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AERIS RESOURCES LIMITED

CRACOW DEPOSITS

Mineral Resource and Ore Reserve Estimate

June 30th 2021

Report Version

Author/s	Name	Title
	Brad Cox	Competent Person – Mineral Resource estimate
	Ian Sheppard	Competent Person – Ore Reserve estimate

1 PROJECT SUMMARY

1.1 INTRODUCTION AND SETTING

Cracow Gold Mine is an underground operation located 500km (by road) North-West of Brisbane located on the traditional lands of the Wulli Wulli people. There is a small community in the township of Cracow whilst the nearest substantial town is Theodore, located approximately 50km North.

Gold mineralisation within the Cracow field forms along various broadly north-south striking corridors. Historical gold mining focused on the Golden Plateau deposit which yielded over 850 thousand ounces of gold between 1932 to 1992. Current underground mining, referred to as the Western Field, is located immediately west of Golden Plateau. The mine is on a historical gold mining field. Mine development for the current underground operation commenced in December 2003.

Evolution Mining acquired the Cracow operation in November 2011.

Aeris Resources acquired the Cracow operation from Evolution in June 2020. The tenements are owned by Lion Mining Pty Ltd, a wholly owned subsidiary of Aeris Resources.

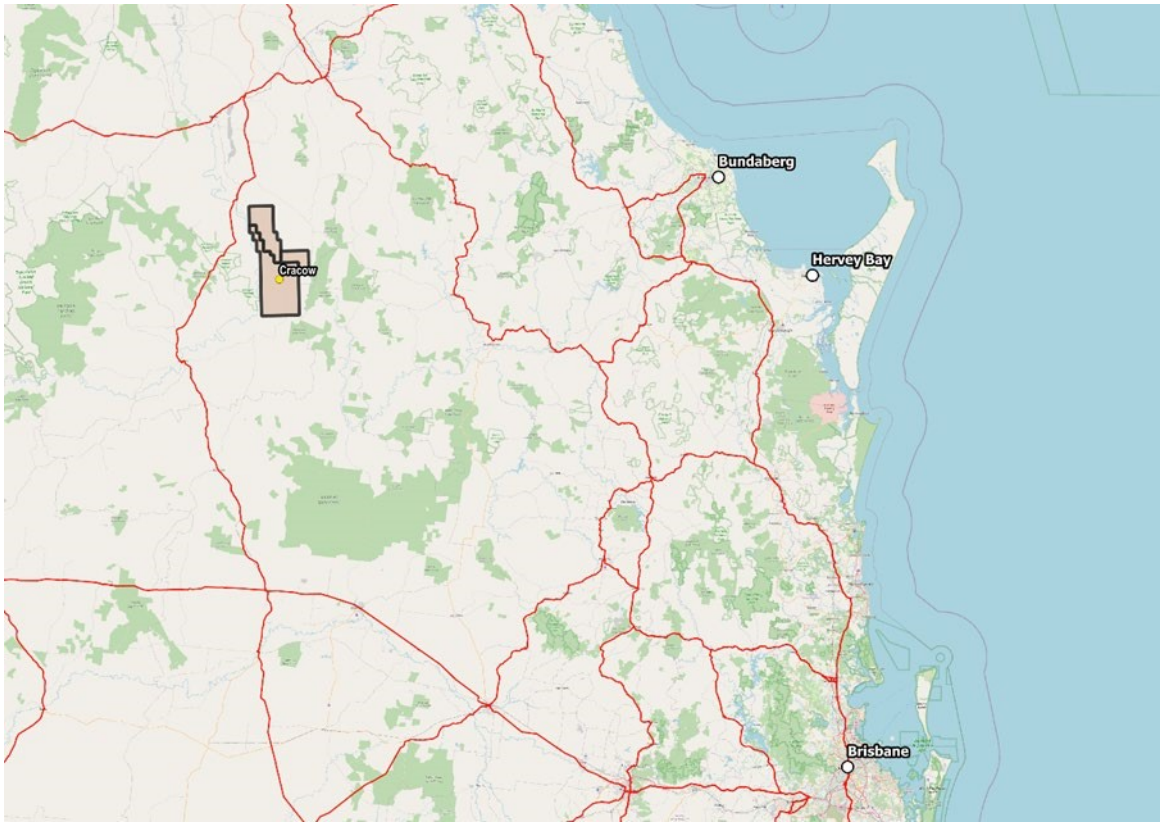


Figure 1 General location of the Cracow Gold Mine

Gold mineralisation is hosted in steeply dipping, low sulphidation epithermal veins. These veins are found as discrete lodes (often with associated stockwork veining), composed of varying quartz, carbonate, and adularia percentages. To date, 15 separate high-grade gold deposits have been discovered within the Western Field, including:

- Royal
- Crown
- Sovereign
- Klondyke
- Phoenix
- Kilkenny
- Tipperary

- Empire
- Griffin
- Baz
- Coronation
- Imperial
- Denmead
- Roses Pride
- Killarney

The Cracow Gold Mine is fully permitted for production.

This Mineral Resource and Ore Reserve estimates are an update on previously reported estimates for the Cracow deposits. The previously reported estimate date was June 30th 2020. This 2021 estimate is based on additional resource definition and grade control drilling targeting the mineralised system adjacent to several known deposits. There has been no new deposit added to the inventory since the last report. A significant change in the Mineral Resource cut-off grade policy has occurred.

The updated estimate also accounts for depletion due to mining and ore loss via sterilisation of the Mineral Resource.

A revised Mineral Resource reporting framework has been applied to the June 2021 estimate which accounts for a material increase in reported tonnes and contained gold metal in comparison to the previous reporting period

1.2 TENEMENTS

The Cracow Gold Mine tenement is a package of seventeen MLs and two EMPs. Lion Mining Pty Ltd. wholly owns the MLs and EMPs. Lion Mining Pty Ltd is a wholly-owned subsidiary of Aeris Resources.

The tenements are:

- ML3219, ML3221, ML3223, ML3224, ML3227, ML3228, ML3229, ML3230, ML3231, ML3232, ML3243, ML80024, ML80088, ML80089, ML80114, ML80120, ML80144
- EPM15981 & EPM26311

All tenure is current and in good standing.

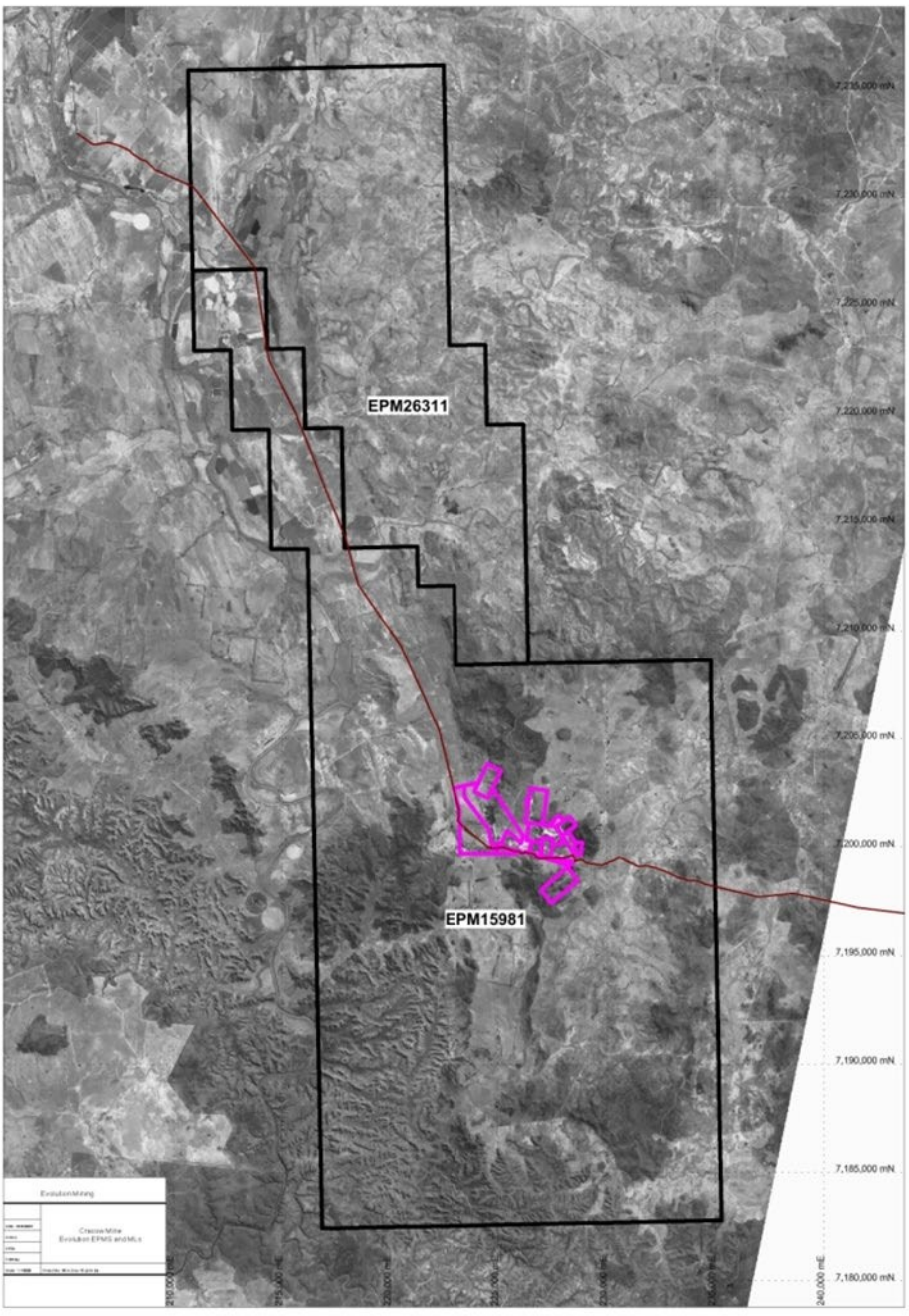


Figure 2 Location of Mining Leases (pink) on EPM tenements

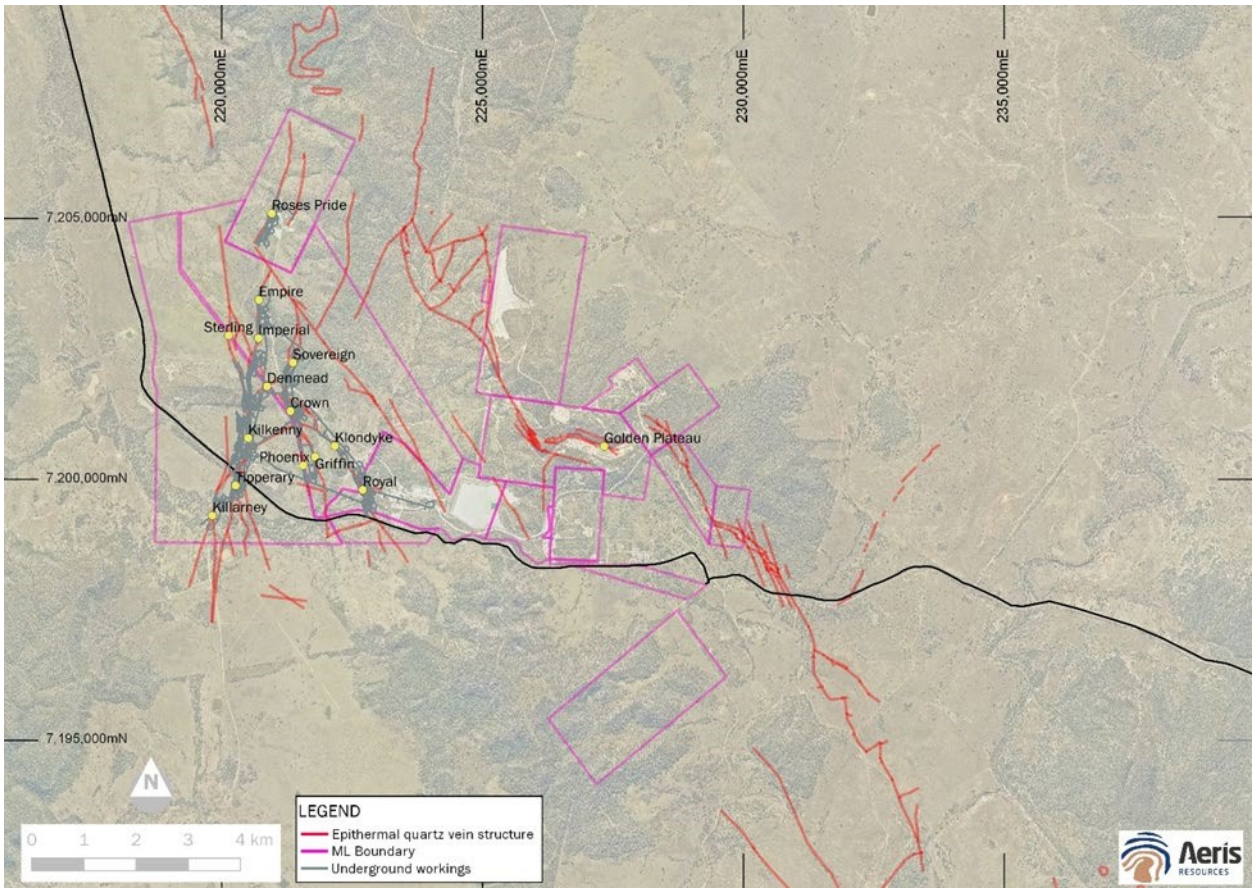


Figure 3 Cracow gold mine Tenement package location across the Western and Eastern field

1.3 NATIVE TITLE

The Cracow Gold Mine is located on the granted Native Title land of the Wulli Wulli.

