Operations
3. Unlock value potential of Torrens Project
4. Pursue strategic M&A opportunities to complement existing portfolio and transform Aeris into a mid-sized, multi-mine base and precious metals company

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Appendices

Appendix
Board and Management

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	Name & Management	Description
	Andre Labuschagne *Executive Chairman*	■ Experienced mining executive with a career spanning more than 25 years, primarily in the gold industry ■ Held various executive roles in South Africa, PNG, Fiji and Australia for a number of leading gold companies, including Emperor Gold Mines, DRD Gold and AngloGold Ashanti ■ Previously Managing Director of Norton Gold Fields Limited where he led the company's growth to a significant Australian gold producer, prior to its sale to a major Chinese gold company in 2012 ■ Mr Labuschagne holds a Bachelor of Commerce degree from Potchefstroom University in South Africa
	Alastair Morrison *Non-Executive Director*	■ Highly experienced investment professional who has worked in private equity for over 30 years in the UK and Asia ■ Previously founding Managing Director of Standard Chartered Private Equity and prior to that spent 20 years at 3i Group where he was Director of 3i Asia Pacific ■ Holds a M.A. degree in Politics, Philosophy and Economics and M.Phil degree in Management Studies from Oxford University
	Michele Muscillo *Non-Executive Director*	■ Mr Muscillo is a Partner specialising in corporate law with HopgoodGanim Lawyers ■ In his role with HopgoodGanim Lawyers, Mr Muscillo has acted on a variety of corporate transactions including initial public offerings, takeovers and acquisitions. Michele's experience brings to the Board expertise on corporate regulation, governance and compliance matters ■ Holds a Bachelor of Laws from Queensland University of Technology and was a recipient of the QUT University Medal
	Marcus Derwin *Non-Executive Director*	■ Mr Derwin is a highly experienced corporate executive with extensive background in corporate transformation activities with international experience across a diverse range of industry sectors ■ Mr Derwin's previous roles have included senior positions with AMP, NAB, Allco Equity Partners, PwC and KPMG ■ Mr Derwin has been appointed as a nominee of SCB under its entitlement as part of the Restructuring Deed entered between Aeris, SCB and PAG in August 2015
	Rob Brainsbury *Chief Financial Officer*	■ Over 30 years experience in the mining and mining services sectors ■ Held senior roles with companies including Rio Tinto, Xstrata, MIM Holdings and BIS Industrial Logistics ■ Prior to joining Aeris Resources, Mr Brainsbury was Chief Financial Officer and Company Secretary at Norton Gold Fields Limited ■ Mr Brainsbury is a qualified accountant and holds a Bachelor of Business degree with majors in Accounting and Marketing
	Ian Sheppard *Chief Operating Officer*	■ Most recently held General Manager roles with Norton Gold Fields Limited and PanAust Limited ■ Prior to this he spent over seven years with Ok Tedi Mining in PNG as General Manager and Executive Manager with responsibility at various times for operations, technical services, business development and exploration ■ Member of the Australian Institute of Mining and Metallurgy and has more than 30 years of experience in mine operations, technical studies and business development gained in gold, base metals and iron ore ■ Mr Sheppard graduated from University of NSW in 1984 with a degree in Mining Engineering and also has a Masters in Mineral Economics from Curtin University of Technology

Appendix

Reported Mineral Resource

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Tritton Tenement Package (30 June 2018)[1]

Project	Cut-off (%Cu)	Measured			Indicated			Inferred			Total Resource		
		Tonnes (kt)	Cu grade (%)	Cu metal (kt)	Tonnes (kt)	Cu grade (%)	Cu metal (kt)	Tonnes (kt)	Cu grade (%)	Cu metal (kt)	Tonnes (kt)	Cu grade (%)	Cu metal (kt)
Tritton	0.6	3,800	1.7	64	2,700	1.2	33	4,000	1.3	50	10,300	1.4	150
Tritton (pillars	0.6	-	-	-	420	2.6	11	-	-	-	420	2.6	11
Murrawombie	0.6	-	-	-	4,600	1.6	74	800	1.3	10	5,400	1.5	84
Budgerygar	0.6	-	-	-	-	-	-	1,600	1.5	20	1,600	1.5	20
Budgery	0.5	-	-	-	1,700	1.1	19	300	0.9	3	2,000	1.1	22
Avoca Tank	0.6	-	-	-	770	2.9	23	100	1.0	0	900	2.6	24
Stockpile	-	35	2.1	1	-	-	-	-	-	-	35	2.1	1
Total		**3,900**	**1.7**	**64**	**10,200**	**1.6**	**160**	**7,000**	**1.3**	**90**	**20,700**	**1.5**	**310**

[1] Discrepancies in rounding may occur due to rounding

Other Projects (30 June 2018)[1][2]

Project	Cut-off (g/t Au)	Measured					Indicated					Inferred					Total Resource				
		Tonnes (kt)	Cu grade (%)	Au grade (g/t)	Cu metal (kt)	Au metal (koz)	Tonnes (kt)	Cu grade (%)	Au grade (g/t)	Cu metal (kt)	Au metal (koz)	Tonnes (kt)	Cu grade (%)	Au grade (g/t)	Cu metal (kt)	Au metal (koz)	Tonnes (kt)	Cu grade (%)	Au grade (g/t)	Cu metal (kt)	Au metal (koz)
Yandan	0	-	-	-	-	-	-	-	-	-	-	4,000	-	2.4	-	300	4,000	-	2.4	-	300
Total	**0**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,000**		**2.4**		**300**	**4,000**	**-**	**2.4**	**-**	**300**

[1] Reported Mineral Resource figures for the Yandan Project are reported from three domains which represent high grade epithermal vein systems. All block estimates within each domain have been reported (0 g/t Au cut-off)

[2] Discrepancies in rounding may occur due to rounding

Appendix

Reported Ore Reserve

Tritton Tenement Package (30 June 2018)[1][2][3]

Project	Type	Cut-off (%Cu)	Proven			Probable			Total Resource		
			Tonnes (kt)	Cu grade (%)	Cu metal (kt)	Tonnes (kt)	Cu grade (%)	Cu metal (kt)	Tonnes (kt)	Cu grade (%)	Cu metal (kt)
Tritton	Underground	1.1 & 1.5	3,400	1.5	51	300	1.7	5	3,700	1.5	56
Murrawombie	Underground	1.0	0	0.0	0.0	2,300	1.6	38	2,300	1.6	38
Murrawombie	Open Pit	0.5	-	-	-	1,600	0.9	14	1,600	0.9	14
Avoca Tank	Underground	1.2	-	-	-	700	2.5	18	700	2.5	18
Stockpile			30	2.1	1	-	-	-	30	2.4	1
Total			**3,400**	**1.5**	**52**	**5,000**	**1.5**	**75**	**8,400**	**1.5**	**130**

[1] Discrepancies in rounding may occur due to rounding.

[2] 1.2% Cu cut-off grade assigned to Tritton underground. 1.5% Cu cut-off grade assigned to Tritton pillars.

[3] Discrepancies in summation may occur due to rounding.

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