



**WALFORD CREEK:  
A WORLD CLASS COPPER-COBALT PROJECT**

**FEBRUARY 2018**

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# COMPETENT PERSONS STATEMENT

The data in this report that relates to Mineral Resource Estimates for the Walford Creek Deposit and Vardy Zone Deposit is based on information evaluated by Mr Simon Tear who is a Member of The Australasian Institute of Mining and Metallurgy (MAAusIMM) 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 Competent Persons as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Tear is a Director of H&S Consultants Pty Ltd and he consents to the inclusion in the presentation of the Mineral Resources in the form and context in which they appear.

The information in this report that relates to Exploration Targets and Exploration Results for the Walford Creek Deposit and Vardy Zone Deposit is based on information compiled 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 and consents to the inclusion in the presentation of the Exploration Targets and Exploration Results in the form and context in which they appear.

# BOARD & MANAGEMENT TEAM AND CAPITAL STRUCTURE

<b>A\$0.25</b> SHARE PRICE <sup>1</sup>	<b>586M</b> SHARES OUTSTANDING	<b>A\$146M</b> MARKET CAP <sup>1</sup>	<b>A\$16.8M<sup>2</sup></b> CASH	<b>A\$15M</b> LIMITED RECOURSE VENDOR DEBT <sup>4</sup>
	<b>85M<sup>3</sup></b> VENDOR WARRANTS			



**CHAIRMAN, PAUL HARRIS**

25 years' experience in financial markets and resources investment banking. Previously MD, Head of Metals and Mining at Citi.



**MANAGING DIRECTOR, HAMISH COLLINS**

25 years' experience in mining industry and mining investment banking, including M&A and project financing.



**NON-EXEC DIRECTOR, STEPHEN LONERGAN**

More than 30 years involvement as director, legal counsel and/or company secretary for Australian and international mining companies. Mr Lonergan has been Company Secretary of Aeon Metals Limited since 28 September 2006.



**NON-EXEC DIRECTOR, IVAN WONG**

More than 25 years experience in running various businesses in Australia. Mr Wong has well established connections in China.



**EXPLORATION MANAGER, DAN JOHNSON**

More than 30 years experience in exploration management in Australia and overseas.

## Substantial Shareholders<sup>1</sup>

OCP Holdings	177,879,967	30.58%
Management & Board	23,918,939	4.08%
Bliss Investments	23,517,768	4.01%
Washington H Soul Pattinson	20,137,036	3.44%
Regal	19,512,197	3.33%
<b>Total Top 10</b>	<b>333,735,338</b>	<b>56.95%</b>

## Research Analysts

David Coates, Bell Potter	BUY	\$0.48
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1. As at 13 February 2018.  
 2. As at 31 December, 2017.  
 3. 85M with strike of \$0.16 for face value of ~\$13.6M. Expiry 17 Dec 2019  
 4. Approximate and inclusive of capitalised interest as per 31 Dec 2017. Due 17 Dec 2019

# A WORLD-CLASS COPPER-COBALT PROJECT

➔ 100% AML owned **Walford Creek Project**

➔ The highest grade significant cobalt deposit in Australia

## HISTORICAL DRILLING

▪ 1989-1996: WMC	93 holes (DD/RC)	= <b>16,100m</b>
▪ 2004-2006: Copper Strike	30 holes (RC)	= <b>3,500m</b>
▪ 2010-2012: Aston Metals	92 holes (DD/RC)	= <b>15,000m</b>
▪ 2014-2017: Aeon Metals	96 holes (DD/RC)	= <b>17,200m</b>

➔ January 2018 Resource upgrade reflecting refined geological model and all 2017 drill results.

➔ The **updated Resource<sup>1</sup> estimates underpin Walford Creek economic development** and has two components, namely a Copper Lode Resource and a Cobalt Peripheral Resource.

➔ **Copper Lode Resource** containing:

- **15.7Mt @ 1.24% Copper and 0.15% Cobalt** (also 0.98% Pb, 0.82% Zn and 34g/t Ag)

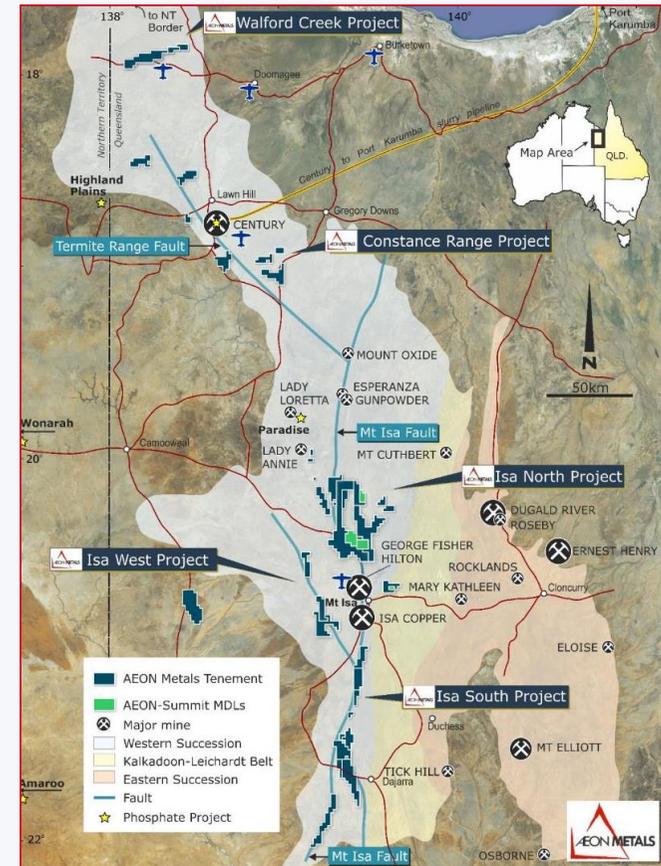
## AND

➔ **Cobalt Peripheral Resource** containing:

- **18.0Mt @ 0.11% Cobalt** (also 0.16% Cu, 1.03% Zn, 0.85% Pb and 22g/t Ag)

➔ 2018 drill campaign forecast to commence in April utilising 3 rigs to drill at least 30,000m:

- to advance the known mineralisation to development status; AND
- to test the +20kms of potential extension of the current Resources



1. See 24 January 2018 ASX announcement for Resource details. See Page 2 for competent persons statement.

# COPPER LODGE RESOURCE

## ➔ 15.7mt @ 1.24% Cu and 0.15% Co

- also 0.98% Pb, 0.82% Zn and 34g/t Ag

➔ Copper Lodge Resource determined utilising same ordinary kriging method with copper wireframes as Dec 2016 Vardy Resource

➔ Copper Lodge Resource within Vardy + Marley Zones

➔ Consistent with the revised geological model:

- copper close to fault within pyrite lenses;
- high grade copper-cobalt found within the PY3 unit; and
- the best copper-cobalt grades at the base of PY3 the unit

➔ 13.4mt @ 1.39% Cu and 0.16% Co utilising a 0.5% Cu cut-off

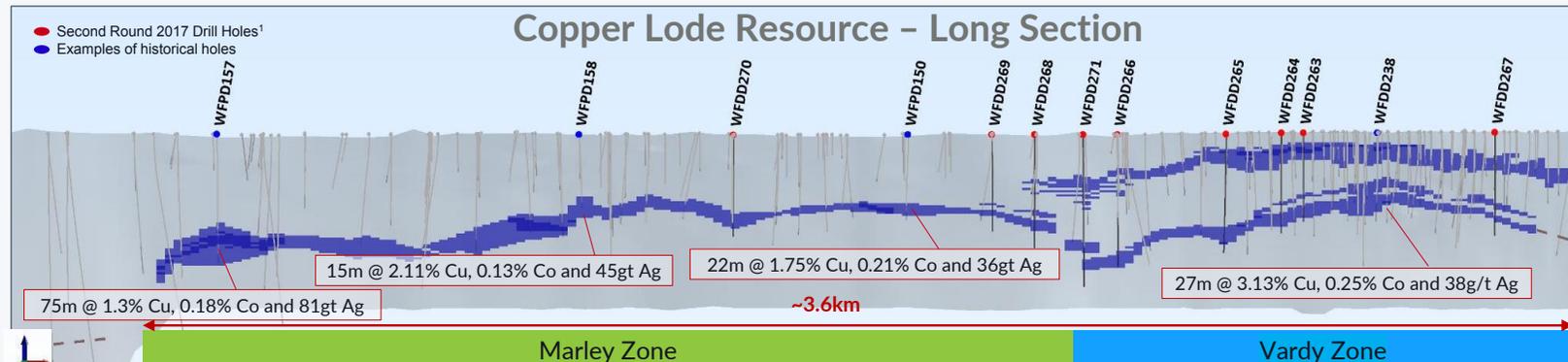
➔ ~3.6km of strike – open at both ends along strike

Category	Mt	Copper %	Lead %	Zinc %	Silver g/t	Cobalt %	Pyrite %
Measured	1.2	1.25	0.89	0.81	26.3	0.16	44.4
Indicated	3.8	1.19	0.69	0.88	23.6	0.14	41.4
Inferred	10.7	1.25	1.09	0.81	37.8	0.16	40.9
<b>Total</b>	<b>15.7</b>	<b>1.24</b>	<b>0.98</b>	<b>0.82</b>	<b>33.5</b>	<b>0.15</b>	<b>41.3</b>

(Minor rounding errors)

Category	Copper Kt	Lead Kt	Zinc Kt	Silver Mozs	Cobalt Kt	Pyrite Kt
Measured	14	10	9	1	2	509
Indicated	45	26	34	3	5	1,575
Inferred	134	118	86	13	17	4,396
<b>Total</b>	<b>194</b>	<b>154</b>	<b>129</b>	<b>17</b>	<b>24</b>	<b>6,480</b>

(Minor rounding errors)