2 GEOLOGY

The Cracow Gold Mine deposits are in the Lower Permian Camboon Andesite on the south-eastern flank of the Bowen Basin. The regional strike is north-northwest and the dip 20° west-southwest. The Camboon Andesite consists of andesitic and basaltic lava, with agglomerate, tuff, and inter-bedded trachytic volcanics. The andesitic lavas are typically porphyritic, with phenocrysts of plagioclase feldspar (oligocalse or andesine) and less commonly augite. To the west, the Camboon Andesite is overlain with an interpreted disconformity by fossiliferous limestone of the Buffel Formation. It is unconformably underlain to the east by the Torsdale Beds, consisting of rhyolitic and dacitic lavas and pyroclastics with inter-bedded trachytic and andesitic volcanics, sandstone, siltstone, and conglomerate.

Mineralisation is hosted in steeply dipping low sulphidation epithermal veins. These veins are found as both discrete structures and as stockwork. They are composed of quartz, carbonate and adularia, with varying percentages of each mineral. Vein textures include banding (coliform, crustiform, cockade, moss), breccia channels and massive quartz. The changing textures indicate depth within the epithermal system. Sulphide percentage in the veins are generally low (<3%) primarily composed of pyrite, with minor occurrences of hessite, sphalerite and galena. Rare chalcopyrite, arsenopyrite and bornite can also be found.

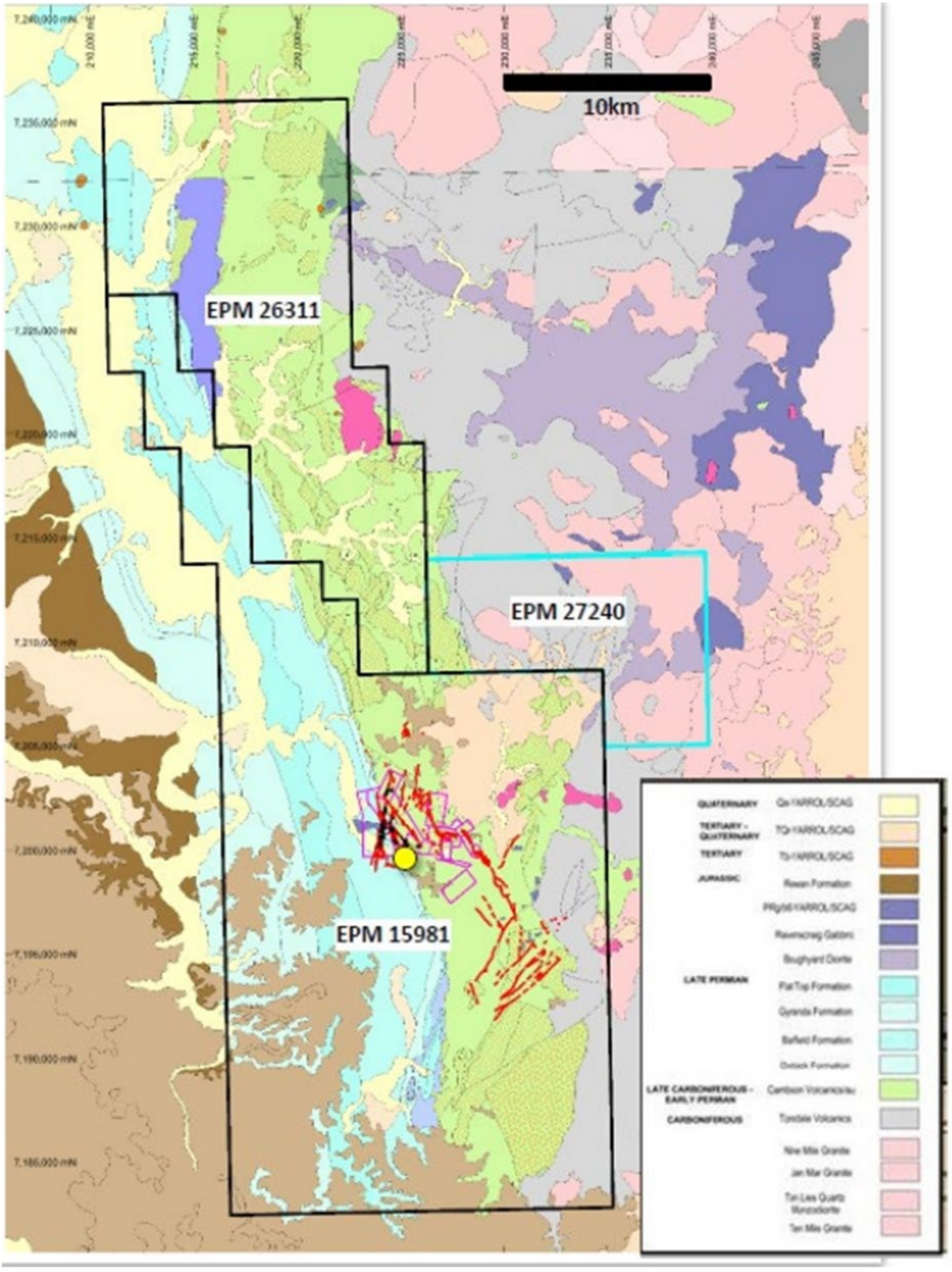


Figure 4 Regional geology map

2.1 RESOURCE ESTIMATION MODEL

The reported Measured, Indicated and Inferred Mineral Resource estimates for the Cracow Gold Mine are derived from many different block models. The June 2021 estimates used the following block models:

- baz_gc_2105_meng.bmf (Baz deposit)
- co2009_gc_mnw.bmf (Coronation deposit)
- crn_rr_1912_meng.bmf (Crown deposit)
- dn2008_gc_meng.bmf (Denmead deposit)
- emp_rr_1912meng.bmf (Empire deposit)
- grf_gc_2005_meng.bmf (Griffin deposit)
- imp2005_gc_meng.bmf (Imperial deposit)
- kk_gc_2103meng.bmf (Kilkenny and Tipperary deposits)
- kll_gc_2105meng.bmf (Killarney deposit)
- rk_rr_2011_mnw.bmf (Klondyke and Royal deposits)
- ph_2012_rr_mnw.bmf (Phoenix deposit)
- rp2009_gc_meng.bmf (Roses Pride deposit)
- stl_2101_gc.bmf (sterling deposit)
- sov_2103_gc.bmf (sovereign deposit)

Domaining of the Cracow mineralised lodes is based on a combination of lithological, quartz vein percent and gold grade information. Both discrete “vein/lode” domains, mineralised halo or stockwork domains and waste domains were interpreted. Additionally, for some deposits where the lode strike direction changes sub-domains were created to facilitate the use of optimal estimation parameters.

Geological surfaces were interpreted using a combination of drill hole and face sampling data and underground mapping lines. Three dimensional surfaces were created using either Datamine V3 or Vulcan software.

For each domain within each deposit a detailed statistical analysis was completed using traditional statistics, histograms, log probability plots and mean/variance plots. The number of samples in each deposit, mean grade and Coefficient of Variation (CV) was assesedas the sample compositing and top-cutting/capping processes were applied to each domain. Bulk density (or SG) measurements were also collected using a non-wax coated water immersion method. This method was deemed appropriate at Cracow, following test-work undertaken in 2012 to determine the suitability of SG method. This compared wax coated, non-wax coated and picnometer. Bulk density was assessed per domain per ore body and appropriate unique values used in the estimation.

The spatial analyses of data at Cracow was composed of two parts. First, estimation sub-domains were employed within lithological domains based on changes in strike or dip of the ore body to ensure that optimal interpolation parameters could be applied. Secondly, the majority of domains displayed internal grade anisotropy and therefore unique variograms were generated using Snowden’s Supervisor v8 software or Vulcans Data Analyser Module.

The estimation processes employed at Cracow can generally be summarised as follows.

Grade estimations for gold and silver were performed using either Datamine V3 or Vulcan software. Ordinary Kriging was the preferred method of estimation used for grade estimates. In some cases, other estimation techniques such as inverse distance power (squared or cubed) were used. Variograms were generated using the composited drill hole file in Snowden’s Supervisor V8 or Vulcans Data Analyser. Search ellipses were orientated with the grade continuity as identified by the variography. Generally, the parent block size was set to half the drill spacing.

To determine the resource classification between Measured, Indicated and Inferred, various drill space patterns were used across the Cracow ore bodies, as was appropriate for the unique characteristics of each deposit. Mineral Resource classifications are determined by drill spacing and underground development. The specifics of drill spacing vary by ore body but as a general rule Inferred material was limited to wide spaced drilling (60m x 60m – 40m x 40m), Indicated material was closed spaced drilling (20m x 20m) and material was only classified as Measured once ore drive development and face sampling had taken place. In addition to the sample spacing, resource classification was also based on the confidence of the underlying geological model, dependent but not limited to complexities relating to vein geometry, drillhole information including the quality of the assay, collar & survey information, geologically logging and grade variability and faulting. Comparisons of sample to block grades were also made and used to inform the resource classification.

Classified Mineral Resource is reported from each mineralised domain at each deposit within a 1.5g/t Au cut-off grade shell. Low grade stockwork domains peripheral to the mineralised lodes are not reported. Stockpiles including the IO dumps are not reported at a cut-off grade. Each block model is flagged for mining depletion and also for sterilisation due to mining activities. The sterilisation shape consisted of a 5m standoff around stope voids and also captured bridges and pillars within the mined areas. No material within the mining or sterilisation shapes were reported as part of the Mineral Resource.

The model was validated by comparing statistics of the estimated block grade against the declustered composite data and swath plots and by comparison of previous production.

3 MINING

3.1 MINING METHOD

Cracow Gold Mine uses various underground mining methods, including;

- Modified Avoca benching,
- Uphole retreat benching,
- Transverse open stoping,
- Floor trenching.

The most common mining extraction sequence is a bottom-up advance. Dry rock fill or cemented rock fill is placed to form the working floor for loading the stope above.

Horizontal sill pillar mining under post-grouted dry backfill has been successful. This method is used occasionally, where gold grades in the remnant pillar are sufficient to warrant the cost of the drilling and grouting.

The stope height standard is 15m; however, the actual heights vary between 12m and 20m. Detailed stope design considers the ore drive length and the location of level access drives. Therefore, individual stope design can vary considerably to optimise the stope value.

The minimum stope width is 1.5m.

Nominal stope strike length is a maximum of 20m before placement of backfill. Reslotting to start a new stope is either by tight firing onto the backfill or a new slot. Local rock mass conditions dictate the design choice at the slot location.

The underground workings are accessed by a decline from the surface portal. The decline splits at several locations to access the different deposits of the Western field. Ore and waste are removed from the mine by diesel truck haulage on the decline. Ore is delivered directly to the processing plant run off mine ore pad by the underground trucks.

Mine production activities have extended to 860m below the surface on the Western field deposits.

The Roses Pride deposit is located 3km to the North of the clustered Western field deposits. Access to this deposit is through a separate portal and decline that is not connected to the Western field area.

