

20 September 2019

SANDFIRE FARM-IN TO CASHMAN PROJECT, BRYAH BASIN

- **Sandfire Resources NL (ASX:SFR) has a right to earn a 70% interest in Auris' 100% owned Cashman tenements E51/1053 and E51/1120 on making a discovery of a minimum 50,000 tonnes contained copper (or metal equivalent) and completion of a feasibility study**
- **Sandfire must spend a minimum \$1.2 million on exploration within first 12 months and issue Auris 30,000 fully paid ordinary SFR shares - Auris retains a 30% free-carried interest until earn-in is completed**
- **Sandfire's extensive regional expertise and funding capacity provides accelerated pathway to potential discovery at the underexplored Cashman Project for Cu-Au VMS mineralisation**
- **Cashman Project is located in the Bryah Basin on the same stratigraphy that hosts the DeGrussa and Monty Cu-Au deposits**
- **RC drilling program to commence immediately testing MLEM and DHEM targets at "Orient" along strike from Cu-Au mineralisation and massive sulphides containing chalcopyrite intersected during previous drilling**
- **Additional to "Orient" the JV tenement package is in close proximity to the Cashman Cu-Au mine, Mikhaburra gold prospect and along strike of the Ruby Well gold prospect**

Australian base metals explorer **Auris Minerals Limited** ("**Auris**" or "**the Company**") (ASX: **AUR**) is pleased to advise that it has entered into a farm-in agreement ("**the Agreement**") with Sandfire Resources NL ("**Sandfire**" or "**SFR**") (ASX: **SFR**) to advance exploration at the Company's Cashman Project located in the Bryah Basin of Western Australia.

Under the terms of the Agreement, for Sandfire to earn 70% it must make a "Discovery" defined as a JORC 2012 compliant Mineral Resource of a minimum of 50,000t of contained copper (or metal equivalent), that has greater than 50% in the Indicated classification, ("**Discovery**") then Sandfire may thereafter complete a Feasibility Study on that Discovery.

Sandfire must incur a minimum exploration expenditure of \$1.2 million within the next 12 months on Auris' 100% owned Cashman Tenements E51/1053 and E51/1120 and issue Auris 30,000 fully paid ordinary Sandfire shares. Auris is free-carried up to completion of the earn-in at which time a Joint Venture ("**JV**") will be formed and Auris may contribute in proportion to its JV interest.

Management Commentary

Commenting on the agreement with Sandfire, Auris Chief Operating Officer, Mike Hendriks said:

“We are delighted to be partnering with Sandfire as they bring to the table significant technical expertise and funding power, that provides our shareholders with an accelerated pathway to a potential discovery.”

“Cashman is located in one of the more prospective Cu-Au regions in WA, and with multiple targets considered highly prospective for Cu-Au VMS mineralisation already identified, leveraging Sandfire’s wealth of technical knowledge and resources to expedite exploration is a highly strategic move.”

“Auris has an excellent working relationship with Sandfire through our existing Morck Well JV and this latest agreement is reflective of both the quality of exploration work completed to date and the potential upside this work has demonstrated.”

“With drilling due to commence immediately across a number of high priority targets at the Orient prospect, we look forward to reporting on exploration progress and results in due course.”

Cashman Project Overview

The Cashman Project is located 100km north of Meekatharra and 80kms southwest from Sandfire’s DeGrussa and Monty Cu-Au mines, Western Australia. This farm-in agreement is only the 100% owned tenements E51/1053 and E51/1120 marked in purple on Figure 1 below. The tenements are easily accessible via station roads and tracks from the Great Northern Highway and the Ashburton Downs Road.

