1 February 2019

2018 Seismic Survey

Aeon Metals Limited

ABN 91 121 964 725

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

P.O. Box 8155, GCMC. Qld 9726, Australia

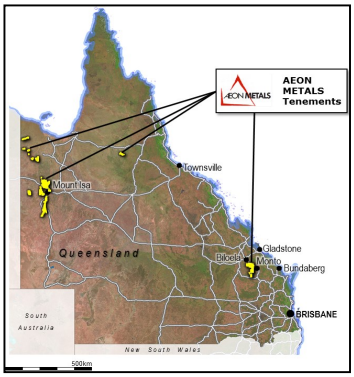
P: +61 7 5574 3830
F: +61 7 5574 3568

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

ASX Code - AML

Shares on Issue: 587m
Share Price: $0.280
Market Capitalisation: $164m
Cash (31 Dec 2018): $3.7m

All mineral resources projects located in Queensland:



Aeon Metals Ltd ("Aeon" or "the Company") today provides a report regarding the seismic survey conducted in 2018 at the Company's **100% owned Walford Creek Project**.

In June 2018, Velseis Pty Ltd acquired for Aeon Metals Limited ("Aeon" or "the Company") a 2D seismic survey within EPM 14220 and EPM 14854 at Walford Creek. This survey comprised of 32.14 kilometres of Envirovibe source data over 6 lines (Figure 1). This data was subsequently processed and interpreted during June and July 2018, and the results are the subject of this report. The survey was undertaken under the Collaborative Exploration Initiative with the Queensland Government.

Acquisition Details

Figure 1 below shows the location of the 2018 Walford Creek 2D seismic survey lines. Acquisition parameters for this seismic survey are listed in Table 1. The lines acquired, and station ranges are listed in Table 2. These parameters were designed to have maximum offsets tuned to the depth of the target stratigraphy. Coordinate System used for acquisition and processing: GDA 94, MGA Zone 55.

The survey utilised a small footprint Envirovibe source positioned at the surface to generate the seismic energy (sound waves). Two advantages of this technique are the acquisition of high fold data without expensive shot hole drilling and a lower level of environmental impact. The disadvantages are similar to those of any surface energy source method. Specifically, the data quality may be susceptible to adverse surface and near-surface conditions (i.e. deep, variable weathering), and the inherent frequency content of the source signature is somewhat lower than explosive source types.

Data quality observed varies across the area and seems to be dependent on which side of the Fish River Fault ("FRF") that the data was acquired. The data to the south of the fault is quite good while the data to the north on the upthrown portion of the fault is marginal in quality.

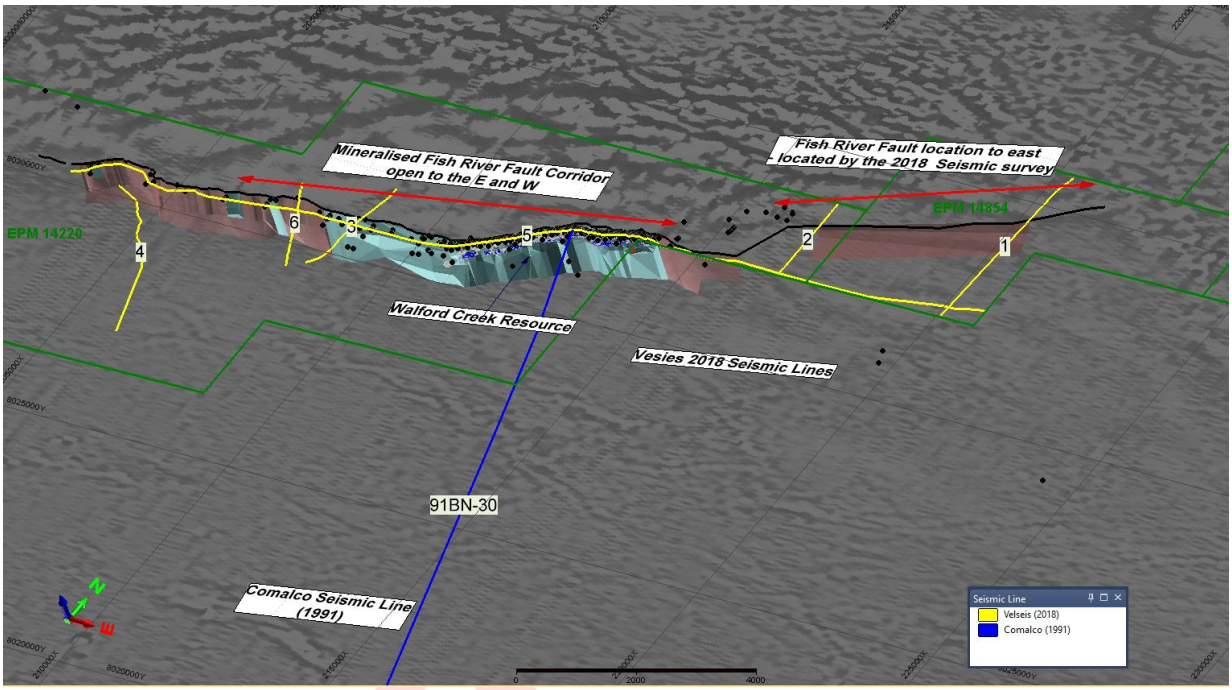


Figure 1: Aeon Walford Creek Limited Walford Creek Project, including granted EPMs 14220 and 14854 showing completed seismic lines.

