22 September 2017

Drilling Resumes at Walford Creek

Aeon Metals Limited

ABN 91 121 964 725

Level 7, 88 Pitt Street, Sydney,
NSW 2000, Australia

P.O. Box 8155, Gold Coast MC.
Qld 9726, Australia

P: +61 7 5574 3830
F: +61 7 5574 3568

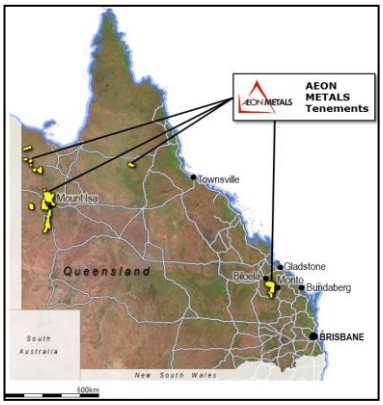
W: aeonmetals.com.au
E: info@aeonmetals.com.au

ASX Code - AML

Shares on Issue: 400m
Share Price: $0.14
Market Capitalisation: $56m
Cash (30 June 2017*): $1.9m

**Placement raised $5.5m 11 Aug 2017*

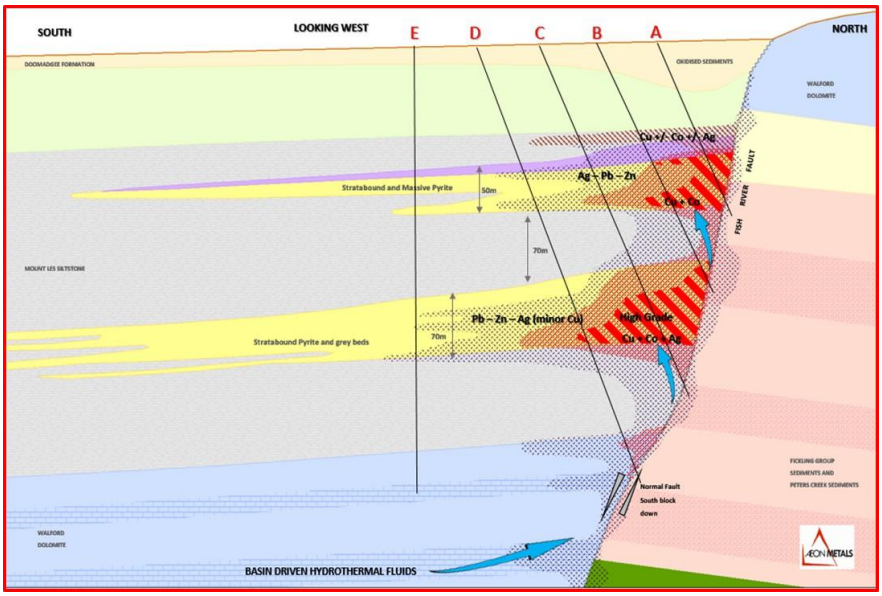
All mineral resources projects located in Queensland:



Aeon Metals Ltd ("Aeon" or "the Company") is pleased to advise that the second round of 2017 drilling at the Company's 100% owned Walford Creek Project has commenced. This drill program will continue until the beginning of the wet season which can start in November. Subject to this timing, approximately 2,500m of predominantly diamond core drilling is planned.

With the application of the Zambian Copperbelt style model announced in late July 2017, the focus of this second phase of 2017 drilling is to target the high grade copper-cobalt Py3 zone (from ~120m).

The diagram below is a cross section illustration of the geological formation the Company is drilling at Walford Creek, being a SEDEX style mineralisation, structurally controlled by the large Fish River Fault. See Appendix 2 for description of each conceptual "A, B, C, D, E" hole noting the "C" holes are the target holes for this program.



Aeon's Managing Director, Hamish Collins, said today:

"This current drill program is exciting as it is utilising the revised geological model to better target the high grade copper-cobalt PY3 mineralisation. Our Technical Team and Management believe that the Walford Creek Project is advancing towards a world class copper-cobalt project in both grade and scale."

For more information, please contact:

Hamish Collins
Managing Director

info@aeonmetals.com.au
www.aeonmetals.com.au

APPENDIX 1 - COMPETENT PERSONS STATEMENT

The information in this report that relates to Aeon Metals Limited's exploration results is based on information compiled by Mr Dan Johnson who is a Member of the Australian Institute of Geoscientists and who has sufficient experience 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 of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Dan Johnson is a full-time employee of Aeon Metals Limited and consents to the inclusion in the presentation of the exploration results including any Exploration Targets in the form and context in which they appear.

APPENDIX 2 – CONCEPTUAL HOLE DESCRIPTIONS

A. Shallow holes from 50m to 80m intercept both possible supergene mineralisation together with strong copper and cobalt mineralisation associated with the Py1 in close proximity to the Fish River Fault (FRF).

B. Drilled behind the shallow holes. These holes from 70m to 110m can still hit some good grade of both copper, cobalt and flanking lead and zinc in Py1 but can intercept the FRF above the high grade in Py3 (in the green siltstone) thus missing the best copper and cobalt zone.

C. These holes which can range from around 90m to 160m depth depending on depth to the Py1 and Py3 have been the holes which have recently targeted for potential bonanza style copper grades in the Py3 close to the FRF. Holes WFDD236 and WFDD238 are recent examples of the success of this deposit model targeting.

D. These holes have been typically from 150m to greater than 300m and can end up having no mineralisation associated with the Py1 and can still be too far from the FRF to successfully intercept the 'sweet spot' in the Py3.

E. Holes drilled too far from the FRF such as were many of the WMC vertical holes. These were drilled in part to test the SEDEX Ag-Pb-Zn model. Some angled holes were simply drilled too far south of the FRF.