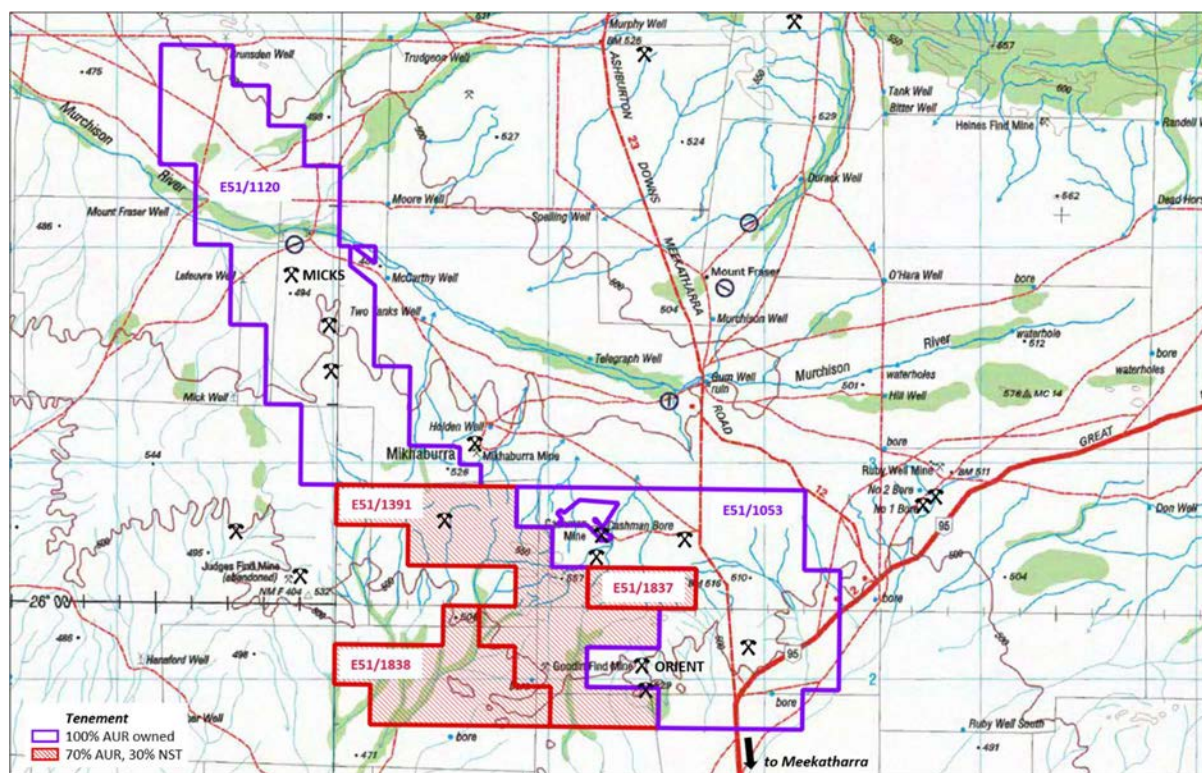


Figure 1. Project Location - Tenement E51/1120 and E51/1053 Auris Minerals, Tenements E51/1391, E51/1837 and E51/1838 70% Auris Minerals, 30% Northern Star Resources (ASX:NST)

The southern lease covers the most prospective VHMS unit – the Karalundi Formation (DeGrussa-host stratigraphy). Narracoota-Ravelstone contact may have potential for Horseshoe Lights style VHMS.

Copper and gold deposits and prospects in close proximity from the tenement package include Cashman Cu-Au mine, Mikhaburra gold prospect and along strike of Ruby Well gold prospect. The Orient Cu gossan consists of outcropping jasperoidal chert with visible malachite within the Karalundi Formation, with previous exploration returning rock chip results up to **12.8% Cu, 41.7g/t Au, 0.38% Zn, 0.35% Pb and 337ppm As** (Refer ASX Announcement 22 November 2017).

Previous drilling completed by Auris has identified a continuation of copper sulphides at depth below the gossan, with best results including (Refer ASX Announcement dated 8 November 2016);

OTRC004:

- **5m @ 0.86g/t Au from 96m**
- **5m @ 0.25% Cu from 101m**
- **16m @ 0.43% Zn from 101m**

OTRC006:

- **9m @ 0.34g/t Au, 0.16g/t Ag, 0.19% Cu from 294m incl. 1m @ 3.42g/t Au from 301m**

The anomalous results returned from OTRC004 are associated with three metres of massive sulphides containing chalcopyrite intersected from 103 metres. The massive sulphide mineralisation is associated with elevated values of copper, lead, zinc, gold, silver and arsenic which is typical of most VMS deposits. (Refer ASX Announcement dated 17 March 2016).

Several untested moving loop EM (MLEM) and down hole electromagnetic (DHEM), targets and Priority 1 VTEM targets occur along strike from Orient and will form the basis for the upcoming RC drilling program to be undertaken by SFR.

Cashman Drilling Program – Multiple Drill-Ready Targets Identified

Moving loop electromagnetic (MLEM) surveying was completed late 2018 to follow up and refine high priority airborne EM (VTEM) targets that were considered to be prospective Cu-Au VMS mineralisation within the Cashman Project.

A number of these VTEM targets are associated with anomalous geochemical signatures (surface geochemistry or shallow drilling).

Sandfire will commence an RC drilling program at the Cashman Project in the coming days testing MLEM and DHEM targets in the vicinity of "Orient" along strike from CU-AU mineralisation intersected during previous drilling. Following the initial RC drill program Sandfire will conduct a comprehensive exploration programme to systematically evaluate the prospective Karalundi and Naracoota formations on the farm-in tenement package.

For and on behalf of the Board.

Mike Hendriks
Chief Operating Officer
Ph: 08 6109 4333

SANDFIRE / AURIS FARM-IN AGREEMENT SUMMARY

Sandfire has the right to farm into two of the Company's Cashman's exploration tenements (Figure 1) located in the southern portion of the Bryah Basin, Western Australia. The key commercial terms are set out below.