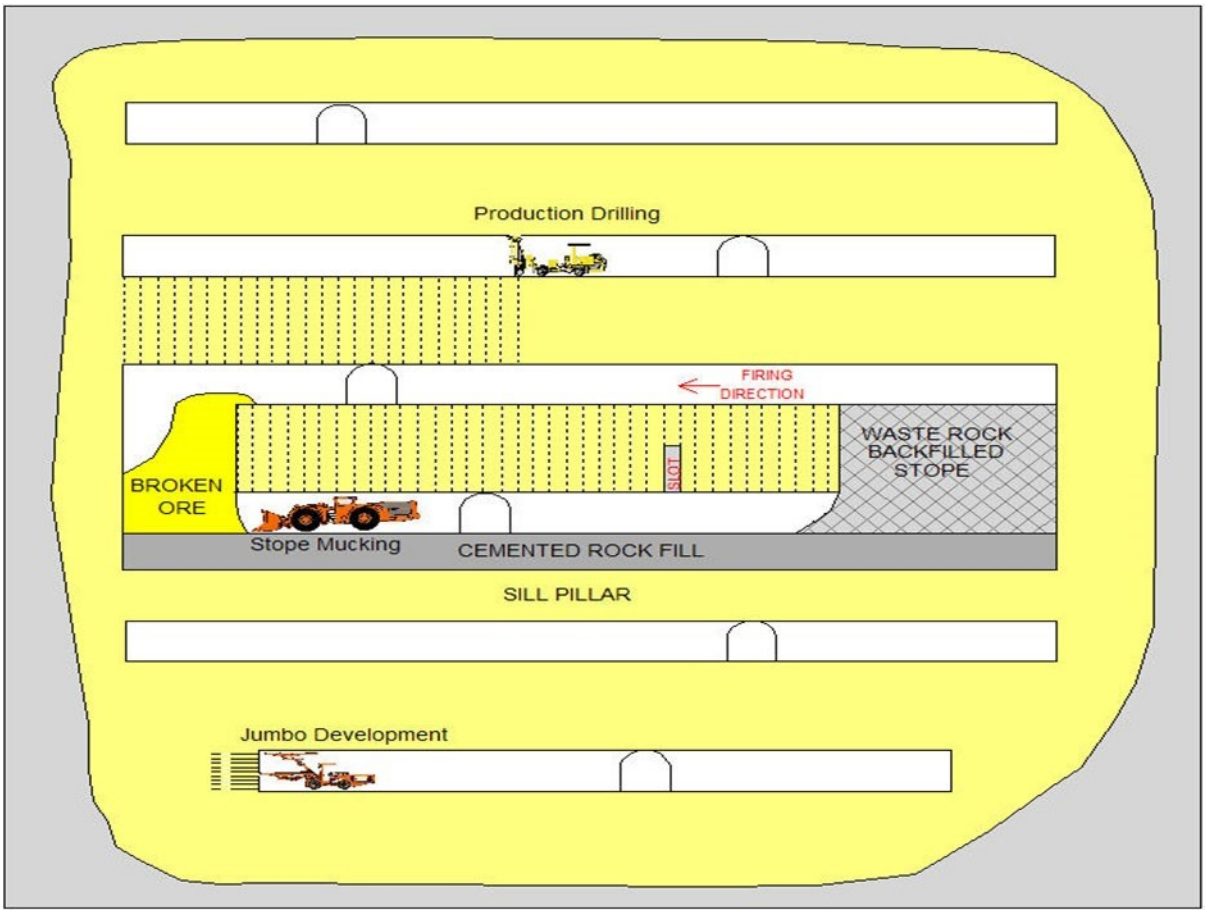


Figure 5 View of the modified Avoca bench stoping method for narrow veins.

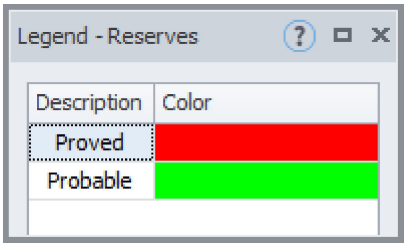


Figure 6 Legend

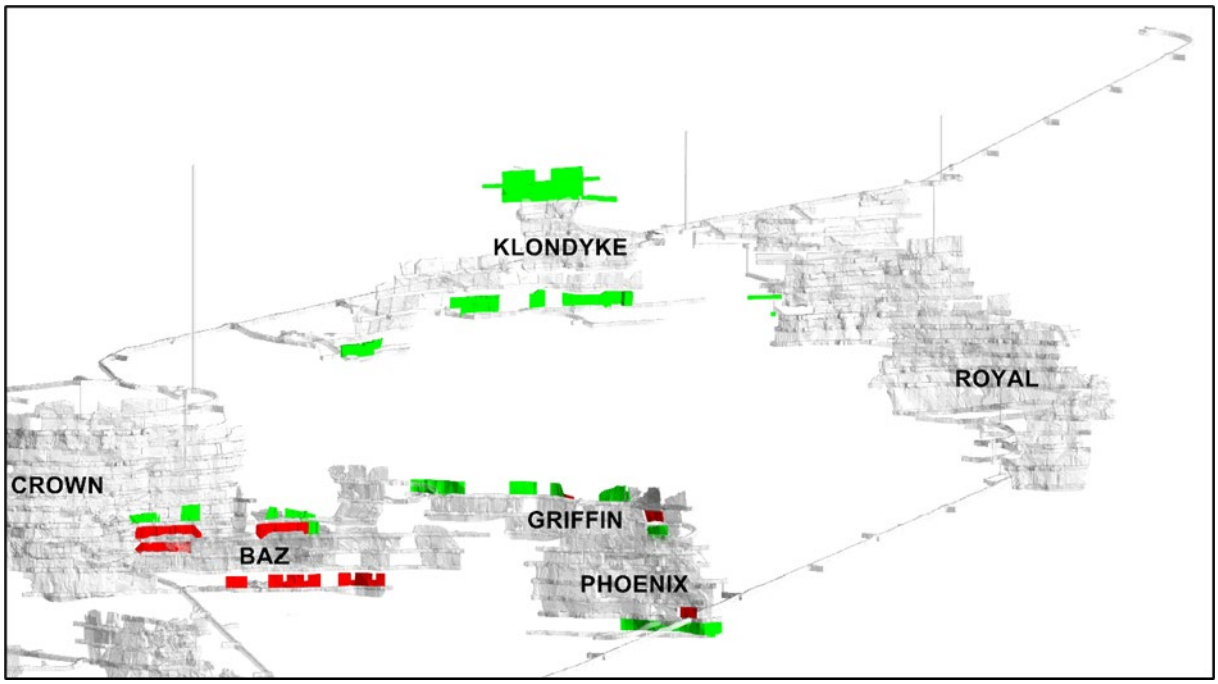


Figure 7 Long section view of Cracow gold mine facing East showing BAZ, Klondyke, Griffin, Phoenix deposits. Ore Reserve are highlighted; Proved in red; Probable in green.

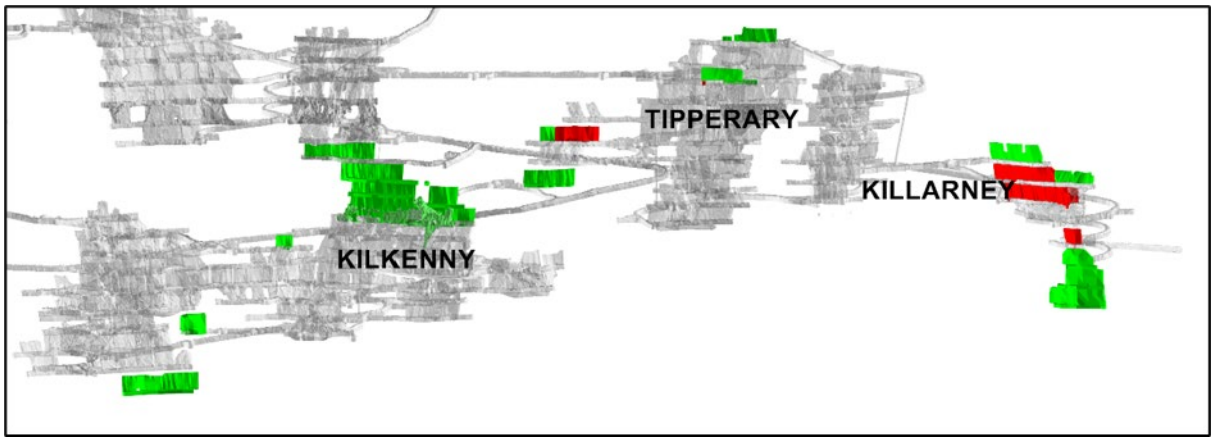


Figure 8 Long section of Cracow gold mine facing East, showing Kilkenny, Tipperary and Killarney deposits. Ore Reserve are highlighted; Proved in red; Probable in green

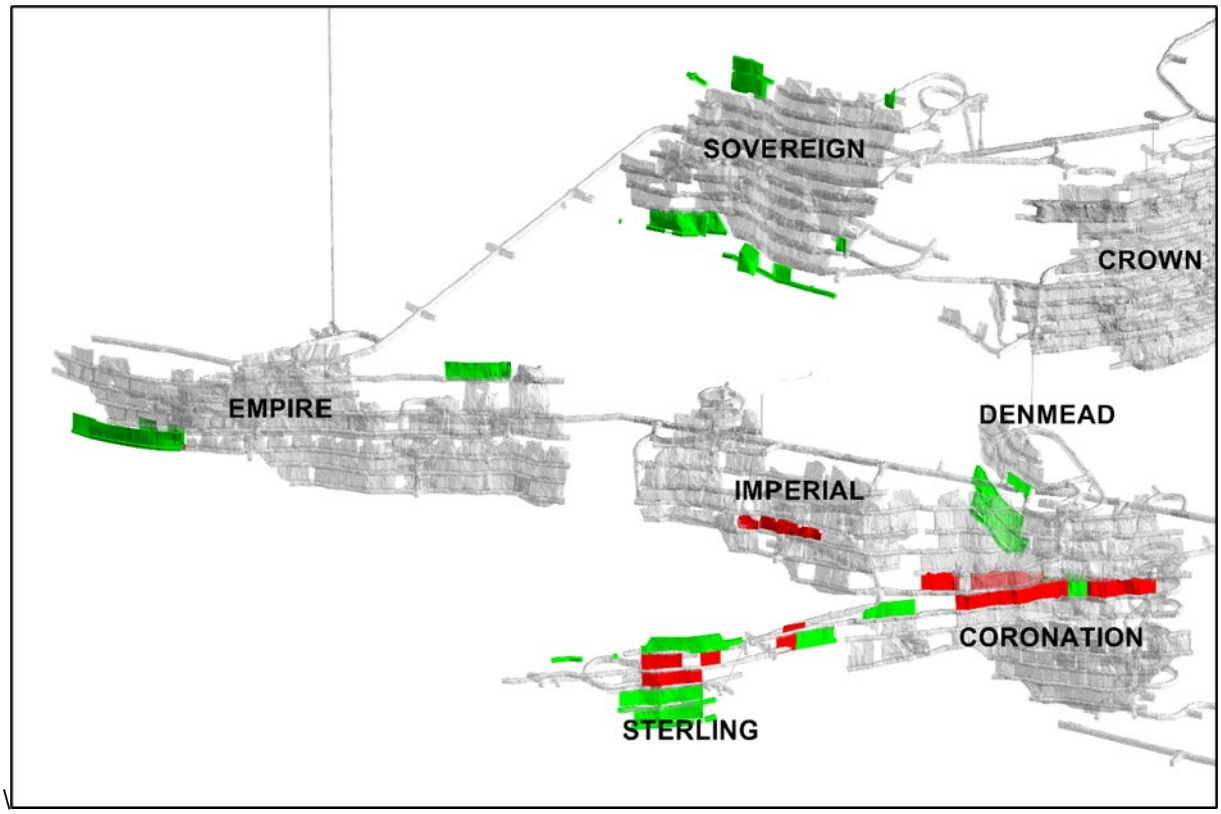


Figure 9 Long section of Cracow gold mine facing East showing Sovereign, Empire, Denmead, Imperial, Coronation and Sterling deposits. Ore Reserve are highlighted; Proved in red; Probable in green.