Section	Item	Specification
Instrumentation	Geophones	Sensor SM-7 10Hz 3 pack
	Default data media	Hard Disk
	System polarity	SEG standard
Parameters	Record length	2000 ms
	Sample interval	0.5 ms
	No. Channels	160 nominal
	Spread	Split spread
	Near Offset	4 m
	Far Offset	636 m
	Shot Point Interval	8m
	Receiver Interval	8m
	CDP Fold (nominal)	80
Source data	Energy Source	Envirovibe 17,000lbs @ 70%
	Rams	1 x 1 10-180Hz Sweep

Table 1. Field acquisition parameters – 2018 Walford Creek 2D survey.

Line	Shot point range	Line length (km)
2018-01	100-559	3.672
2018-02	100-330	1.840
2018-03	100-368	2.144
2018-04	84-572	3.904
2018-05	100-2414	18.512
2018-06	100-359	2.072
Total Length		32.144 km

Table 2. Line summary for 2018 Walford Creek 2D.

Processing of the raw data improved the signal to noise ratio and the processed stacks now show strong, predominantly continuous reflectors. Other techniques used to enhance or correct the images included, trace edits, amplitude recovery, minimum phase conversion, static computation, deconvolution, fan-filter, velocity analysis, Kirchhoff prestack time migration, normal moveout correction, mute, trace amplitude balance and stacking of traces with common midpoints.

Interpretation and Findings

The focus of the interpretation was to locate the FRF fault, a large displacement normal fault with the downthrown block to the south and the main conduit for mineralising fluids. The FRF is a major regional structure and has been mapped across the study area. Also, of interest was to map any lithological units encountered in boreholes, which mainly populate the E-W strike line (2018-05), to better understand the depth of stratigraphy and favourable structures.

Line 2018-01 (refer to figures 1 and 2) was planned to find the FRF to the east of the tenement. Limited drilling in this area and minimal surficial expression meant the location of the FRF was unknown. This seismic line successfully uncovered the FRF, Doomadgee Sandstone, Walford Dolomite and several smaller structures. A drill hole was planned but was not drilled owing to the ambiguity of the intercepted stratigraphy in the holes drilled on line 2108-02.

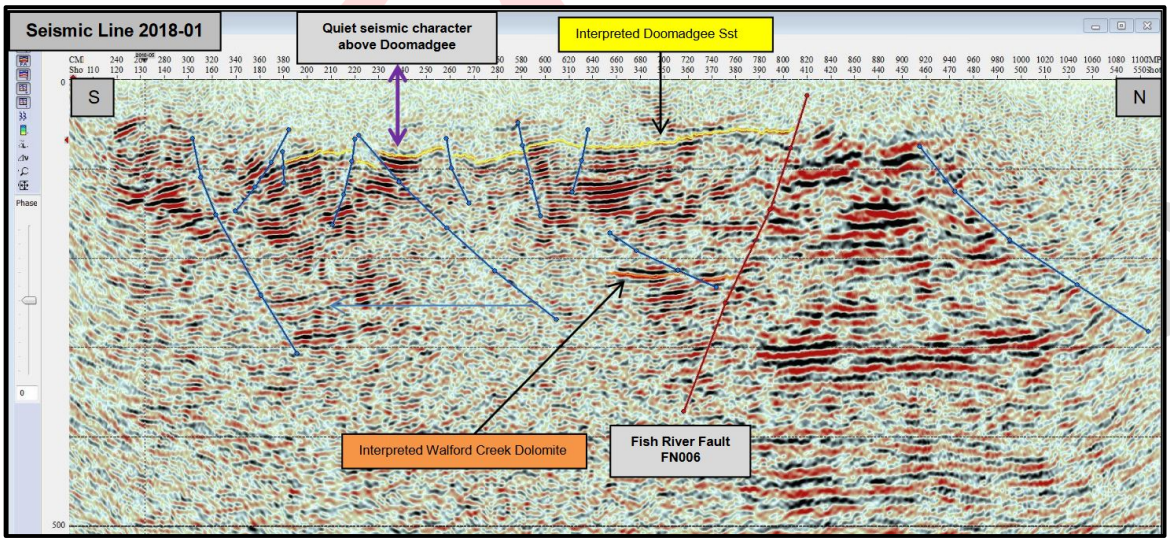


Figure 2: Line 2018-01

Line 2018-02 (refer to figure 3) was also planned to find the FRF to the east of the tenement. Limited drilling in this area and minimal surficial expression meant the location of the FRF was unknown. This seismic line successfully uncovered the FRF, Doomadgee Sandstone, Walford Dolomite and a number of smaller structures. The dip of the FRF is similar to Line 2018-01 at approximately 60-170. Drill hole WFDH388 and WFDH389 were drilled in August 2018 based on the interpreted seismic results. The results from those holes were announced on 19 December 2018 *'Assay Results for 17 Holes outside the Resource at Walford Creek'*. .