Conditions Precedent

The Agreement is conditional upon:

- Any consent or approval required under the Mining Act 1978 ("First CP"). Each party shall use reasonable endeavours to procure each such consent; and
- Tenement E51/1053 being renewed within 6 months of the date of the Agreement ("Second CP").

Key Commercial Terms

- SFR must issue 30,000 fully paid ordinary SFR shares to Auris within 5 business days of the Second CP being met;
- SFR must incur a minimum of \$1.2 million on Exploration Expenditure in respect of the Tenements within 1 year after the date of the Agreement ("Minimum Expenditure");
- If a Discovery is defined and SFR completes a Feasibility Study on that Discovery, SFR will have the option to earn a 70% Interest in the Project;
- The Tenements must be kept in good standing at all times;
- If the Second CP is not met, Auris shall pay SFR 50% of the Exploration Expenditure incurred by SFR on the Tenements within 5 Business Days of receipt of a tax invoice.

Discovery & Joint Venture

- At the completion of the Minimum Spend, SFR may continue to sole fund exploration;
- If SFR defines a JORC 2012 compliant Mineral Resource of a minimum of 50,000t of contained copper (or metal equivalent), that has greater than 50% in the Indicated classification, ("Discovery") then SFR may thereafter complete a Feasibility Study on that Discovery;
- On completion of the Feasibility Study (i.e. the completion of a mine plan which is technically achievable and economically viable which would underpin progressing the Discovery to a decision to mine) SFR will have earned a 70% interest in the Project;
- SFR and Auris will form a joint venture for the exploration and evaluation of the Discovery ("Cashman Project Joint Venture");
- The participating interests of the parties in the Cashman Project Joint Venture and the Tenements the subject of the Cashman Project Joint Venture will be:
 - SFR - 70%; and
 - AUR - 30%.

Auris options

Once the Cashman Project Joint Venture is formed the Company has the following options:

- Contribute to Joint Venture expenditure (with standard dilution provisions, including if its interest dilutes to below 5% it converts to a 2% royalty);
- Elect for SFR to fund the Company to commercial production where SFR then moves to 75% interest and the Company has the following choices:
 - i. The cost of carrying to commercial production will be treated as a loan, repaid out of 80% of Auris' operational cashflow and subject to an interest rate of Libor +2%;
 - or
 - ii. The cost of carrying Auris to commercial production will be treated as a loan, repaid out of 100% of Auris' operational cashflow and is interest free.
- Sell its interest to SFR based on the average of two independent fair market valuations.

Term of Agreement

- If SFR has not made a Discovery on the Tenements within three years of its DeGrussa Operations going into care and maintenance, then, subject to the following, the Agreement lapses;
- If SFR has provided notification that Resource drilling on a deposit is underway at this time then the Agreement will remain on foot for an additional two years or until the Resource drilling is completed whichever is earlier. If such Resource drilling results in a Discovery, then SFR will thereafter complete a Feasibility Study within one year failing which its rights under the Agreement will lapse;
- If such Resource drilling does not result in a Discovery or the two-year period expires then SFR's rights under the Agreement will lapse;
- Notwithstanding the above if SFR has not earned a 70% interest under the Agreement within 10 years of the date of the Agreement then its rights under the Agreement will lapse.

ABOUT AURIS MINERALS LIMITED

Auris is exploring for base metals and gold in the Bryah Basin of Western Australia. Auris has consolidated a tenement portfolio of 1,520km², which is divided into seven well-defined project areas: Forrest, Cashman, Doolgunna, Morck Well, Feather Cap, Milgun and Horseshoe Well (Figure 2).

In February 2018, Auris entered a Farm-in Agreement with Sandfire Resources NL in relation to the Morck Well East and Doolgunna Projects which covers ~430km² (the Morck Well JV). During September 2019, Auris entered into a Farm-in with Sandfire Resources NL in relation to the Cashman Project tenements, E51/1053 and E51/1120, (the Cashman JV). Sandfire has the right to earn a 70% interest in the projects upon completion of a Feasibility Study on a discovery of not less than 50,000t contained copper (or metal equivalent). Auris manages exploration on all other tenements, including those that are subject to arrangements with third parties.