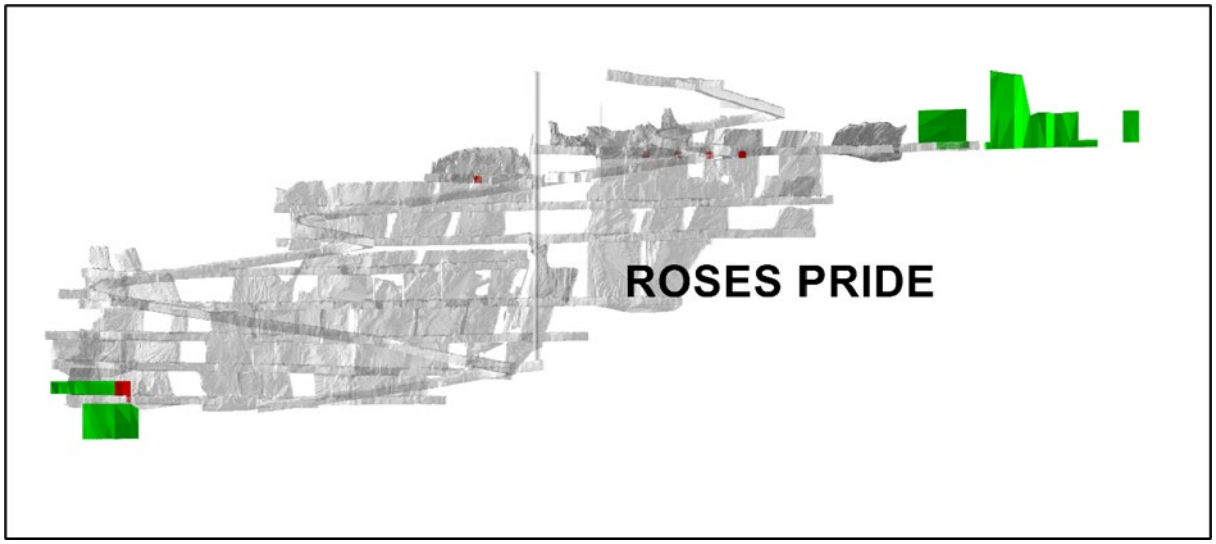


Figure 10 Long section of the Roses Pride deposit facing West. Ore Reserve are highlighted; Proved in red; Probable in green

3.2 ORE RESERVE MINE DESIGN

Ore Reserve estimates are derived from stope shapes designed by Cracow Gold Mine mine design engineers.

Stope shapes are the final drilling design volume where available. Preliminary stope shapes that do not yet have drilling design completed are used for areas where detailed engineering is not yet warranted. Modifying factors used in the estimate of Ore Reserve are the same for all stope designs.

Deswik ASD (Auto Stope Designer) is utilised for more simple, single lode, narrow vein areas. In more complex areas, shapes were constructed with manual slices. Dilution varies from 5%-20% based on stope size.

The minimum mining width is 1.5m which is achieved through a “zipper” pattern. Strike lengths have been limited to 20m. Experience shows that when this limit is exceeded, excess hanging wall dilution results.

A preliminary commercial analysis is completed within Deswik mine planning software, into which a basic cost model has been built. Individual stopes and the whole sublevel group of stopes are reviewed to ensure commercial viability.

Development drive shapes are used to estimate the ore to be mined from development.

3.3 ORE RESERVE CUT-OFF GRADE

Economic evaluation is the criteria for inclusion of a stope design in Ore Reserves. There is no universal cut-off grade for the Cracow gold deposits.

Individual mining areas within a deposit are subjected to a high-level economic analysis to determine if they should be included as Ore Reserve. Stope design, capital and operating development design are completed for each mining area, mining costs estimated, and nominal profitability estimated. Profitable mining areas are included in the Ore Reserve estimate. A cost model coded into the Deswik mine design software is used to assist with the economic analysis.

Economic evaluation assumed the FY2022 Aeris assumed gold price of USD$1720/oz at USD:AUD 0.775, or AUD$2200/oz.

Breakeven cut off grades are used as guidance in the economic analysis. Estimated breakeven cut-off grades for June 2021 are;

- Assume total site costs including administration, sustaining and some capital project costs = 2.7g/t
- Assume exclusion of administration costs =2.5g/t
- Assume exclusion of administration and sustaining capital = 2.3g/t

The average mining and mine maintenance cost is $107/t. However, this cost varies significantly between mining areas. Mining designs are completed and then mining costs are estimated for each mining area as part of the economic evaluation. The variance in mining cost contributes most of the variance in the actual cut-off grade for individual mining areas.

The results of the economic evaluation on individual mining areas shows a median actual cut-off grade of approximately 2.5g/t gold.

The deposits contain silver at marginally commercial grades. Silver grades tend to follow gold grades in a ration of 0.5g silver per 1g gold. The low relative value of silver in ore means that gold grade alone is considered sufficient as the cut-off grade criteria.

3.4 ORE RESERVE MODIFYING FACTORS

Modifying factors to account for dilution and ore loss are applied in the estimate of Ore Reserve. Factors are applied as a percentage of the raw tonnage and metal content of the stope design. The factors vary with the size and design of the stope.

- Dilution in stopes varies from 5% to 20% manually allocated to each stope. Narrow stopes are allocated higher rates of dilution. Dilution material is assumed to have no gold content.
- Dilution in development is 10%.
- Ore recovery is 95% from stopes, 100% from development. There is no loss of broken ore in loading from the relatively narrow stopes mined at Cracow.
- Minimum stope mining width of 1.5m is assumed. Mineral Resource that is narrower is bulked out to the minimum mining width in the stope design. The dilution included in the stope design volume may contain gold where it has been interpolated in the Mineral Resource model.

Proved and Probable stopes are assigned the same dilution and ore loss factors. There is not sufficient evidence to vary the factors according to category.

3.5 RECONCILIATION DATA

Reconciliation of actual mined stopes and ore development for the year ended June 30th 2021, indicates the Ore Reserve estimates have been reasonable. Mill production was a blend of new mined ore and treatment of low-grade stockpile ore, so the reconciled production includes assumptions regards the allocation of gold ounces to each source. The 2021 reconciliation result is similar to the experience over recent years.

The Mineral Resource modelling technique and modifying factors applied in the Ore Reserve estimate for the June 2021 report are very similar to those used in the previous estimate. The reconciliation results support the continued use of similar techniques and factors.

Table 1 Reconciliation data UG Mine Production 12 months to end June 2021

	Ore Ktonne	Au g/t	Au contained Oz
Mine claim using stope survey and geology model	554	4.08	72,668
Reconciled mill production	545	4.48	78,449

Table 2, Historical reconciliation data; actual against mine claim grade

Period	Mill Grade Au g/t	Mine claim Au g/t	% Difference
FY2018 2nd half	5.66	5.50	+3
FY2019 full year	4.78	4.85	-1
FY2020 1st half	5.55	5.94	-7

4 ORE PROCESSING

The Cracow gold mine processing plant uses cyanide to leach gold from the ore in a conventional carbon in pulp process. Three-stage crushing is followed by two stages of grinding before leaching and carbon absorption. The Cracow ore processing circuit is conventional carbon in pulp (CIP) gold plant. It has operated continuously since 2004, achieving consistent gold recovery in the 90% to 94% range at throughput rates up to 650k tonne per annum. Capacity is a nominal 80 tonne per operating hour on ore with good materials handling character, (i.e. not sticky or highly viscous).

Metallurgy test work database information gives the following average gold recovery by deposit.

- BAZ 92.8%
- Coronation 94%
- Griffin 92.9%

- Imperial 83.2%
- Kilarney 93.3%
- Sterling 95.1%

A new tailing storage facility has been constructed in 2021. This facility will be commissioned in early FY2022. It has sufficient capacity to hold the estimated Ore Reserve.

5 MINERAL RESOURCE ESTIMATE

5.1 RESULTS

The Mineral Resource estimate reference date is June 30th 2021. The Cracow gold deposits have been mined and the Mineral Resource depleted since the previous public report.

Table 3 Classified Mineral Resource for the Cracow gold deposits at June 30th 2021 [1,2,3,4]

Resource Category	Tonne (kt)	Au (g/t)	Contained Au (koz)	Ag (g/t)	Contained Ag (koz)
Measured	200	9.1	59	5.7	37
Indicated	1,400	3.7	170	3.1	140
Total M&I	**1,600**	**4.3**	**230**	**3.4**	**180**
Inferred	2,300	2.3	170	1.5	111
Total	**3,900**	**3.1**	**390**	**2.3**	**290**

1. Mineral Resources are quoted as INCLUSIVE of Ore Reserve.
2. Mineral Resource is reported at a 1.5 g/t Au cut-off grade.
3. Discrepancy in summation may occur due to rounding.
4. Estimate is constrained by the survey stope and development positions for Cracow as at June 30th 2021.

5.2 CHANGE FROM PREVIOUS PUBLIC REPORT

Material changes to the Cracow Mineral Resource from the previous reporting period include mine depletion, updated geological models for several deposits, additions from resource definition drilling and a change in the reporting methodology. The updated Mineral Resource has led to an approximate 1,560 Ktonne and 90 Kounce increase in Total Mineral Resource. The increased Mineral Resource Inventory is primarily associated with a change in the reporting methodology. For each mineralised lode, Mineral Resource is reported from within 1.5 g/t Au cut-off bounding grade shells. This differs from previous reporting criteria which used conceptual stope shapes to report within each deposit.

Resource definition drill programs during the year have resulted in a modest increase in the reported Mineral Resource Inventory. These increases are in addition to those from the change in methodology but hard to identify as separate inventory.

The mine depletion of the Mineral Resource totals approximately 630 Ktonnes and includes mined and sterilisation volumes. Mineral Resource depletion exceeds the depletion of Ore Reserve because mining often extends into the Mineral Resource areas that had not been included in the prior Ore Reserve estimate.

Mine production in the reporting period from June 2020 to June 2021 was approximately 554 Ktonne at 4.08 g/t gold for 73 Kounces contained gold. This production depleted the Mineral Resource. Net depletion of the Mineral Resource is different from mine production due to the combined impact of dilution and ore loss during mining as well as variation between estimated and actual Mineral Resource.

Table 4 Change in the reported Tritton Mineral Resource since previous public report[1,2,3,4]

Estimate	Resource Category	Tonne (kt)	Au (g/t)	Contained Au (koz)	Ag (g/t)	Contained Ag (koz)
June 2021	Measured	200	9.1	59	5.7	37
	Indicated	1,400	3.7	170	3.1	140
	Total M&I	**1,600**	**4.3**	**230**	**3.4**	**180**
	Inferred	2,300	2.3	170	1.5	111
	Total	**3,900**	**3.1**	**390**	**2.3**	**290**
June 2020	Measured	210	8.3	55	5.7	38
	Indicated	700	5.8	130	4.4	100
	Total M&I	**900**	**6.4**	**180**	**4.7**	**140**
	Inferred	1,400	2.5	110	1.6	72
	Total	**2,300**	**4.0**	**300**	**2.8**	**210**
difference	Measured	-10	0.8	4	0.0	-1
	Indicated	700	-2.1	40	-1.3	40
	Total M&I	**700**	**-2.0**	**50**	**-1.3**	**40**
	Inferred	900	-0.2	60	0.0	39
	Total	**1,600**	**-0.9**	**90**	**-0.4**	**80**

1. Mineral Resources are quoted as INCLUSIVE of Ore Reserve.
2. Mineral Resource is reported 1.5 g/t Au cut-off grade.
3. Discrepancy in summation may occur due to rounding.
4. Estimate is constrained by the survey stope and development positions for Cracow as at June 30th 2021.

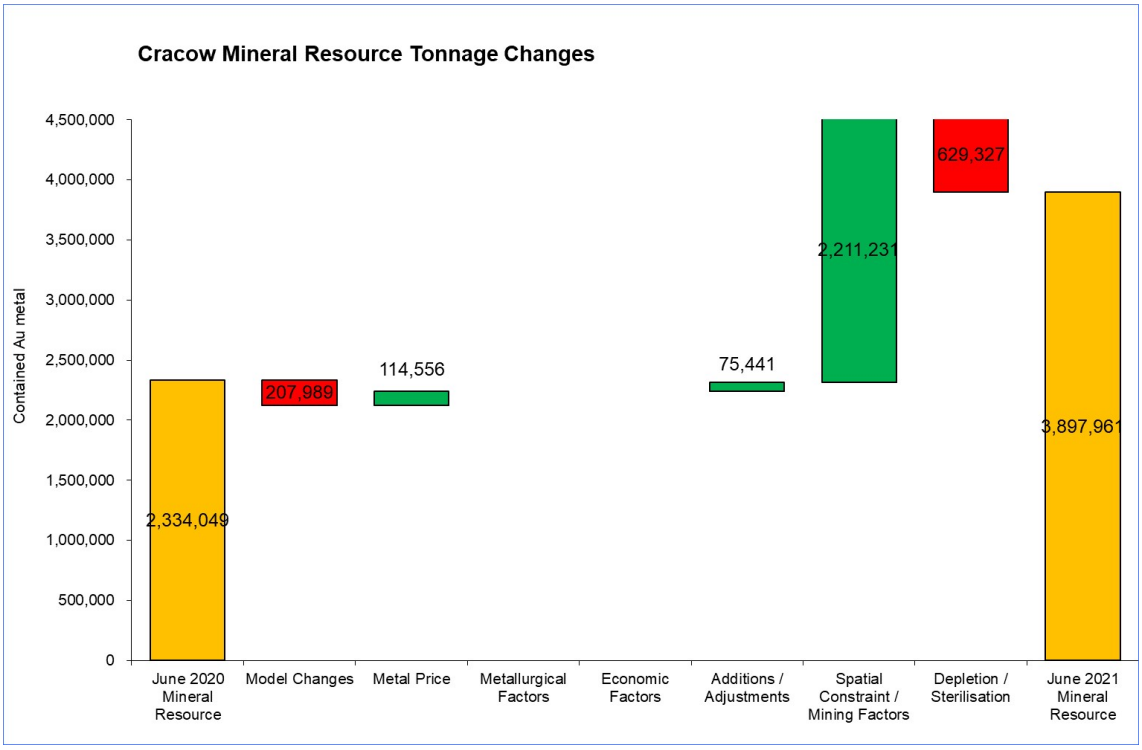


Figure 11 Tonnage changes between the June 2020 and June 2021 Cracow reported figures. Figures are reported from raw data and rounded to nearest 1kt.