1. See Appendix 1 for assay results

# COBALT PERIPHERAL RESOURCE

## ➔ 18.0mt @ 0.11% Co

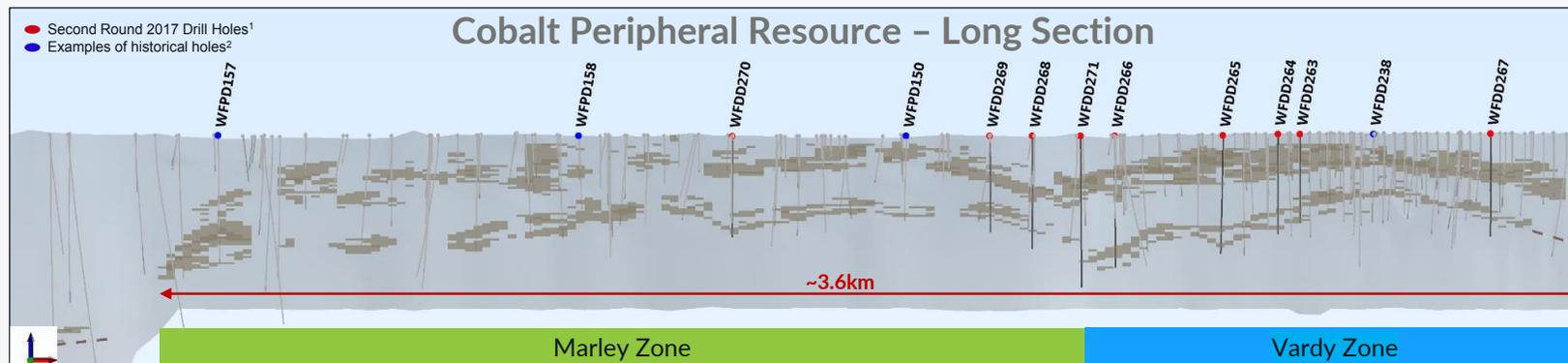
- Also 0.16% Cu, 1.03% Zn, 0.85% Pb and 22g/t Ag
- ➔ Cobalt Peripheral Resource additional to Copper Lode Resource
- ➔ Determined utilising cobalt wireframes outside the Copper Lode Resource at 600ppm cobalt cut-off.
- ➔ Consistent with the revised geological model:
  - Cobalt occurs with both (PY1 and PY3) pyrite lenses
  - mineralisation “flanking” Copper Lode Resource.
- ➔ ~3.6km of strike – open at both ends along strike

Category	Mt	Copper %	Lead %	Zinc %	Silver g/t	Cobalt %	Pyrite %
Measured	1.8	0.13	0.54	1.16	17.4	0.12	47.4
Indicated	6.5	0.17	0.66	1.13	17.8	0.1	39.5
Inferred	9.7	0.16	1.03	0.95	25.2	0.12	37.6
<b>Total</b>	<b>18</b>	<b>0.16</b>	<b>0.85</b>	<b>1.03</b>	<b>21.8</b>	<b>0.11</b>	<b>39.2</b>

(Minor rounding errors)

Category	Copper Kt	Lead Kt	Zinc Kt	Silver Mozs	Cobalt Kt	Pyrite Kt
Measured	2	10	21	1	2	853
Indicated	11	43	73	4	6	2,548
Inferred	16	100	92	8	11	3,645
<b>Total</b>	<b>30</b>	<b>152</b>	<b>186</b>	<b>13</b>	<b>20</b>	<b>7,046</b>

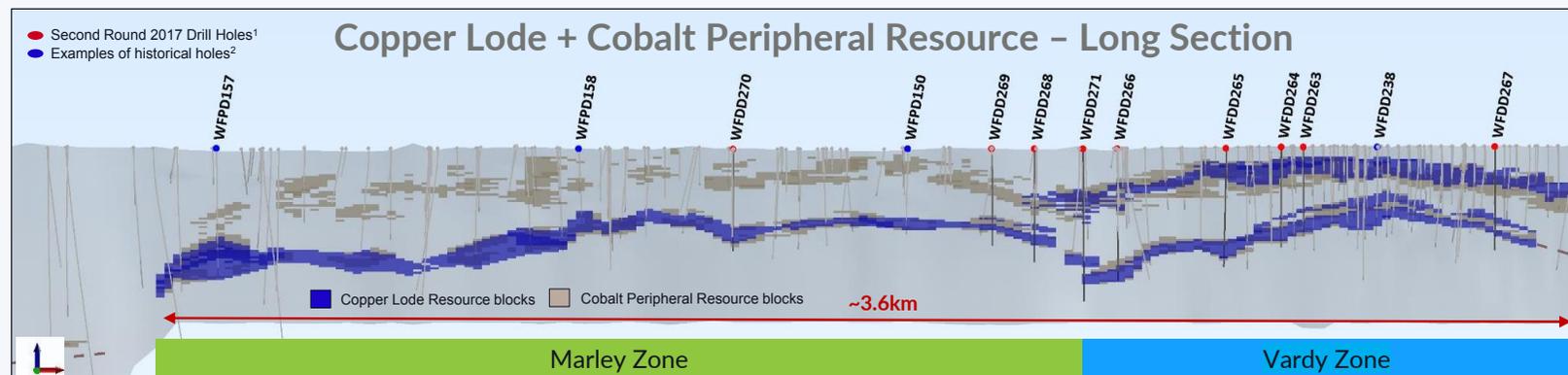
(Minor rounding errors)



1. See Appendix 1 for assay results
2. See pg 5 for assay results

# COPPER LODGE + COBALT PERIPHERAL RESOURCES

- ➔ Updated 2018 Resource estimates are a result of the 2017 drilling of 44 holes for 6,428m
  - 2018 estimates include total of **262** holes (Aeon and historical), mainly diamond core, for **+42,000m and 29,242 assays**
- ➔ **New higher grade 2018 Resource estimates underpinned by advanced geological and economic development parameters**
  - 2017 drilling determined refined geological model – **Zambian Copperbelt Style Geological Model**
  - Associated metallurgical parameters and 2018 testwork aligned with **primary production of copper and cobalt**.
    - ☐ Concentrator to produce a copper concentrate (and possible zinc concentrate)
    - ☐ Roaster to produce cobalt oxide
  - Economic drivers contained in Copper Lode and Cobalt Peripheral Resources