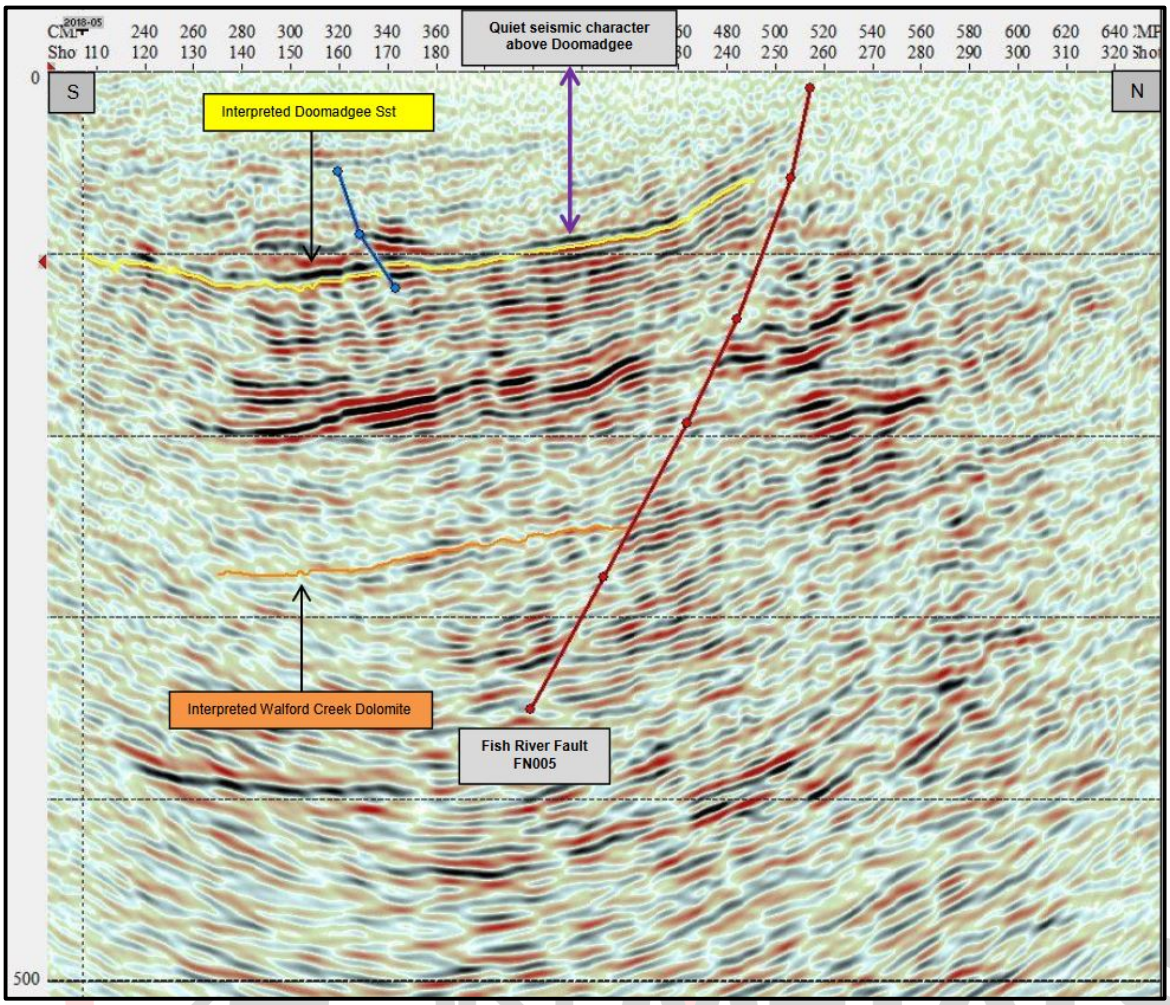


Figure 3 Line 2018-02

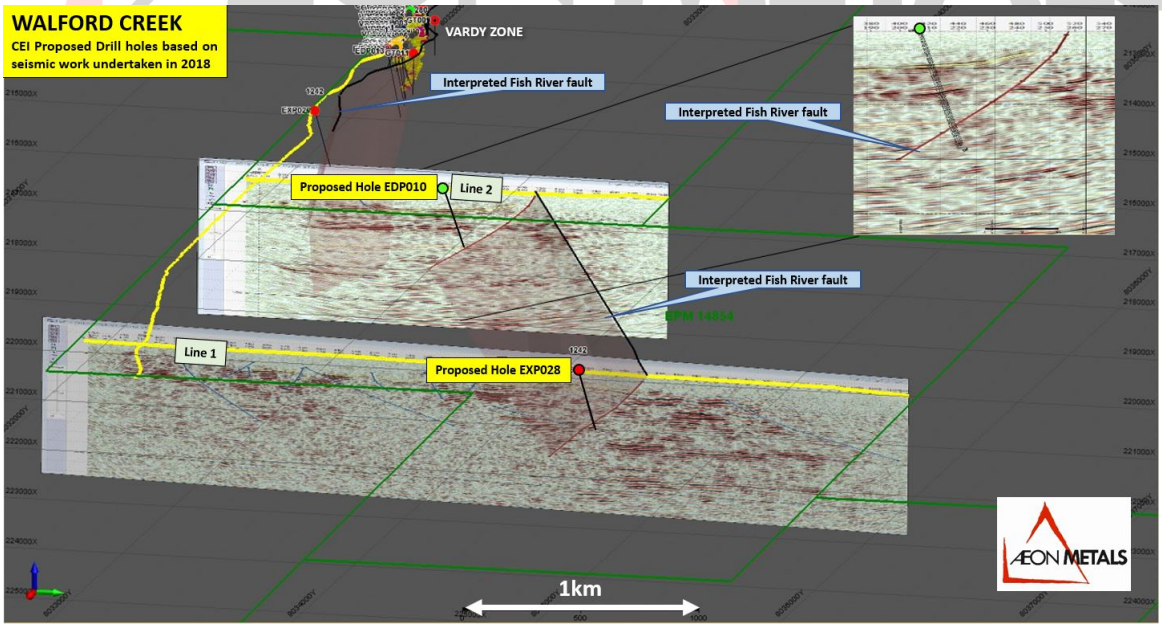


Figure 4: Eastern seismic lines 1 and 2, with the originally planned holes presented to the Mines Department.