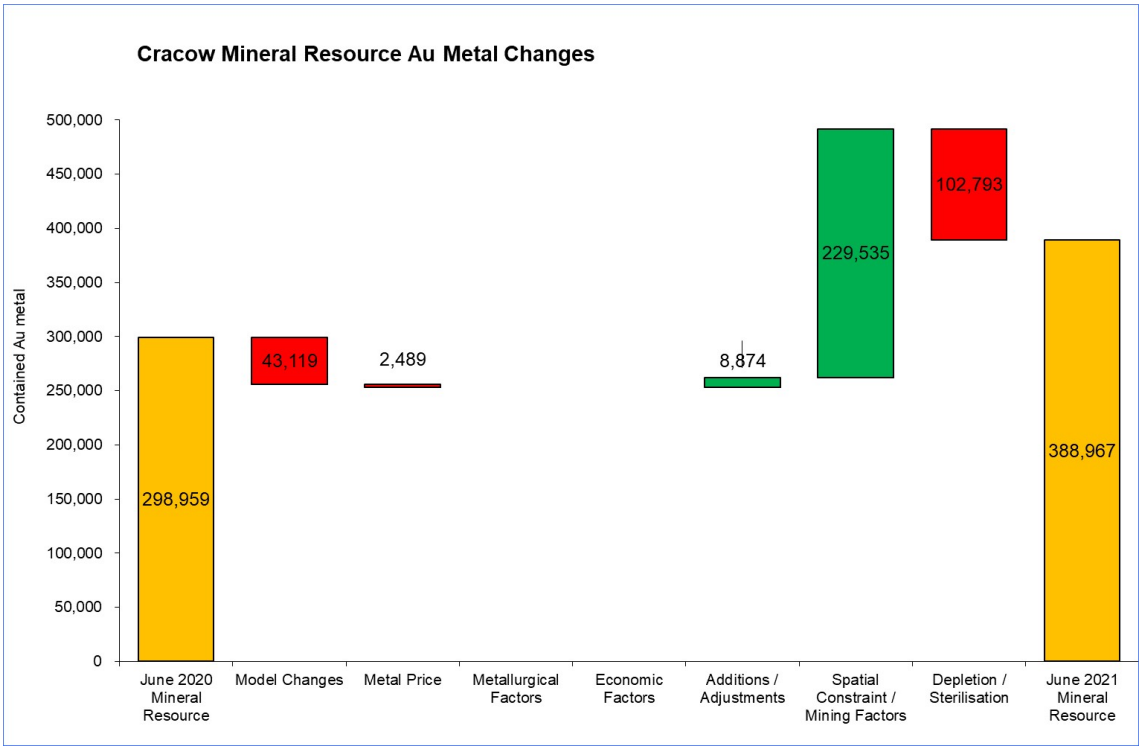


Figure 12 Gold grade changes between the June 2020 and June 2021 Cracow reported figures. Figures are reported from raw data and rounded to nearest 1 koz Au.

5.3 STATEMENT OF COMPLIANCE WITH JORC CODE REPORTING

This Mineral Resource statement has been compiled in accordance with the guidelines defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

5.3.1 Competent Person Statement

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 and consents to the inclusion in the Report of the matters based on his information in the form and context in which it appears. Mr Cox is a full time employee of Aeris Resources Limited.

Mr Cox 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 Cox is entitled to 1,836,725 Performance Rights issued under the Company's equity incentive plan (details of which were contained in the Notice of Annual General Meeting dated 20 October 2020). The vesting of these Performance Rights is subject to certain performance and employment criteria being met.

I verify that the Cracow deposits Mineral Resource section of this report is based on and fairly and accurately reflects in the form and context in which it appears, the information in my supporting documentation relating to Mineral Resources.

5.3.2 Competent Person Consent

With respect to the sections of this report for which I am responsible – Mineral Resource estimate - I consent to the release of the Cracow gold deposits Mineral Resources and Ore Reserves Statement as at June 30th 2021 by the directors of Aeris Resources Limited.

Signature of Competent Person Brad Cox, AusIMM member 220544 	**Date** 3rd August 2021
Signature of Witness 	**Witness Name and Address** Dane van Heerden Brisbane

5.4 JORC CODE, 2012 EDITION – TABLE 1 REPORT: CRACOW GOLD DEPOSITS MINERAL RESOURCE

5.4.1 Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	Commentary
Sampling techniques	1. Numerous sample types were collected at Cracow and used in mineral resource estimations. Predominately these were diamond drill core, rock chip (hammer collection of development face samples) and reverse circulation (RC). All diamond core is aligned, measured and metre marked. All underground face samples are digitally photographed with face positions measured from survey control points and survey pickups. Underground cross cuts are not digitally photographed however their positions are referenced from survey control points. 2. Sample intervals for drill core and face samples were determined by visual logging of lithology type, veining style/intensity and alteration style/intensity to ensure a representative sample was taken. In addition, sampling is completed across the full width of mineralisation. Minimum (0.4m) and maximum (1.2m) sample intervals were applied using this framework. RC samples were collected on 1m intervals. No instruments or tools requiring calibration were used as part of the sampling process. 3. Industry-standard procedures were followed with no significant coarse gold issues influencing sampling protocols. Nominal 3 kg samples from face sampling and drilling are subsampled to produce a 50g sample submitted for fire assay.
Drilling techniques	1. A combination of drilling techniques were used across the Cracow Lodes. RC (face sampling bit), diamond HQ/NQ (triple tube and standard) and LTK60 were the most commonly used. A small number of the HQ and NQ holes were orientated. Recording of the size of hole, or if the hole was drilled by diamond or RC techniques was sometimes missing in the older data (pre 2010). This uncertainty in the input data was considered when assigning resource categories.
Drill sample recovery	1. Drill core – the measurement of length drilled versus length of core recovered was completed for each drilled run by the drill crew. This was recorded on a core loss block placed in the core tray for any loss identified. Marking up of the core by the geological team then checked and confirmed these core blocks, and any additional core loss was recorded and blocks inserted to ensure this data was captured. Any areas containing core loss were logged using the lithology code “Core Loss” in the lithology field of the database. 2. RC Chip Samples – RC samples were not weighed at Cracow, so a determination on sample recovery was not completed . The drill crew recorded any underground voids they encountered to ensure lack of sample return was not confused with sample loss. These areas were coded “Void” in the lithology field of the database. Due to the small amount of samples that the RC samples contributed to the resource estimations at Cracow, this approach to sample recovery assessment is considered sufficient 3. Sample loss at Cracow was calculated at less than 1% and was not considered an issue. Washing away of sample by the drilling fluid in clay or fault gouge material is the main cause of sample loss. In areas identified as having lithologies susceptible

Criteria	Commentary
	to sample loss, drilling practices and down-hole fluids were modified to reduce or eliminate sample loss. 4. The drilling contract at Cracow states for any given run, a level of recovery is required otherwise financial penalties are applied to the drill contractor. This ensures sample recovery is prioritised along with production performance. 5. Mineralisation at Cracow is within quartz-carbonate fissure veins, and therefore sample loss rarely occurs in lode material. No relationship between sample recovery and grade was observed.
Logging	1. Geological logging was undertaken onsite by Aeris employees and less frequently by external contractors. Logging was completed using LogChief Software and uploaded directly to the database. A standard for logging at Cracow was set by the Core Logging Procedure Cracow Procedures Manual 3rd Edition. Diamond drill core is logged recording lithology, alteration, veining, mineral sulphides and geotechnical data. RC chip logging captured the same data with the exclusion of geotechnical information. 2. Some historical data used at Cracow did not include lithological or geotechnical data. These holes are from Klondyke (35% of data), Roses Pride (17% of data), Royal (0.1% of data) and Sovereign (0.1% of data) lodes. Resource categorisation takes into account the quality and quantity of the data logged. 3. Logging was qualitative. All drill core, RC chips and underground faces that were sampled over the last 5+ years have been photographed. Core and RC chips were photographed wet using a camera stand and an information board to ensure a consistent standard of photography and relevant information was captured. 4. All core and RC chip samples collected were fully logged, except those previously noted at Klondyke and Roses Pride.
Sub-sampling techniques and sample preparation	1. Surface and underground drill core, was halved using an automatic core saw, with one half dispatched for analysis and the other half retained. All underground LTK60 was whole core sampled, with a small number of underground NQ holes whole core sampled. Since July 2020 all underground resource definition drilling was NQ and whole core sampled. 2. The practice onsite for the collection of RC samples was for a 7-1 split to be taken at the drill rig using a riffle splitter. The moisture condition of the sample was not captured. Given the small proportion of RC samples used in the mineral resource (1% of the Roses Pride data, 7% of the Klondyke data, 0.1% of the Royal data and 0.1% of the Sovereign data) this was considered acceptable. 3. Whole/half core samples were crushed in a jaw crusher to > 70% passing 2mm; half of this material was split with a riffle splitter for pulverising. No RC samples required crushing in the jaw crusher. Core and RC samples were pulverised for 10-14 minutes in a LM5 bowl with a target of 85% passing 75µm. Grind checks were undertaken nominally every 20 samples. From this material, approximately 120g was scooped for further analysis and the remaining material was re-bagged. Duplicates were performed on batches processed by ALS every 20 samples at both the crushing and pulverising stages. This sample preparation for drill samples is considered appropriate for the style of mineralisation at Cracow. 4. Sample preparation for rock chip face samples was conducted at the Cracow onsite laboratory. Samples were crushed in a jaw crusher to 100% passing 5mm; this material was then split with a riffle splitter and pulverised for 4 minutes in a LM2 bowl, with a target of 85% passing 75 µm. From this material, 100g was collected with a scoop and packaged for transport to ALS Townsville.

Criteria	Commentary
	5. Duplicates were performed on batches processed by ALS Brisbane every 20 samples at both the crushing and pulverising stages. 6. Grind checks were undertaken nominally for every 20 samples to ensure the sample grind target of 85% passing 75µm was met. Duplicates were completed every 20 samples at both the crushing and pulverising stages, with no bias found at any sub-sampling stage. 7. Drill core was not orientated prior to cutting, as sample bias from non-orientation of the core is considered minimal in respect to mineralisation at Cracow. 8. Drill Core – infrequently the remnant half core samples were quarter core sampled for confirmation of assay results. This was either sent to the same laboratory that assayed the original half core sample or to an umpire laboratory. The majority of samples were whole core sampled to ensure the entire sample stream was cut to give the most representative drill sample possible. Traditionally this practice of quarter coring decreases as the individual ore bodies mature, and results indicated that the sub-sampling of the whole core is appropriate for the Cracow Lodes. 9. RC - Field duplicates were collected directly from the splitter every 20 samples. 10. The sample size collected is considered to be appropriate for the size and characteristics of the gold mineralisation style being sampled. 11. The Assay Lab contract was awarded to SGS in May 2021. Sample preparation methods remain the same.
Quality of assay data and laboratory tests	1. Sample Analyses - The samples were analysed by 50g fire assay for Au with atomic absorption (AAS) finish and was performed at ALS Townsville. For Ag an aqua regia digest with AAS finish was completed, also at ALS Townsville. 2. The external assay lab contract was awarded to SGS in May 2021; analysis methods remain the same 3. An analytical duplicate was performed every 20 samples, aligned in sequence with the crushing and pulverising duplicates. The Fire Assay Method is a total technique. 4. No other instruments that required calibration were used for analysis to complement the assaying at Cracow. 5. Fourteen externally certified standards at a suitable range of gold grades (including blanks) were inserted at a minimum rate of 1:20 with each sample submission. All non-conforming results were investigated and verified prior to acceptance of the assay data. Results that did not conform to the QAQC protocols were not used in resource estimations. 6. Monthly QAQC reports were produced to watch for any trends or issues with bias, precision and accuracy. 7. An inspection of both the preparation lab in Brisbane and the assay lab in Townsville was conducted in December 2017 by Cracow personnel. 8. Underground development face samples were analysed at the Cracow site laboratory using 25g aqua regia acid digest. The addition of a 45ml nitric acid and 90ml hydrochloric acid solution is then heated to 160 degrees celsius for 90 minutes. The sample is then cooled and decanted prior to AAS. 9. It is recognised that aqua regia is a partial digest analysis method. A selection of pulp residues from the Cracow Lab are sent to ALS/SGS for Fire Assay analysis, with the results compared to determine the suitability of including the underground face samples in the model.