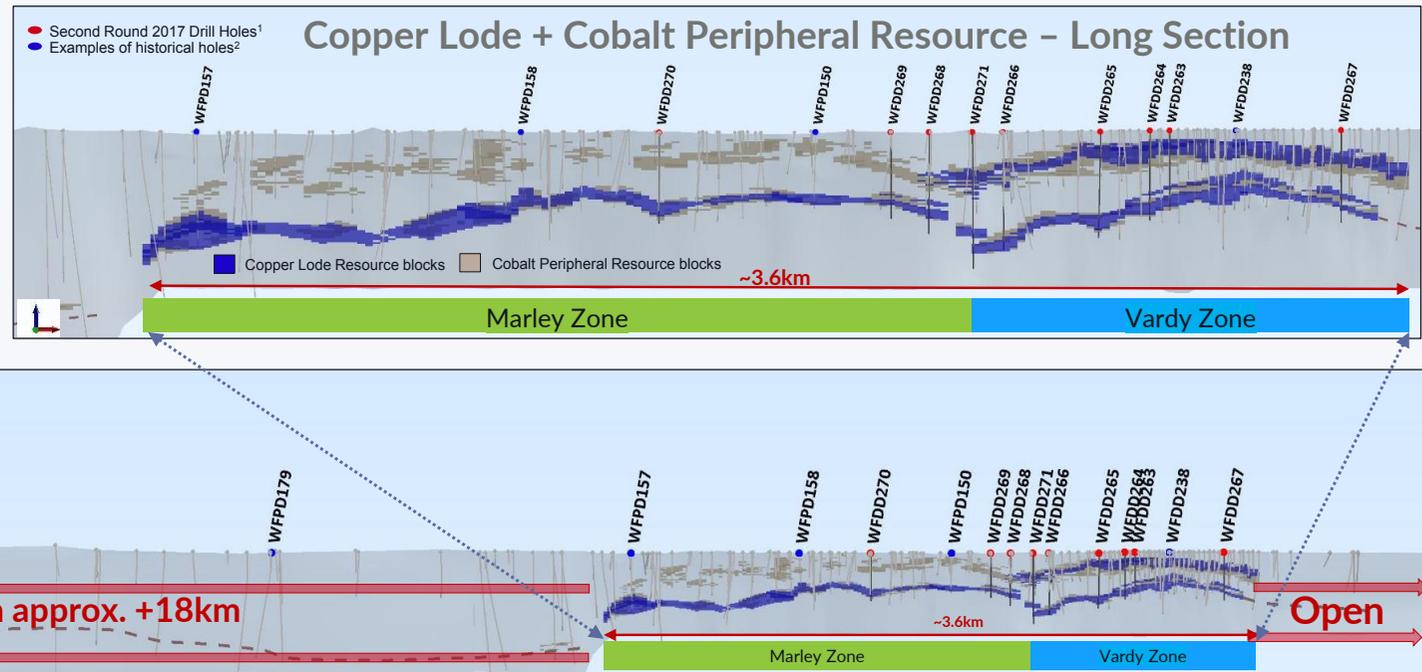


1. See Appendix 1 for assay results  
2. See pg 5 for assay results

# EXPLORATION UPSIDE

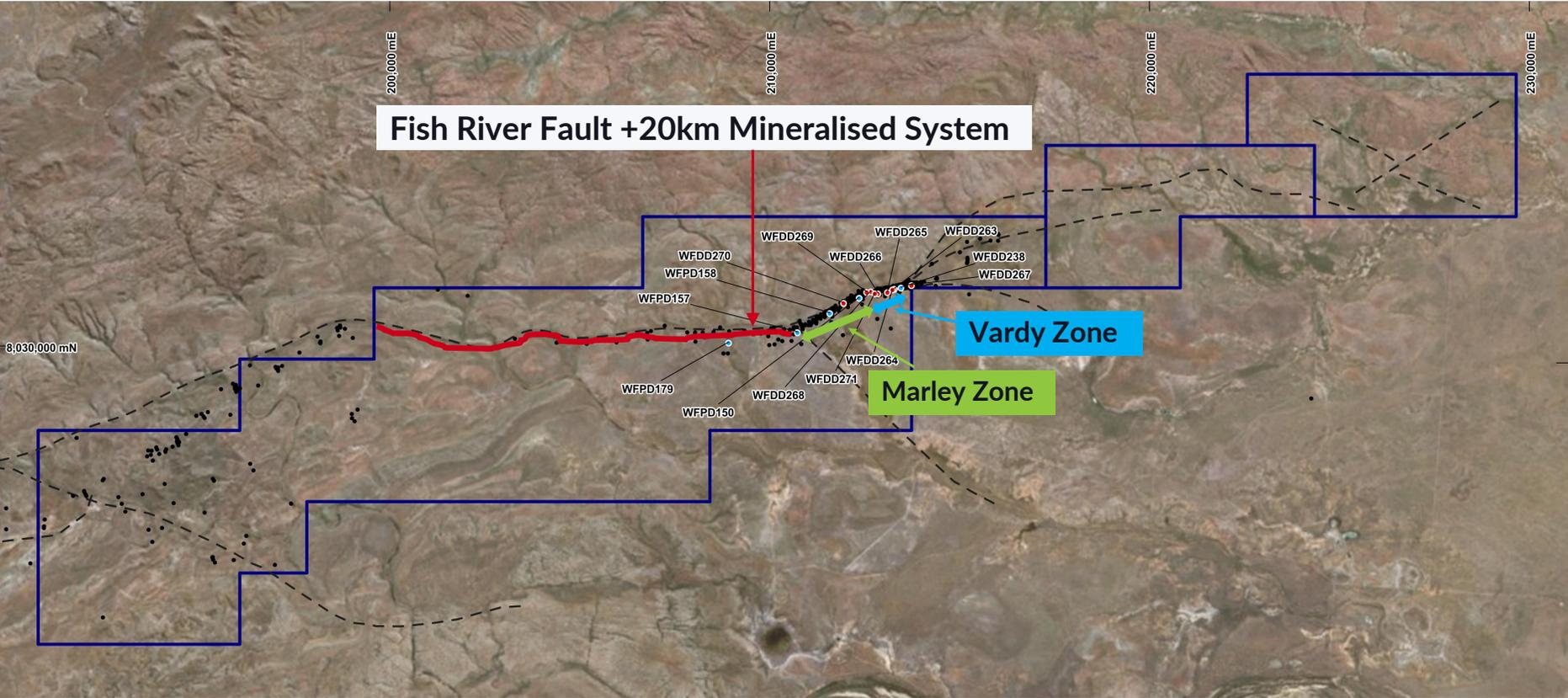
- ➔ Mineralisation is both **structurally and lithologically** controlled – Fish River Fault (FRF) and Pyrite Units (PY1 and PY3)
- ➔ Current JORC Resource defined along 3.6km strike length of the FRF zone
- ➔ FRF Zone (including Resource) extends for **+20km within the Walford Creek Project tenements**
- ➔ Along strike historical drilling sparse:

- Hole 179, ~1.7km along strike from Marley Zone, intersected 10m @ 6% Zn and 0.18% Co ~100m out from the FRF in PY1 unit, then significant Cu-Co was intersected in the top of the PY3 before the hole was truncated by the FRF.



1. See Appendix 1 for assay results  