Two holes were drilled on line 2018-02 to test the interpreted location of the FRF and to intercept the prospective lithologies. Although a fault was intersected the prospective lithologies were not. It is now interpreted that it is a splay of the FRF. A hole was not therefore drilled on Line 2018-01.

Line 2018-03 (refer to figure 1) was the first interpreted N-S line because it images the FRF and has a degree of drill hole control to confirm the fault's position along with positive identification of the interpreted horizons. The FRF is annotated on the figure 5 below. Evidence of large scale displacement is provided by the dramatic change in seismic character across the fault plane. The fault borehole pick visible on Figure 5 indicates that the interpreted position of the FRF plane is accurate and in agreement with borehole intersections. The borehole picks also accurately indicate the positions of the yellow and orange horizons which representing the Doomadgee sandstone and Walford Creek Dolomite respectively.

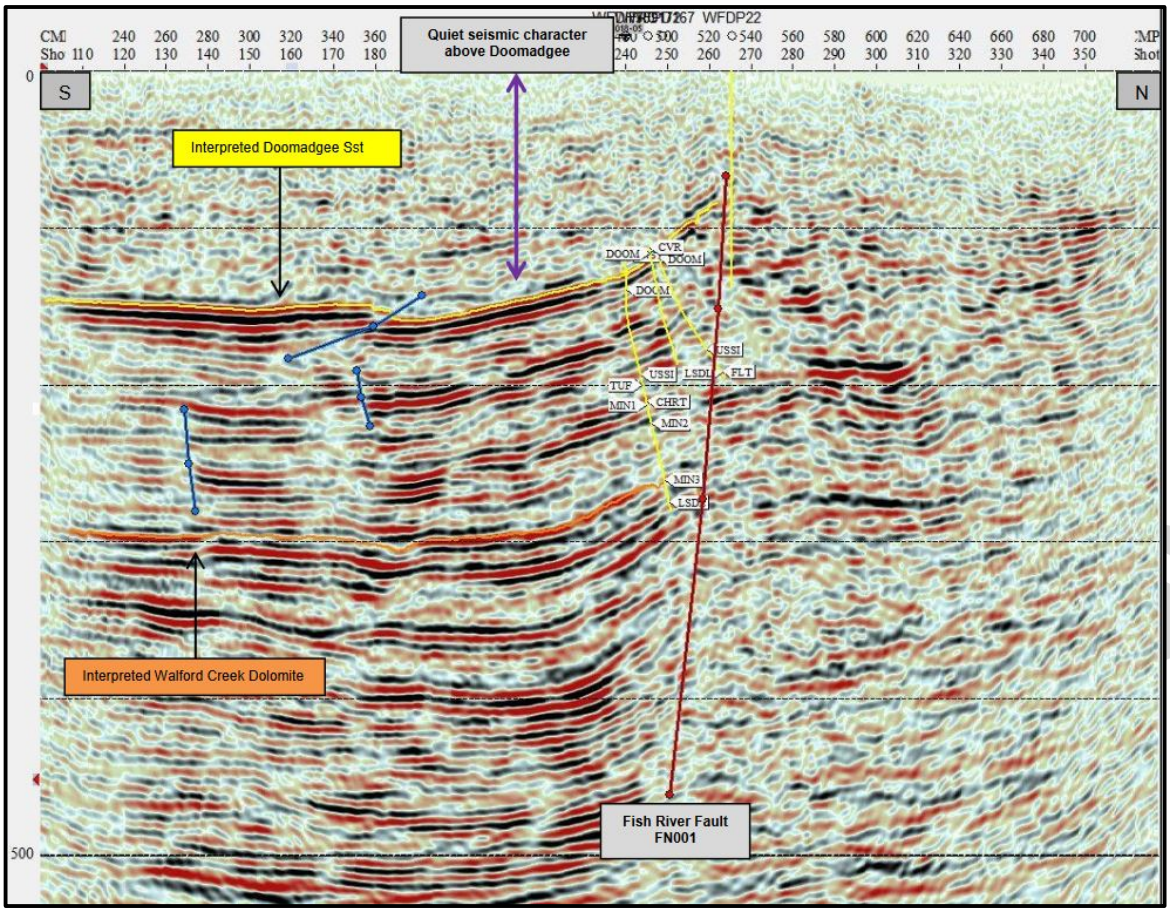


Figure 5: Line 2018-03

Line 2018-04 (refer to figures 2 and 6) is positioned too far south to image the FRF, but it does image the stratigraphy dipping up towards the fault's location in the north.