Criteria	Commentary
Verification of sampling and assaying	1. Verification of assay results has been standard practice, undertaken at a minimum once per year. In 2021, no external umpire sampling was completed. 2. The drilling of twin holes wasn't common practice at Cracow. However, twin holes that have been drilled show the tenor of mineralisation within the reportable domains were consistent between twin holes. 3. All sample information was stored using Datashed, an SQL database. The software contains a number of features to ensure data integrity. These include (but not limited to) not allowing overlapping sample intervals, restrictions on entered into certain fields and restrictions on what actions can be performed in the database based on the individual user. Data entry to Datashed was undertaken through a combination of site-specific electronic data-entry sheets, synchronisation from Logchief and upload of .csv files. 4. No adjustments are made to the finalised assay data received from the laboratory.
Location of data points	1. The position of surface holes was determined by differential GPS or handheld GPS. 2. Underground drill hole positions were determined by traversing using Leica TS15 Viva survey instrument (theodolite) in the local Klondyke mine grid. 3. Downhole surveys were captured by an Eastman camera for older holes and a Reflex camera for recent holes. 4. The underground development face sample positions were determined by the distance (measured from a laser-distometer) to the face from a surveyed point in the drive. 5. Mine workings (drives and stopes) used for resource depletions were surveyed using either the Lecia TS15 Viva or an Optek Cavity Monitoring System (CMS) for stopes. 6. The mine coordinate system at Cracow is named the Klondyke Mine Grid, which transforms to MGA94 Grid and is created and maintained by onsite registered surveyors. 7. The Roses Pride and Klondyke mineralisation is located in close proximity to the surface, requiring a Topography wireframe/dtm. The topography wireframe was generated by the survey department from Airborne Laser Scan and ground surveying methods.
Data spacing and distribution	1. Exploration results are not being reported. 2. Sample spacing and distribution were deemed sufficient for resource estimation. 3. Spacing and distribution varied from closely spaced 4m x 16m face samples in ore drives through to a range of drill patterns: 20x20, 40x40x and 80x80. 4. The sample spacing required for the resource category of each ore body is unique and may not fit the idealised spacing indicated above. 5. All datasets were composited prior to estimation. The most frequent interval length was 1m, particularly inside and around mineralised zones. Sample intervals for most domains were composited to 1m, with a maximum sample length of no greater than 1.2m and a minimum sample interval of 0.4m. 6. A small number of lodes utilised a 1.5m composite as was appropriate for the sample set for those deposits.

Criteria	Commentary
Orientation of data in relation to geological structure	1. Sample bias from non-orientation of the core is considered minimal in respect to mineralisation at Cracow. Not all core was orientated prior to cutting; however, the core that was orientated was cut vertically along the bottom of the hole as indicated by the orientation line. 2. Drill holes were designed to ensure the angles of the sample intersection with the mineralisation was as perpendicular as possible. Where a poor intersection angle of individual holes locally distorted the interpreted mineralisation, these holes may not have been used to generate the wireframe. On most occasions, the grade from these holes was still used in the estimation by "hardcoding" the domain code to the drill-hole file. Any bias that was introduced by these holes was contained by the estimation and search ellipse parameters; however, in extreme cases, holes were removed from the estimation completely. A list of removed and hard-coded holes is included in the individual model report.
Sample security	1. All staff undergo police clearances, are instructed on relevant JORC 2012 requirements and assaying is completed by registered laboratories. 2. The core was transported by a private contractor by truck to the assay laboratories. 3. Face samples remain on-site and are transported by site personnel at the end of the shift.
Audits or reviews	1. An inspection of the sample preparation facility in Brisbane and the fire assay laboratory in Townsville was conducted by Cracow personnel in December 2017. No major issues were found.

5.4.2 Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	Commentary
Database integrity	1. All sample data used in the estimation was stored in the site Datashed database. User groups were assigned for various staff, dictating what changes to the database can be made. Restricted access was in place for most of these users to ensure that any changes were controlled. 2. The site Datashed database has several validation checks. For example, no overlapping data intervals, no duplicate records, collar surveys required, data lengths cannot exceed maximum hole depth and sample numbers from an assay file must match exactly the sample numbers of a drill hole. 3. All holes and face samples are checked for correct collar coordinates, downhole surveys and excessive downhole deviations. 4. During resource wireframe interpretation, holes were checked against surrounding holes to confirm geology logging and assay values. 5. All holes and faces are photographed to confirm correct geology logging and sample assay.
Site visits	1. The competent person for Cracow is based in Brisbane and conducts regular (quarterly) site visits to Cracow to oversee all

Criteria	Commentary
	interpretation and estimation on the resource models.
Geological interpretation	1. The low sulphidation epithermal veins of the western portion of the Cracow Field have been mined since 2005. Extensive mapping and modelling of development was undertaken from the commencement of mining and was incorporated into the current geological interpretation. Controls and orientation of most of the different mineralised lodes are well understood; however, in cases of geological uncertainty, this was reflected in the resource classification assigned to the area of the resource model. 2. Geological surfaces were interpreted using a combination of the drill hole and face sampling data and underground mapping. Three-dimensional surfaces were created using Datamine V3 and Vulcan software. 3. As the Cracow mineralisation occurs in discrete structures, any change in either the interpreted orientation or grade continuity would impact the estimation methodology and the resulting estimate. No alternative interpretation of the mineralisation style or geometry was considered for Cracow. 4. As the mineralisation at Cracow is hosted by discrete structures, geology (lithology & vein percent) along with Au grade was the principle controls for domaining, and strongly influenced the estimation. Mineralised lodes were domained, and in some cases sub-domained, into various lithology-grade domains 5. Gold mineralisation at Cracow is located in shear hosted quartz-carbonate veining, with low-grade mineralisation in the wall rock. At Cracow, veins are found predominantly in andesitic lavas due to its brittle fracture qualities. Small scale lateral and vertical offsetting by faults has been observed at various locations. Rhyolite (rarely mineralised) and barren mafic dykes were recorded intruding and offsetting the veins. 6. Due to lowering the economic cut-off grade (~2.3g/t) the domaining constraints have been relaxed to allow for greater internal dilution to ensure that all economic material is captured.
Dimensions	1. The extents and variability of the mineralised structures is given in the table below.

Criteria	Commentary

Cracow Gold Mine December 2021 Resource Update			Ore Body Extents		
Ore Body	Domain	Length (m)	Height (m)	Thickness (m)	Mean Thickness (m)
Royal	z10	600	600	1-10	4.2
Crown	z10	500	450	1-10	4.8
Sovereign	z10	500	350	1-8	4
Kilkenny/Tipperary	z10	900	700	1-10	2.9
Roses Pride	z10	900	250	1-6	1.3
Phoenix	z10/11	300	300	1-6	1.8
Empire	z10	550	350	1-5	1.4
Griffin	z10	450	250	0.4-2	0.9
Klondyke	z10	450	350	1-5	1.7
Coronation	z10	360	350	1-3.5	1.5
Denmead	z10	300	400	0.4-3.5	1.5
Killarney	z11	200	300	1 - 3	1.5
Baz	z10	425	250	0.4-2	1
Imperial	z10	250	250	1-3	1.5

Estimation and modelling techniques	1. The estimations were performed using Datamine and Vulcan software. Ordinary Kriging was the preferred method of estimation used for Cracow resources. In some cases, other estimation techniques such as inverse distance were used. 2. Variograms were generated using the composited drill hole file in Snowdens Supervisor V8 or Vulcans Data Analyser. Search ellipses were orientated with the grade continuity as identified by the variography. 3. The treatment of extreme grade values is assessed using histogram distributions, log probability plots and CV. 4. Domaining criteria are discussed in the Geological Interpretation Section above. 5. Previous estimations of Cracow resources were compared against new models to measure the effect of additional data and changes in estimation parameters. 6. Comparisons between reconciled mine production and previous models were completed on a monthly basis. Any issues identified with this comparison were taken into account during subsequent resource updates. 7. Ag is estimated with Au as a by-product in the sale of gold doré and is estimated from its own composited data.

Criteria	Commentary

8. No deleterious elements were estimated or assumed.
9. Generally, block size is half the drill spacing. The average drill spacing and block size used for each deposit is summarised below.

Cracow Gold Mine June 2021 Resource Models		Block Size (m)		
Deposit	Average Drill Spacing	East	North	RL
Royal	20 x 20	4	4	18
Crown	30 x 30	5	5	10
Sovereign	30 x 30	5	5	10
Kilkenny / Tipperary	12.5 x 16	5	5	10
Roses Pride	20 x 20	5	10	10
Phoenix	30 x 30	5	5	5
Empire	20 x 20	5	10	10
Griffin	30 x 30	5	5	10
Klondyke	20 x 20	5	5	5
Coronation	20 x 20	10	10	10
Denmead	20 x 20	10	10	10
Killarney	20 x 20	10	10	10
Baz	20 x 20	10	10	10
Sterling	40 x 40	20	20	20

11. No selective mining units were assumed in this estimate.
12. A correlation was noted between Au and Ag grades; however it's not used in the resource estimate.
13. Blocks were generated in between the hanging-wall and footwall wireframe surfaces that defined each domain. Blocks within these domains were estimated using sample points located within the same domain. On occasion, a block was allowed to estimate using samples for a limited distance across a domain boundary. This was most common when sub-domaining within a particular structure.
14. Top cuts were applied to the data to control the influence of high grade Au and Ag values, interpreted as not representative of mineralisation. A combination of histograms, log probability plots, % step change in grades and the CoV was used to

Criteria	Commentary
	determine top cut values. The effect of the applied top cuts was reviewed in respect of the mean and CoV of the data. The model was validated by comparing statistics of the estimated block grade against the declustered composite sample data, visual inspection in Datamine and Vulcan of block grades to drill hole grades in plan/sectional views, and using swath plots. The model was also reconciled against production data.
Moisture	1. Tonnages are estimated on a dry basis.
Cut-off parameters	1. Based on mining and life of mine (LOM) assumptions, the cut-off grade for reporting purposes is 1.5 g/t Au. 2. No cut-off grade was applied to the stockpile material, including the IO dump material. This is a low-grade surface dump in close proximity to the Cracow mill.
Mining factors or assumptions	1. Mining of the Cracow mineralised lodes commenced in 2004 using long-hole open stoping by mechanical mining methods. All deposits estimated in this report are amenable to this mining method.
Metallurgical factors or assumptions	1. Metallurgical studies and the ongoing milling of Cracow ore suggest that an average recovery between 90-95 % can be achieved.
Environmental factors or assumptions	1. The majority of waste rock is consumed underground as loose rock backfill of mined stopes. 2. Waste rock from development for use in building and extensions of tailings dams was sampled in drill core and once brought to surface, with the acid potential determined. Due to the low sulphide content and carbonate alteration of the barren andesite used for construction, the potential for acid mine drainage is minimal.
Bulk density	1. A combination of assumed and determined bulk density was used across the various resource models at Cracow. Collection of bulk density data from drill core was routine since 2012. Most lodes had an adequate number of bulk density samples, but some required estimation. Given the lithological similarities between the discrete mineralised lodes at Cracow and reconciliation with mine production, this is deemed acceptable. 2. Bulk density measurements taken from 2012 were calculated using a non-wax coated water immersion method. Testing to determine the suitability of bulk density method comparing wax coated, non-wax coated and picnometer was completed, with non-wax coated deemed appropriate. 3. All deposits are within “fresh” rock, and a single bulk density is applied within each domain based on samples collected. Differences in density between lode, halo and country rock were noted and designated as appropriate. 4. Little variation in density values within a domained lode was noted, with a single density value applied to each domain unique to each deposit.
Classification	1. Various drill space patterns were used for the same resource classifications across separate lodes due to comparative differences of the resource models. Resource categorisation was based on the confidence of the model, dependent but not limited to complexities relating to vein geometry, assay variability and faulting. 2. The assigning of resource classification was based primarily on a combination of drilling density.