 2. See pg 5 for assay results

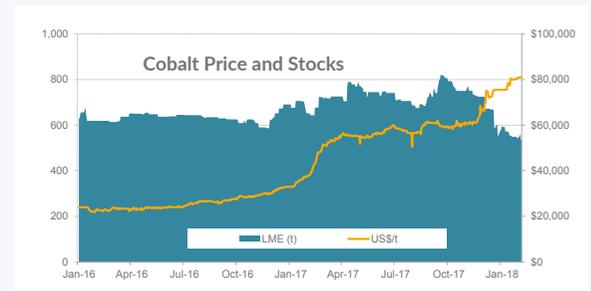
# WORLD CLASS MINERAL SYSTEM



# LEVERAGE TO BATTERY METALS GROWTH

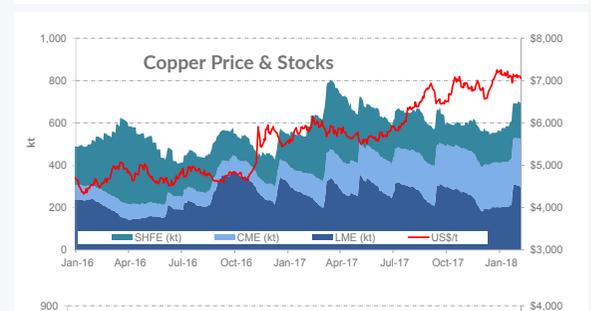
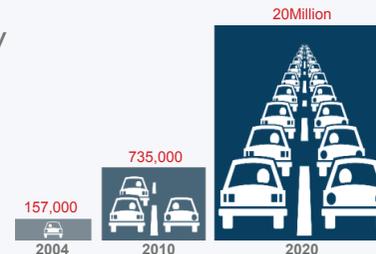
## COBALT

- Cobalt major input metal to rechargeable lithium-ion batteries for EV market
- Cobalt prices have risen 270% to about \$80,000/t since early 2016
- Global demand expected to exceed 100,000t in 2017 and forecast to increase by more than 30% in the next three years
- Batteries were 11% of Co consumption in 2002, now +40%



## COPPER

- Supply deficit looming with existing mines at full capacity
- China concentrate and scrap imports still rising
- Cars: combustion engine ~20kg/car vs EV ~60kg/car
- Grades declining and lack of new projects