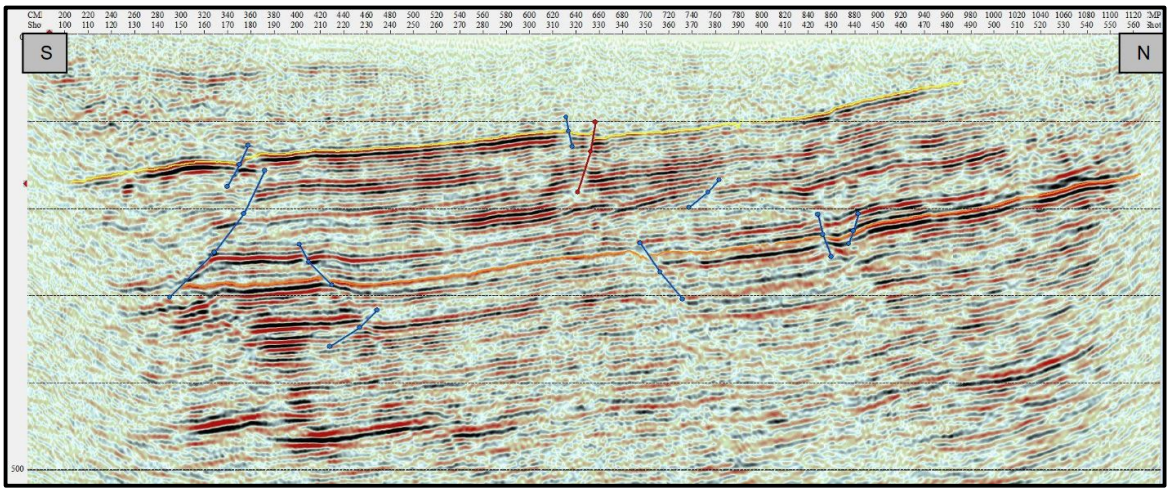


Figure 6: Line 2018-04
Fish

Line 2018-06 (refer to figures 1 and 7) the FRF is again imaged on this N-S line. No borehole control was available but the match across from line 2018-03 is excellent. The quiet seismic character present above the yellow interpreted Doomadgee horizon is again evident. As could be expected, given the juxta positioning of different lithology across the large displacement FRF, there is a clear frequency difference visible across the fault plane with lower frequency reflectors present on the northern side of the FRF plane. This provides extra evidence of the fault's location on seismic line 2018-06.

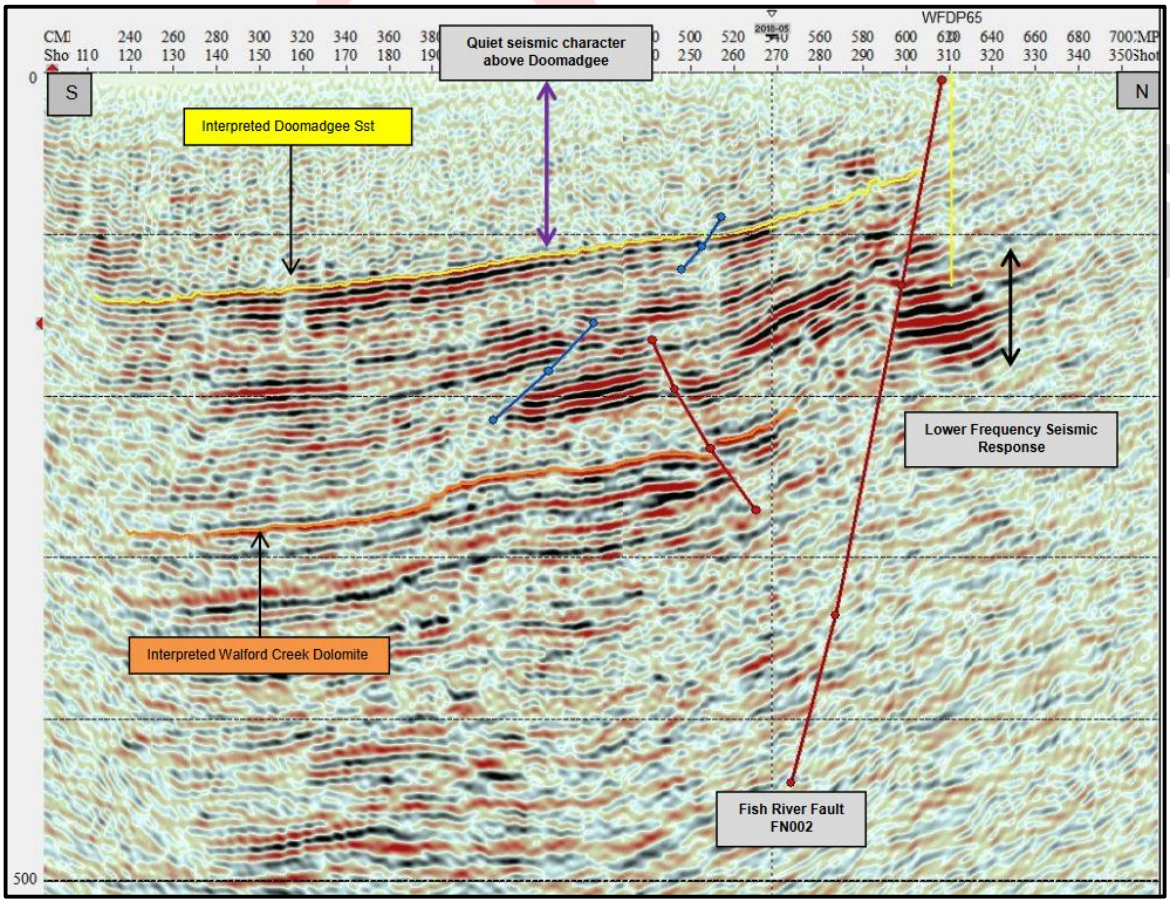


Figure 7: Line 2018-06

Line 2018-05 (refer to figure 1) was positioned E-W and sub-parallel to the FRF. This line was planned to assess possible cross-cutting faults, folds and other structural features. Structural traps are considered key to the possible localisation of higher grade mineralisation. The seismic survey was also aimed at gauging the depth of stratigraphy along strike from the deposit. Anticlines are of interest because given favourable geology and appropriate folding geometries, migrating hydrothermal fluids can become trapped, which in turn can allow for the generation of mineralised zones. The five anticlinal axes, from west to east, are illustrated below across figures 8-12.