Criteria	Commentary
	3. All relevant material factors for classification of Cracow's epithermal mineralisation was considered and deemed appropriate for the style of mineralisation. 4. The Competent Person considers the applied resource classifications to be appropriate.
Audits or reviews	1. An external audit of the Cracow Mineral Resource estimates and processes were undertaken by an independent external consultant in February 2014. No material changes in methodology of data collection, geological interpretation and estimation were undertaken post this period; therefore a review of the models by independent external consultants was deemed unnecessary. 2. Minor changes to domaining criteria and utilisation of the site assay laboratory have been implemented over the past 12 months. These have been reviewed by the Competent Person and are adequate to comply with reporting standards. 3. All models were audited and reviewed by Aeris Resources Geologists.
Discussion of relative accuracy/ confidence	1. The relative accuracy of the mineral resource estimate reflects the classification applied to the mineral resource. Reconciliation of the mineral resource estimate against production supports the classification. 2. The relative accuracy relates to the global mineral resource estimate. 3. Over the last 12 month period mine to mill reconciled tonnes are within 1.5% and Au grade within 10%. The Au grade discrepancy is attributed to the inclusion of IO stockpile material which uses a global average estimate and the inclusion of face sample data that have been assayed via aqua regia analysis. Aqua regia is a partial acid digest and does under-report the total Au grade by approximately 5%.

6 ORE RESERVE ESTIMATE

6.1 RESULTS

The Cracow Gold mine deposits Ore Reserve Estimate as at June 30th 2021 is reported in **Table 5**. It is reported according to JORC 2012 standard.

Table 5 Ore Reserve Estimate for Cracow gold deposits at June 30th 2021[1,2]

Category	K Tonne	Gold g/t	Gold kOz
Proved	172	4.9	27
Probable	519	3.8	63
Total	**690**	**4.1**	**90**

1. Ore Reserves are reported as INCLUSIVE of the supporting Mineral Resource estimate.
2. Discrepancies in summation will occur due to rounding.

6.2 CHANGES FROM PREVIOUS ESTIMATE

The Ore Reserve estimate presented in this report is an update that accounts for changes to the Mineral Resource estimate, including depletion due to mining in the year since the last report.

The Mineral Resource estimate has changed following receipt of drill hole information and assay data and a change in the cut-off grade policy. The significant change in Mineral Resource estimate has been an important influence on the 2021 Ore Reserve estimate. More areas surrounding the deposits have been made available for evaluation by engineers for possible inclusion in the Ore Reserve estimate.

Evaluation of the Measured and Indicated Mineral Resource for conversion to Ore Reserve is an ongoing process. Not all of the available Mineral Resource was evaluated in the reporting period. Mineral Resource estimates are constantly changing with ongoing exploration drilling. An Ore Reserve evaluation for a deposit or area of the mine will follow after revision of the Mineral Resource estimate. Not all areas were reviewed by the end of the reporting period.

Modifying factors applied for dilution and ore loss are selected following a review of production reconciliation data. The reconciliation indicates that the Ore Reserve estimate is within 5% of the reconciled mine production based on processing plant data. Reconciled ore production from the Cracow mine deposits in the year to June 2021, was 554 ktonne at 4.08g/t gold; 73k ounces of gold.

The previous Ore Reserve estimate was reported at June 30th 2020.

Table 6 Change in Ore Reserve estimate from prior report.

Estimate	Category	Tonne (k tonne)	Gold g/t	Gold kOz
June 2021	Proved	172	4.9	27
	Probable	519	3.8	63
	Total	**690**	**4.1**	**90**
June 2020	Proved	280	5.2	46
	Probable	270	4.9	43
	Total	**550**	**5.1**	**89**
Difference	***Proved***	***-106***	***-0.3***	***-19***
	Probable	***251***	***-1.2***	***20***
	Total	***145***	***-1.0***	***1***

1. Rounding of the sub categories of Proved and Probable can cause discrepancies in the summation.

Depletion of Ore Reserve due to mining in the past year is significantly lower than ore mined. This depletion is typical of Cracow gold mine. Actual mining will extract some material during the period not included in the Ore Reserve at the previous reporting period. This material will be mined during the year based on final

geology information from development mapping and sampling and detailed grade control drilling that may not have been available at the time of Ore Reserve estimation.

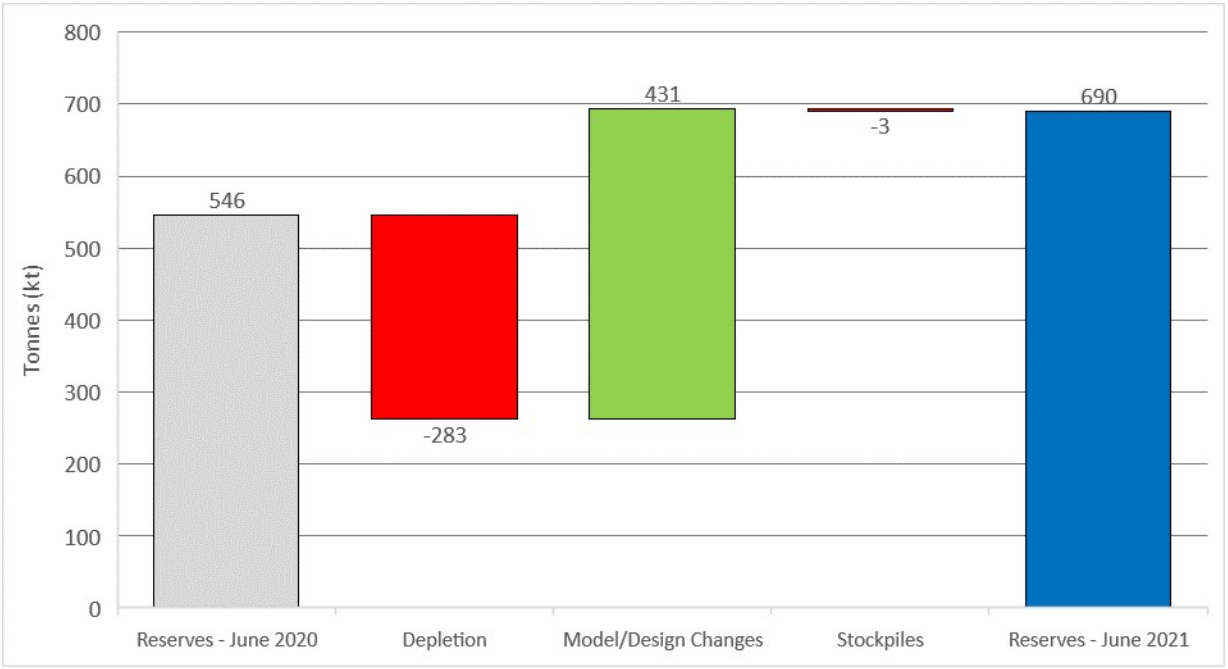


Figure 13 Change in Cracow gold mine deposits Ore Reserve tonnage June 2020 to June 2021.

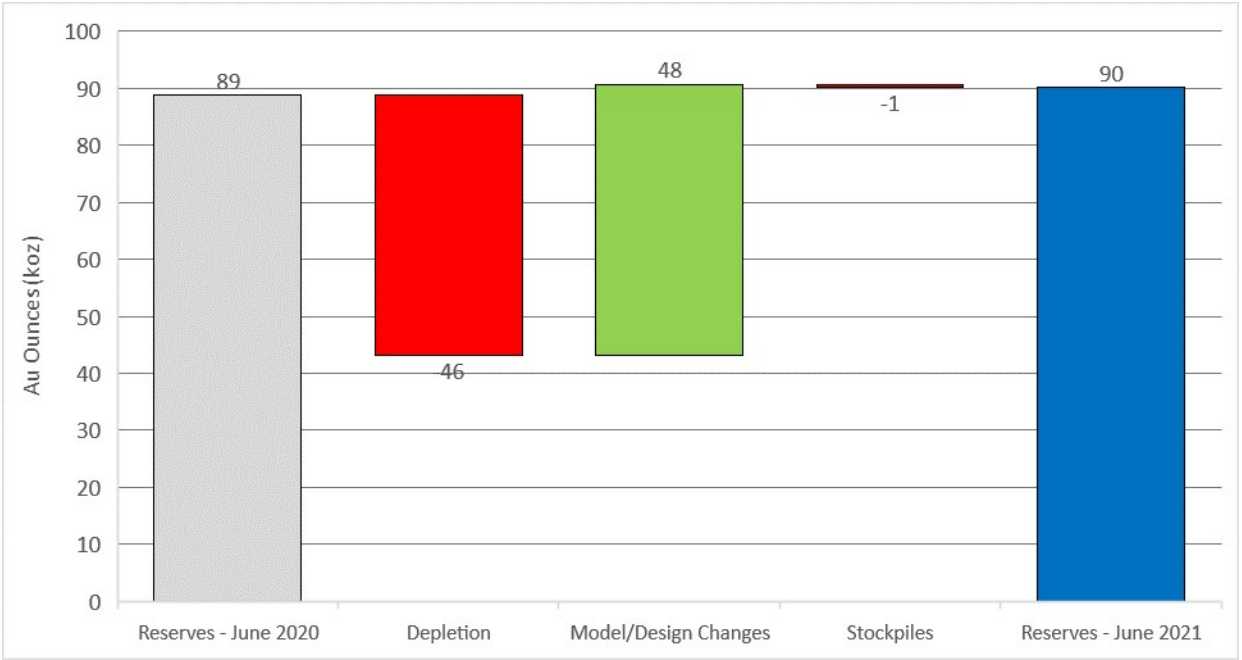


Figure 14 Change inCracow goldmine deposits Ore Reserve contained gold metal June 2020 to June 2021

6.3 STATEMENT OF COMPLIANCE WITH JORC CODE REPORTING

This Ore Reserve statement has been compiled in accordance with the guidelines defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

6.3.1 Competent Person Statement

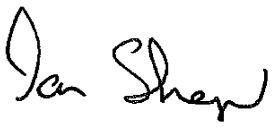
Mr Ian Sheppard confirms that he is the Competent Person for all the Ore Reserve estimates summarised in this Report and Mr Sheppard has read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 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 and consents to the inclusion in the Report of the matters based on his information in the form and context in which it appears. 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. Specifically, Mr Sheppard holds 12,118,137 shares in Aeris Resources Limited and is also entitled to 5,102,015 Performance Rights issued under the Company's equity incentive plan (details of which were contained in the Notice of Annual General Meeting dated 20 October 2020). The vesting of these Performance Rights is subject to certain performance and employment criteria being met.

I verify that the Ore Reserve section of this report is based on and fairly and accurately reflects in the form and context in which it appears the information in my supporting documentation relating to Ore Reserve estimate.

6.3.2 Competent Person Consent

With respect to the sections of this report for which I am responsible – Cracow gold mine deposits Ore Reserve estimate - I consent to the release of the Mineral Resources and Ore Reserves Statement at June 30th 2021 for Cracow gold deposits.

Signature of Competent Person Ian Sheppard Member No.105998 AusIMM 	Date 3rd August 2021
Signature of Witness 	Witness Name and Address Dane van Heerden Brisbane

6.4 EXPERT INPUT

A number of persons have contributed key inputs to the Ore Reserves determination. These are listed below.

In compiling the Ore Reserve the Competent Person has reviewed the supplied information for reasonableness but has relied on this advice and information to be correct.