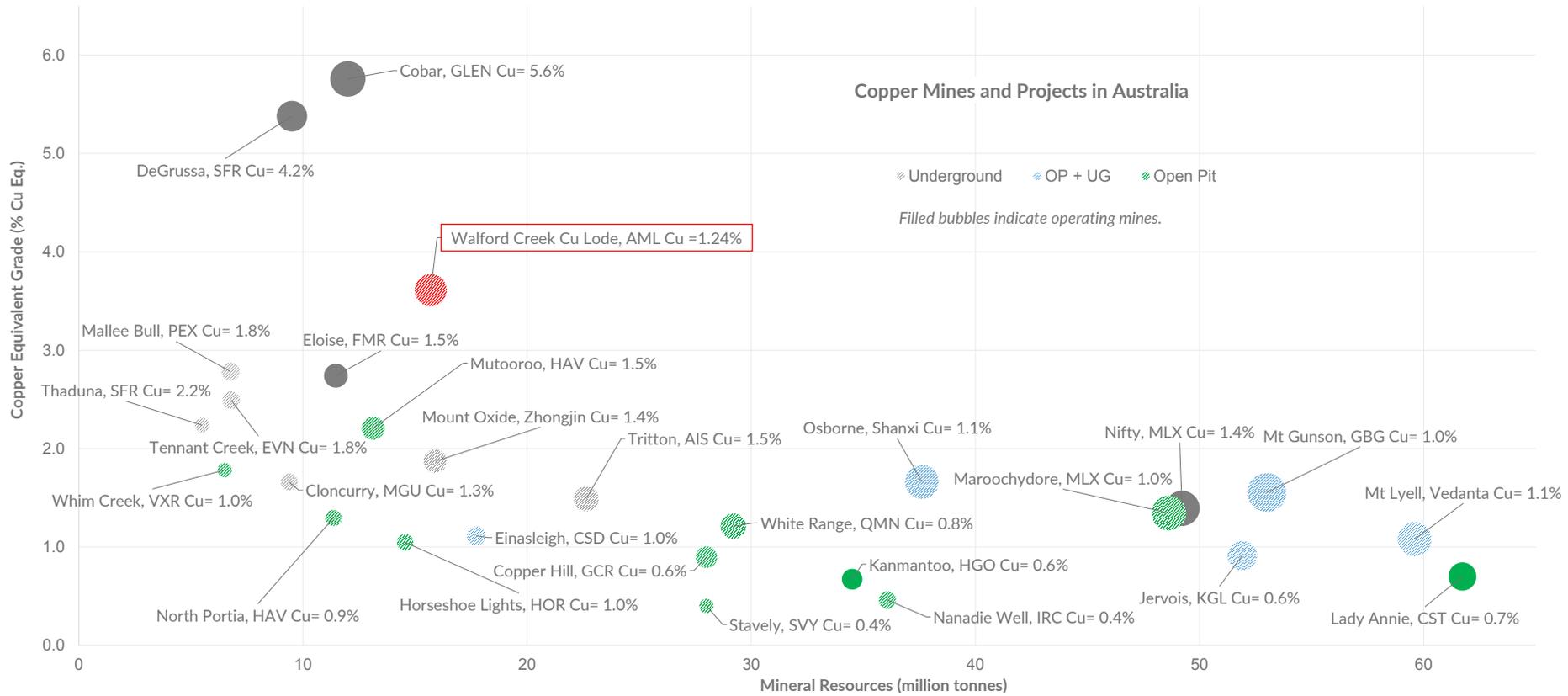
## ZINC

- Market in strong deficit due to recent large mine closures
- Inventories reaching historical lows putting upward pressure on prices
- Positive global macro factors (strong Purchasing Manager Indices)