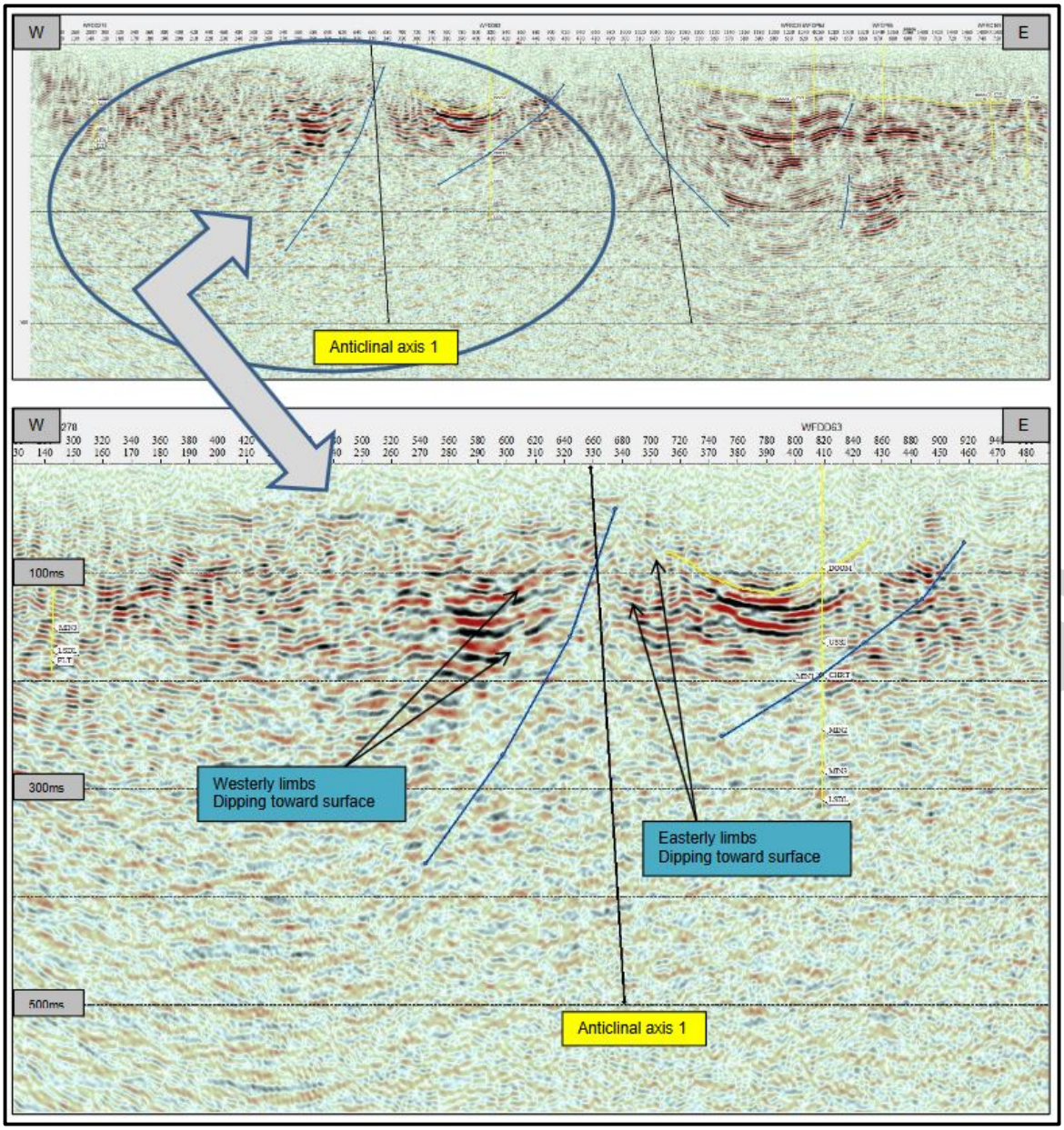


Figure 8: Anticline 1. Hole WFDH378 was drilled in August 2018 to target this structure. The results of this hole were announced on 17 October 2018, *'High Grade Continues 5.7km West of Resource'.*