Table 7 Expert contribution to Ore Reserve

Expert Person / Organisation	Area of Expertise
Brad Cox	Mineral Resource estimate, geology and resource estimating block model
Max McInnis	Mine design and economic evaluations

6.5 JORC CODE, 2012 EDITION – TABLE 1 REPORT: CRACOW GOLD DEPOSITS ORE RESERVE

Criteria	Commentary
Mineral Resource estimate for conversion to Ore Reserves	1. The Ore Reserve estimate is based on the June 30th 2021 Mineral Resource for Cracow Gold Deposits, estimated by a model for each deposit; • baz_gc_2105_meng.bmf (Baz deposit) • co2009_gc_mnw.bmf (Coronation deposit) • crn_rr_1912_meng.bmf (Crown deposit) • dn2008_gc_meng.bmf (Denmead deposit) • emp_rr_1912meng.bmf (Empire deposit) • grf_gc_2005_meng.bmf (Griffin deposit) • imp2005_gc_meng.bmf (Imperial deposit) • kk_gc_2103meng.bmf (Kilkenny and Tipperary deposits) • kll_gc_2105meng.bmf (Killarney deposit) • rk_rr_2011_mnw.bmf (Klondyke and Royal deposits) • ph_2012_rr_mnw.bmf (Phoenix deposit) • rp2009_gc_meng.bmf (Roses Pride deposit) • stl_2101_gc.bmf (sterling deposit) • sov_2103_gc.bmf (sovereign deposit) Mr. Brad Cox is the competent person responsible for Mineral Resource estimation. 2. Mineral Resources are quoted as INCLUSIVE of the Ore Reserve estimate.
Site visits	1. Mr. Ian Sheppard, competent person for the Cracow gold deposits Ore Reserve, has visited the Cracow gold mine on several occasions and is familiar with the mine conditions.
Study status	1. Cracow gold deposits Ore Reserve estimate is based on more than 20 years of mine production history, production budgets, and mine designs that in aggregate exceed the level of detail expected from a feasibility study. The mine budget and associated Life of Mine Plan demonstrate the technical and economic viability of mining the Ore Reserve.

Criteria	Commentary
	2. Modifying factors used in the conversion of Mineral Resource to Ore Reserve are based on reconciliation and observation of past mining and ore processing performance.
Cut-off parameters	1. The cut-off grade applied for Ore Reserve estimation varies between the deposits and may vary within the same deposit. Individual mining areas within a deposit are subjected to a high-level economic analysis to determine if they should be included as Ore Reserve. Stope design, capital and operating development design are completed for each mining area, mining costs estimated, and nominal profitability estimated. Profitable mining areas are included in the Ore Reserve estimate. 2. A cut-off grade of 2.5g/t gold is the median cut-off grade applied, resulting the economic analysis of induvial mining areas. This cut-off grade is used as first pass cut-off criteria to guide mine planning, but it is not an absolute nor final criteria. 3. Dilution and ore loss factors are applied to estimate the diluted stope grade in the economic analysis of each mining area. The diluted whole of stope grade is used for estimating revenue and costs. 4. Silver grades in the ore are of minor importance as an economic by-product. Gold and silver grades are moderately correlated. 5. Gold recovery varies between deposits. The variation is considered within the economic analysis.
Mining factors or assumptions	1. June 20211 Mineral Resources have been converted into estimates of underground Ore Reserve by a process of detailed stope and development design. The majority, but not all the Mineral Resource considered viable for conversion to Ore Reserve has been evaluated. 2. The Ore Reserve estimate reported is the compilation and summation of detailed design estimates completed for from all the deposits. Detailed estimates for individual deposits and mining areas within a deposit are not reported. 3. The mining method used at Cracow gold mine is underground mining with backfill. A variety of stoping methods are used. The most common method is bench stoping with dry backfill with an upwards extraction sequence known as modified avoca. The mining methods employed have been used with success for twenty years. 4. Geotechnical stability of the stope designs is based on stable span dimensions established over many years of operational experience with the use of dry fill. Detailed geotechnical stability analysis of individual stopes is not considered necessary for Ore Reserve reporting. Design parameters are: a. Minimum mining width = 1.5m. This width has been achieved utilising a zipper pattern. Widths equal to or greater than 1.8m are mined with dice five pattern and 64mm blastholes. b. Strike length = 20m. Strike lengths in excess of 20m have resulted in excess hanging wall dilution. c. Stope height = 15m. Varies between 12-20m based on ore drive length/location of level access within orebody.

Criteria	Commentary
	5. Stope shapes are based on drill design where available. Otherwise, Deswik mine design software routine Auto Stope Designer (ASD) is used in simple, single lode, narrow vein areas to generate stope design volumes. In more complex areas, (e.g. where there are multiple lodes), shapes are constructed with manually generated design cross section slices. 6. High level economic evaluation is completed within the Deswik mine design software package. A cost estimation model has been built within the Deswik environment to allow flexible and rapid economic evaluation. 7. Minable areas (panels) are defined for economic evaluation purposes. The dimensions are based on typical levels for Modified Avoca mining method of 20m vertical and stopes with 20m strike length. 8. Existing and planned extensions of the underground infrastructure for ventilation, egress, pumping, and access is suitable to support the extraction of the reported Ore Reserves. 9. Ore recovery and dilution factors vary with the stope size.

Stope size	Ore Recovery	Dilution
Less than 2000tonne	95%	20%
Between 2000 – 5000tonne	95%	10%
Greater than 5000tonne	95%	5%
Development drive in ore	100%	10%

	10. Inferred Mineral Resources may be included in the Life of Mine Plan for Cracow gold mine. The inclusion of Inferred Mineral Resource material does not affect the economic viability of the Ore Reserve. All Inferred Mineral Resource is schedule for production after the Ore Reserve is exhausted and does not impact the decision to mine the Ore Reserve material.
Metallurgical factors or assumptions	1. The Cracow gold mine ore is treated at the existing Cracow ore processing plant located close to the mine portal. Gold and silver metal are recovered to a dore by cyanide leach methods. 2. The cyanide treatment method is proved on Cracow gold ore.

Criteria	Commentary
	• Gold recoveries vary between deposits. Metallurgy reconciliation of actual plant performance and laboratory testing of samples from individual deposits has been used to estimate the gold recovery by deposit; • BAZ 92.8% • Coronation 94% • Griffin 92.9% • Imperial 83.2% • Kilarney 93.3% • Sterling 95.1%
Environmental	1. The Cracow gold mine has all environmental permits necessary to operate. 2. Tailing from Ore Reserve treatment will be disposed to the new Tailing Storage Facility No. 2, to be commission in August 2021. 3. Closure of the Cracow gold mine site will be required at the end of mine life. Draft mine closure plans have been prepared and these indicate that there is sufficient stockpiled waste and topsoil, or suitable materials can be harvested from the site to successful complete the required rehabilitation.
Infrastructure	1. The Cracow gold mine and ore processing site has all necessary infrastructure installed and operating. Infrastructure includes change facilities, offices, workshops, electrical power, water, and road access. Sufficient skilled labour is available in region to support the mine. A camp provides accommodation. Land from which the Cracow gold mine is accessed is a freehold lease owned by Lion Mining Pty Ltd.
Costs	1. Costs used for economic evaluation are based on actual experience between July 2020 and June 2021. Operating cost per tonne ore basis; Geology $9/t Mining $66/t Maintenance $32/t Processing operations $28/t Processing maintenance $11/t Administration $10/t Sustaining capital $10/t

Criteria	Commentary
	2. Capital costs for the Cracow gold mine include only sustaining capital for mine development, ventilation extension and mining equipment replacement. These costs are based on recent experience. Accuracy of the estimate is at feasibility study or better precision (± 15%). The sustaining capital expenditure schedules are included in the two-year operations budget. 3. Metal price assumptions for gold and silver are Aeris Resources corporate long-term assumptions derived from a variety of market sources – see next section. 4. Exchange rates used in the studies that support the Ore Reserve estimate are Aeris Resources corporate long-term assumptions derived from a variety of market sources – see next section. 5. Queensland government royalty of 5% is payable on revenue less deductible items. 6. Native Title royalty paid to the Wulli Wulli is based on tonnes processed.
Revenue factors	1. Cracow gold deposits Ore Reserve breakeven cut-off grade is calculated using the FY2022 Aeris Resources forward-looking economic assumptions regards metal price, exchange rate, refinery treatment, and product handling cost: It should be noted that the cut-off grade applied is not a breakeven grade. a. Gold price of USD$1720/oz b. Silver price of USD$25/oz c. AUD:USD exchange rate of 0.775 d. Gold transport and refinery charge of AUD$2/oz Under this range of economic assumptions and the estimated operating costs, the breakeven grade varies from; • 2.7g/t gold if full site costs are included • 2.3g/t gold if only operating costs are considered (site fixed administration cost and sustaining capital ignored) The cut-off grade policy applied in the estimate of Ore Reserves is based on economic evaluation of individual mining areas following stope and development designed and costs estimated. The policy is to keep reducing the cut-off grade in the Ore Reserve to progressively extend underground mine life provided the two-year budget estimates at least a cash breakeven position. Extension of mine life allows time for exploration success and retains optionality in the business.
Market assessment	1. There are no limits on gold sales.
Economic	1. The Cracow gold mine operating budget FY2022 and associated commercial model estimates a profitable operation over a two-year period. The FY2022 budget production schedule consumes the majority of the Ore Reserve. Hence the Ore Reserve is considered to be economic. Net Present Value estimation is not considered relevant for a short mine life.

Criteria	Commentary
	2. The Cracow gold mine is located on existing Mining Leases; ML3219, ML3221, ML3223, ML3224, ML3227, ML3228, ML3229, ML3230, ML3231, ML3232, ML3243, ML80024, ML80088, ML80089, ML80114, ML80120, ML80144. 3. The mine is fully permitted to operate.
Social	1. The Cracow gold mines are based in the small township of Cracow QLD. The nearest town of significant size is Theodore. Strong community support for the continued operation of the Cracow gold mine has been evidenced in regular community consultation sessions. There are no known objections from the community against the Cracow gold mine. Lion Mining Pty Ltd owns the land on which access to Cracow gold mine is located.
Other	1. No material natural risks have been identified for the Ore Reserves. 2. All necessary agreements are in place with the State of Queensland.
Classification	1. The Proved Ore Reserve estimate results from the conversion of Measured Mineral Resource. 2. The Probable Ore Reserve estimate results from the conversion of Indicated Mineral Resource and some Measured Mineral Resource. Small selected areas of Measured Resource have been converted to Probable Ore Reserve on the basis of risk associated with close proximity to old mine workings. 3. Classification of Ore Reserve where there is mixed Measured and Indicated Mineral Resource is based on the majority of metal. If the metal in a mining area or panel of stopes is more than 50% from Measured Resource then the panel is classified as Proven, else it is classified as Probable. Stope panels with more than 50% Inferred Mineral Resource are excluded from the Ore Reserve. The inclusion of small quantities of Inferred Mineral Resource results from this policy. The quantity of included Inferred Mineral Resource is not material. 4. The classification of the Ore Reserve as a combination of Proved and Probable is an appropriate reflection of the conditions in the Cracow gold mine in the opinion of the competent person, Mr Ian Sheppard.
Audits or reviews	1. No audits of this June 30th, 2021 Ore Reserve have been completed. Previous Ore Reserve estimates have been externally reviewed as part of requirements for the provision of finance, with no significant discrepancies found.

Criteria	Commentary
Discussion of relative accuracy/ confidence	1. For Cracow gold mine;

Criteria	Risk Rating	Comment
Mineral Resource estimate for conversion to Ore Reserves	Low	Reconciliation of the Mineral Resource and Ore Reserve shows a good correlation between actual and estimated; <5% difference on tonne, Au grade and contained Au metal for Proved Ore Reserve.
Classification	Low	All Probable Ore Reserve based on Indicated Mineral Resource. No complications from modifying factors.
Site visit	Low	Site visits completed. Cracow gold mine is an operating mine with near 20 years of production history.
Study status	Low	Ore Reserves are supported by the two-year budget that is higher precision than Feasibility Study.
Cut-off grade	High	Cut-off grade is sensitive to mine operating costs achieved and dilution in addition to the normal metal price volatility risk. The cut-off grade is not a breakeven grade. It is selected following economic studies that assume future metal prices.
Mining factors	Medium	Dilution and ore loss factors are derived from detailed stope review and reconciliation of actual to reserve estimates.
Metallurgy factors	Low	Cracow ore has been processed for 20 years achieving metal recoveries consistent with those assumed in the preparation of the Ore Reserve.
Environmental	Low	Located on existing Mining Lease with all approvals in place.
Infrastructure	Low	All required significant infrastructure is in place.
Costs	Low	Estimates are based on recent operating cost experience.
Revenue Factors	High	Gold metal price has high annual variability. Cracow gold mine cash margins after sustaining capital are moderate, and operations could be suspended during periods of extended low metal price.
Market assessment	Low	No limits on the sale of gold
Economics	High	Risk reflects the impact of metal price variability and the limited quantity of Ore Reserves to support sustaining capital. Dependent on expected exploration success in the discovery of new deposits and extensions of known deposits to support investment and extension of mine life.
Social	Low	The continued operation of the Cracow gold mine is strongly supported by the local community at Cracow and Theodore towns

End Report