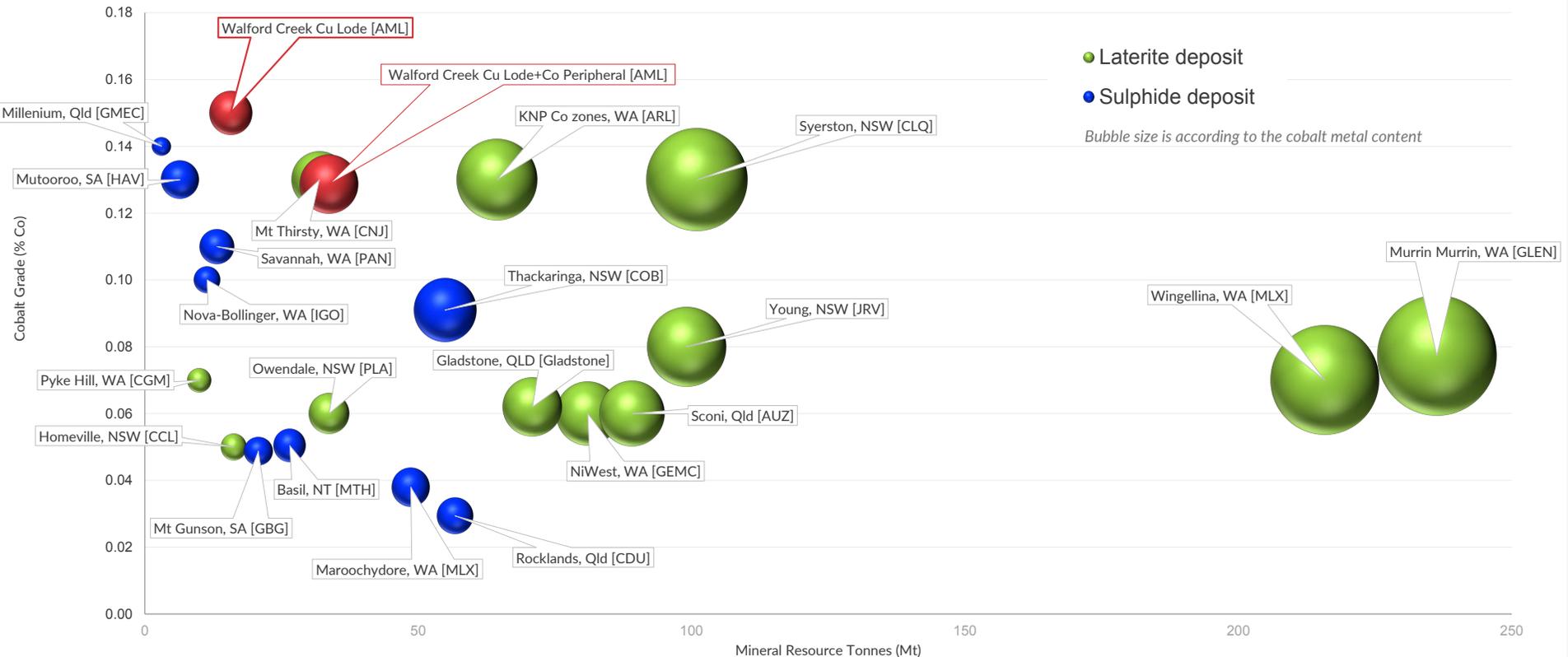
Source: CME, LME, SHFE, Terra Studio

# AUSTRALIAN COPPER COMPARABLES



Source: Terra Studio

# AUSTRALIAN COBALT COMPARABLES

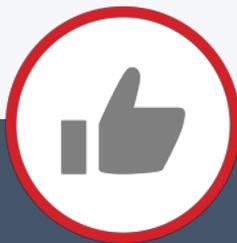


Source: Terra Studio

# NEXT STEPS

## PROJECT DEVELOPMENT:

- ➔ PY3 focused drill program – results for 9 holes received ✓
- ➔ Resources to be revised to reflect refined geological model and all 2017 drill results ✓
- ➔ Rescoping/rescaling assessment of project development:
  - » Inclusion of high grade PY3 tonnes;
  - » Metallurgical flowsheet associated with revised Resource. 2018 testwork underway with 1.6t of material;
  - » Seismic survey to assist drill targeting over +18km along strike of Resource; and
  - » Infill and expansion (along strike) drilling – 30,000m commencing April 2018.
- ➔ Feasibility items



WORLD CLASS MINERAL  
SYSTEM



Cu-Co METAL LEVERAGE



MARKET TIMING

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# INVESTMENT SUMMARY

- ➔ Advanced copper and cobalt project:
  - Leading Australian copper development.
  - The highest grade significant cobalt deposit in Australia.
- ➔ Leveraged to strong growth in cobalt, copper and zinc prices
- ➔ Clear and consistent exploration model
- ➔ Fully funded 2018 30,000m drill program
- ➔ Advanced process development studies
- ➔ Substantial tenement exploration upside linked to major (+20km) fault structure

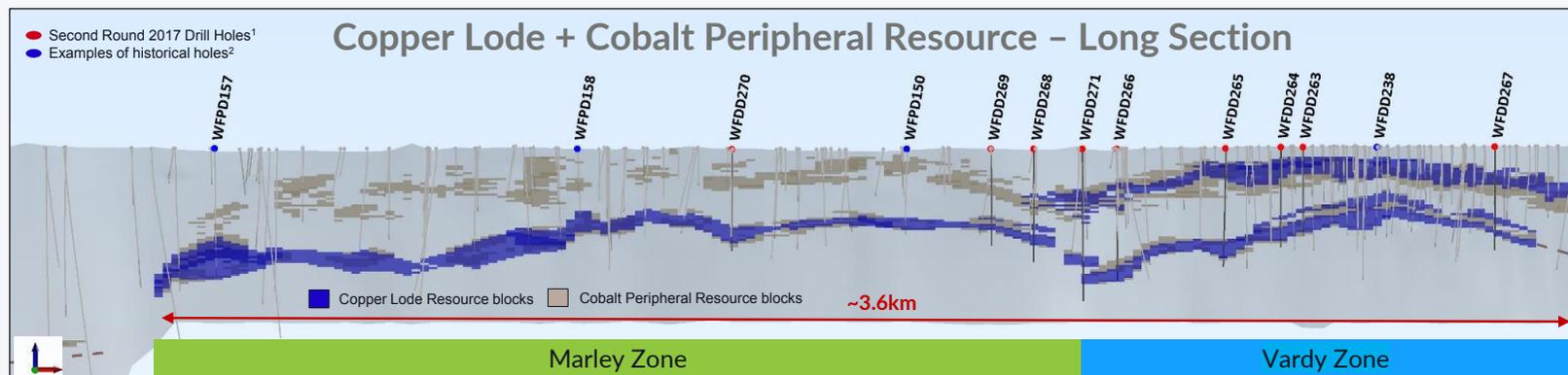
## THANKYOU

Hamish Collins, Managing Director  
Email: [info@aeonmetals.com.au](mailto:info@aeonmetals.com.au)



# APPENDICES

# Appendix 1: Second Round 2017 Drill Holes Significant Assays



## Hole WFDD263:

- 25m @ 2.20% Cu, 0.16% Co and 18gt Ag from 169m, including;
  - 10m @ 4.63% Cu, 0.14% Co and 22gt Ag from 184m

## Hole WFDD264:

- 31m @ 1.10% Cu, 0.21% Co and 33gt Ag from 186m, including;
  - 22m @ 1.26% Cu, 0.25% Co and 36gt Ag from 189m