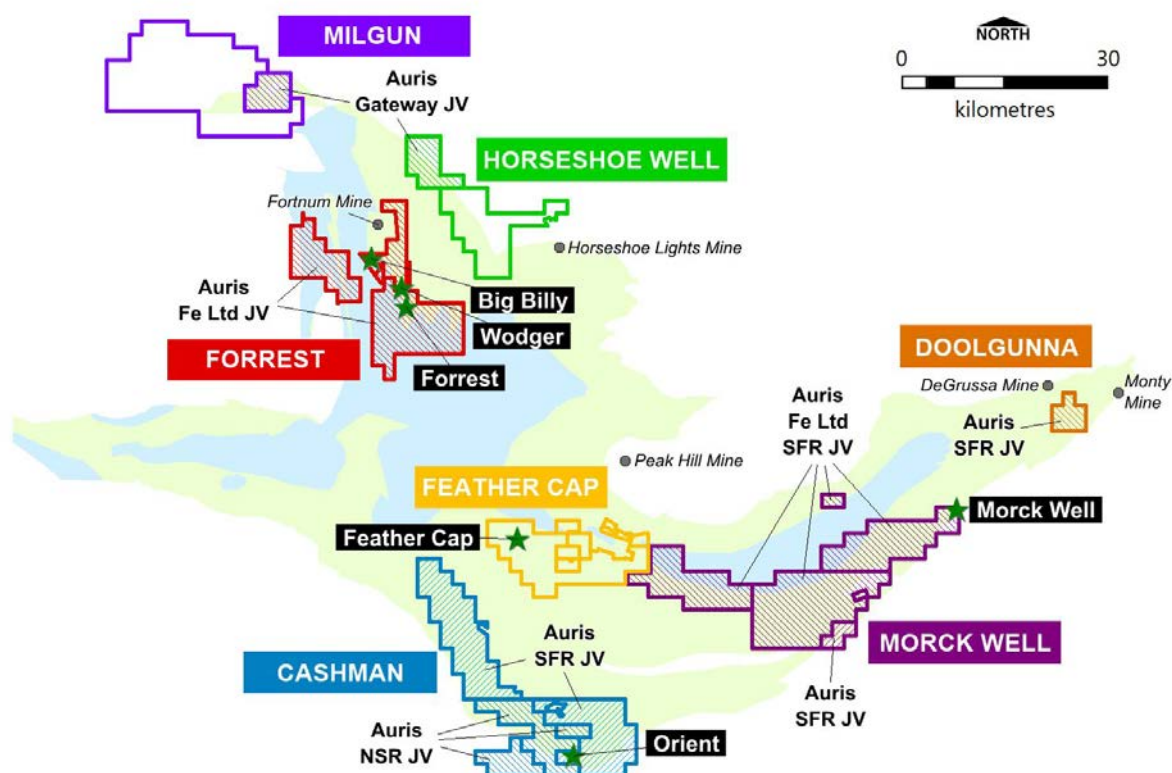


Figure 2: Auris' copper-gold exploration tenement portfolio, with Sandfire (SFR), Northern Star (NSR), Fe Ltd and OmniGeoX JV areas indicated

Notes:

- The Forrest Project tenements have the following outside interests:
 - Auris 80%; Fe Ltd 20% ((Fe Ltd (ASX:FEL) interest is free carried until a Decision to Mine)
 - Westgold Resources Ltd (ASX:WGX) own the gold rights over the Auris interest.
- The Cashman Project tenements E51/1391, E51/1837-38 have the following outside interests:
 - Auris 70%; Northern Star 30% (ASX:NST)
- The Horseshoe Well Project tenement E52/3291 has the following outside interests:
 - Auris 85%; Gateway Projects WA Pty Ltd (formerly OMNI Projects Pty Ltd) 15% (Gateway Projects free carried until a Decision to Mine)
- The Milgun Project tenement E52/3248 has the following outside interests:
 - Auris 85%; Gateway Projects WA Pty Ltd (formerly OMNI Projects Pty Ltd) 15% (Gateway Projects free carried until a Decision to Mine)

Competent Person's Statement

Information in this announcement that relates to exploration results is based on and fairly represents information and supporting documentation prepared and compiled by Mr Matthew Svensson, who is a Member of the Australian Institute of Geoscientists. Mr Svensson is a Consulting Geologist for Auris Minerals Limited. Mr Svensson has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking to qualify as a Competent Person, as defined in the 2012 Edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves. Mr Svensson consents to the inclusion in the announcement of the matters based on this information in the form and context in which it appears.

No New Information

Except where explicitly stated, this announcement contains references to prior exploration results and Mineral Resource estimates, all of which have been cross-referenced to previous market announcements made by the Company. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the results and/or estimates in the relevant market announcement continue to apply and have not materially changed.

Forward Looking Statements

This announcement has been prepared by Auris Minerals Limited. This document contains background information about Auris Minerals Limited and its related entities current at the date of this announcement. This is in summary form and does not purport to be all inclusive or complete. Recipients should conduct their own investigations and perform their own analysis in order to satisfy themselves as to the accuracy and completeness of the information, statements and opinions contained in this announcement. This announcement is for information purposes only. Neither this document nor the information contained in it constitutes an offer, invitation, solicitation or recommendation in relation to the purchase or sale of shares in any jurisdiction.

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