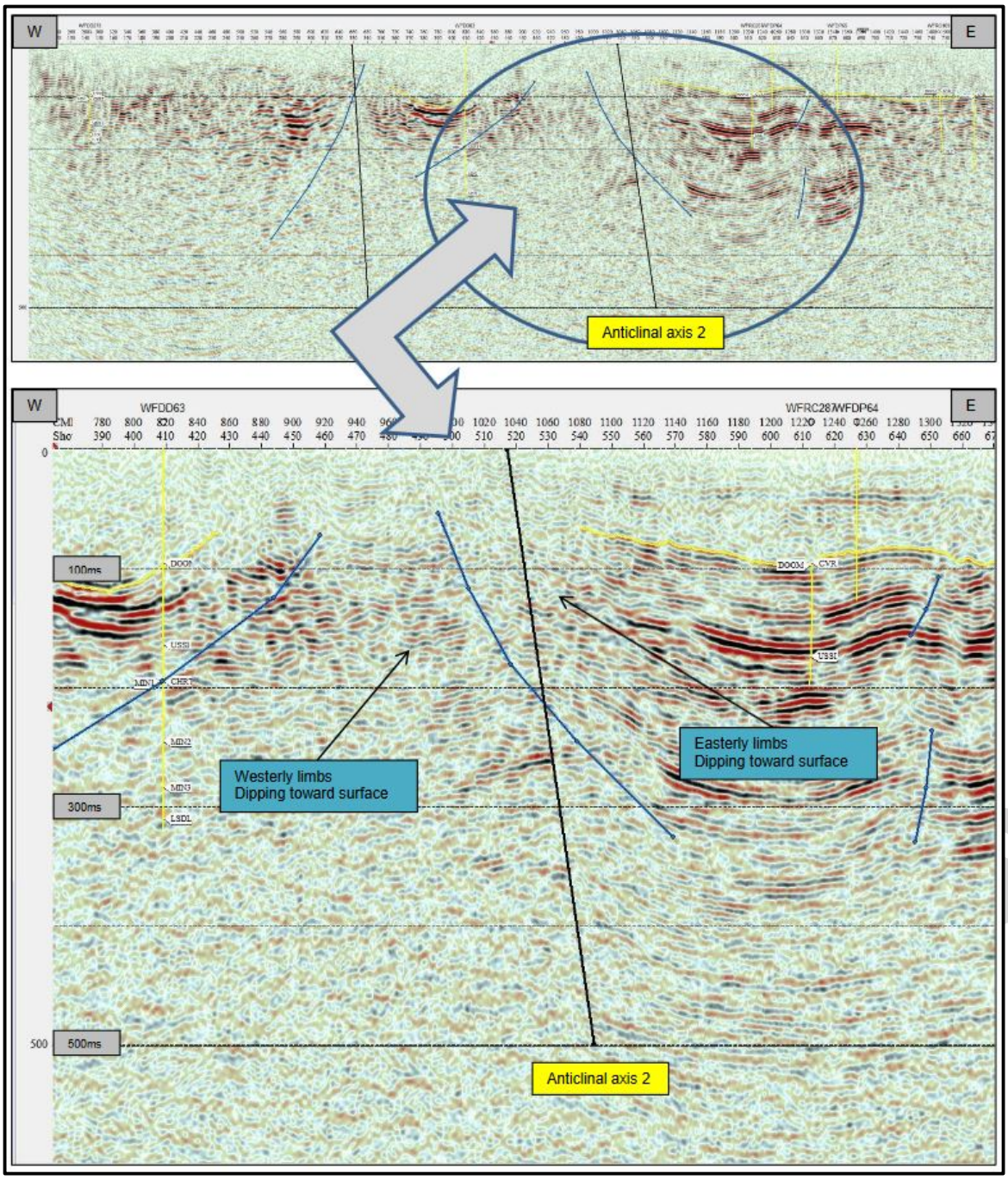


Figure 9 Anticline 2. Hole WFDH352 drilled in July 2018 and announced on 30 August 2018, *'42m at 2.55% Copper and 0.29% Co 4.6km west of Walford Resource'*. This hole intercepted the eastern limp of this structure, intersecting strong Cu-Co mineralisation in the lower pyritic shale unit.