## Hole WFDD265:

- 38m @ 1.07% Cu, 0.15% Co and 26gt Ag from 226m, including;
  - 20m @ 1.41% Cu, 0.16% Co and 25gpt Ag from 244m

## Hole WFDD266:

- 36m @ 1.26% Cu, 0.20% Co and 43gt Ag from 275m, including;
  - 20m @ 1.86% Cu, 0.30% Co and 64gpt Ag from 288m

## Hole WFDD267:

- 10m @ 1.45% Cu, 0.13% Co, 1.43% Zn and 28g/t Ag from 196m

## Hole WFDD268:

- 22m @ 2.00% Cu, 0.31% Co and 37g/t Ag from 201m

## Hole WFDD269:

- 13m @ 1.56% Cu, 0.30% Co and 28g/t Ag from 98m

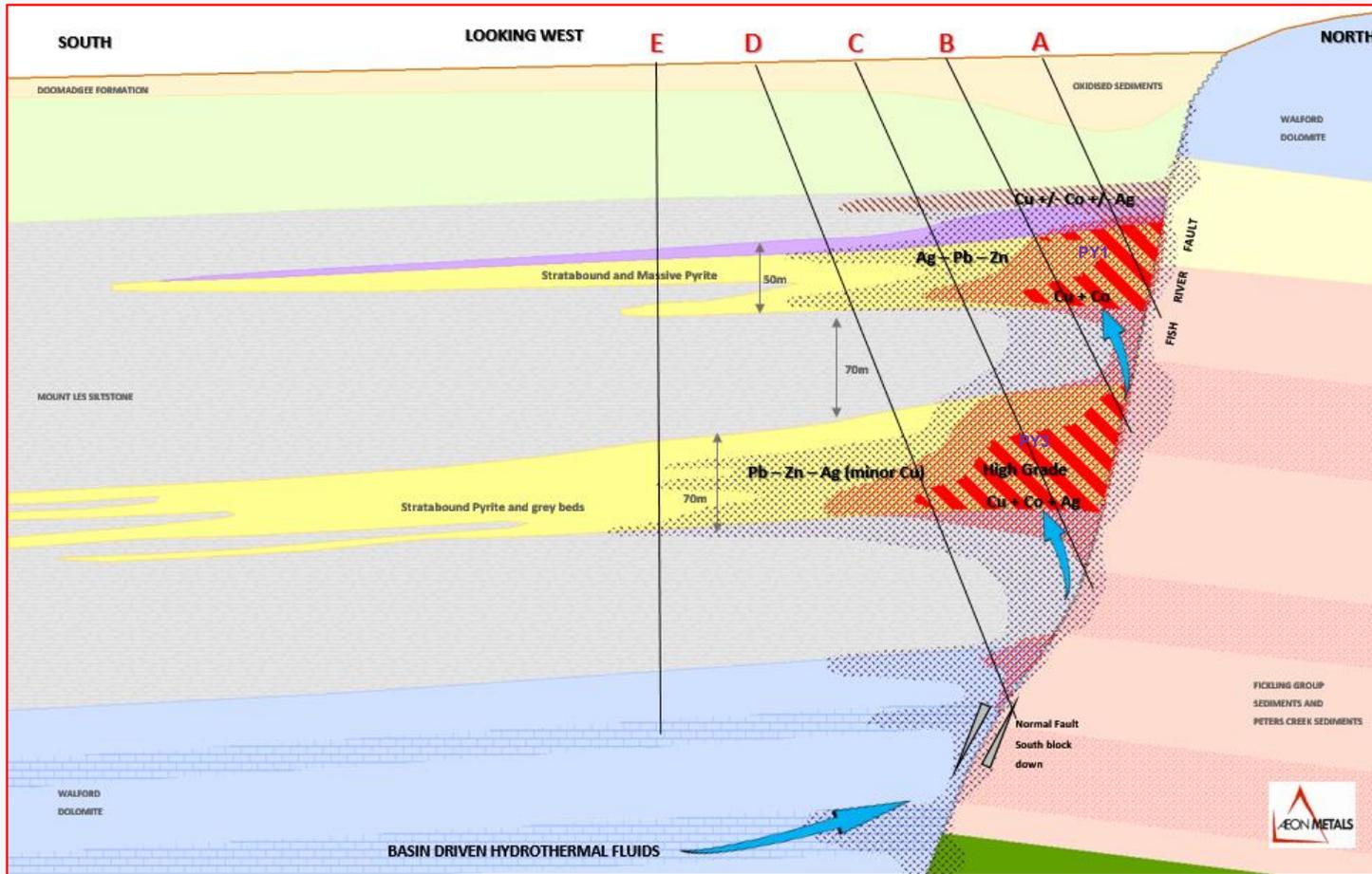
## Hole WFDD270:

- 45m @ 2.21% Cu, 0.32% Co and 43g/t Ag from 185m, including;
  - 30m @ 2.99% Cu, 0.44% Co and 50g/t Ag from 188m

## Hole WFDD271:

- 18m @ 0.56% Cu, 0.07% Co and 16g/t Ag from 297m

# UNLOCKING THE GEOLOGICAL MODEL



1. See Appendix 2 (pg 17) for geological model description related to A-D.

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# GEOLOGICAL MODEL DESCRIPTION

- 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 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 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 fault