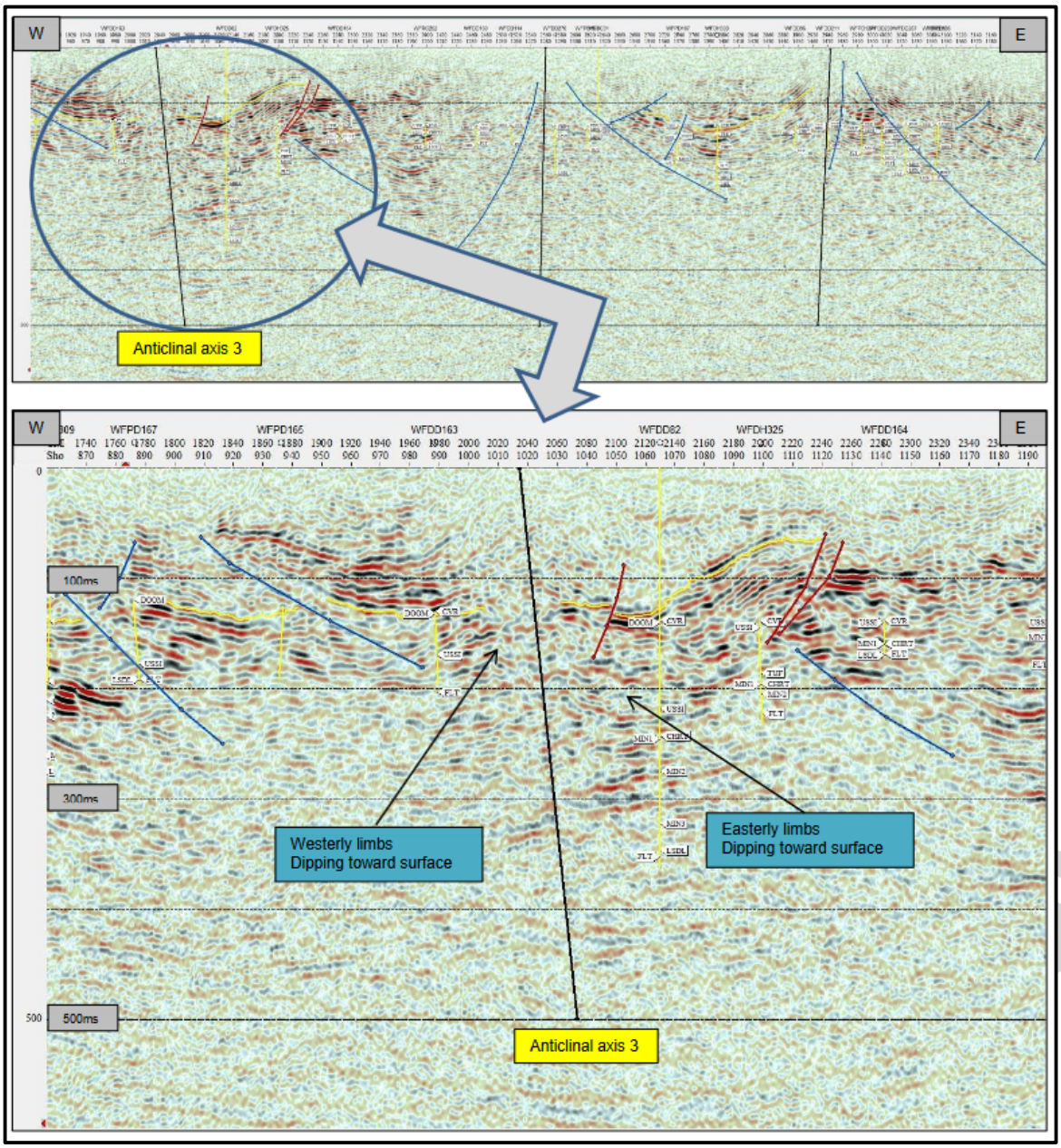


Figure 10 Anticline 3 is situated in a deeper and relatively untested part of the basin. These seismic images will greatly aid in targeting future drill holes at depth in this area.

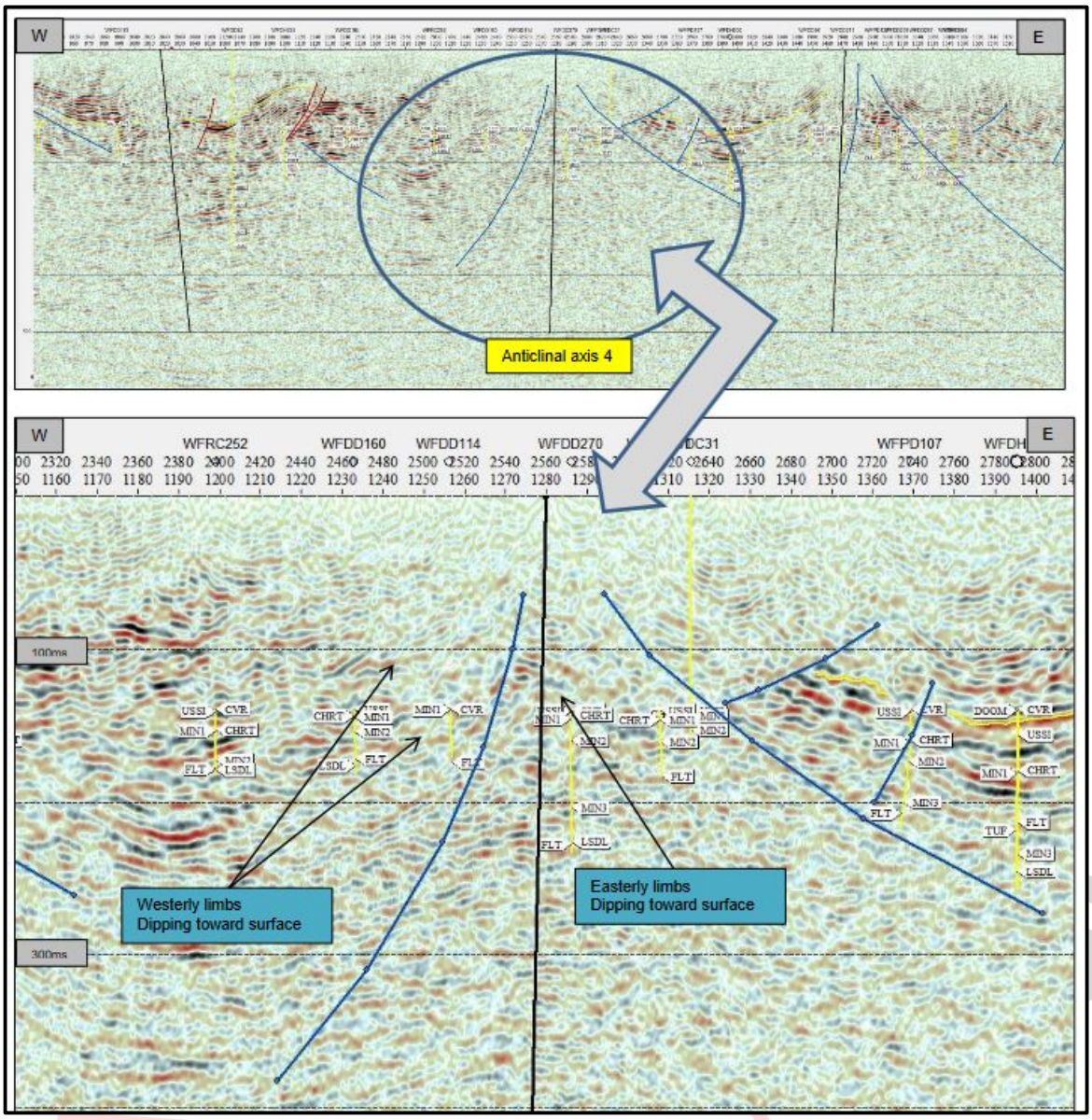


Figure 11: Anticline 4 is situated in the Marley zone of the Walford Creek resource. Hole WFDH270 announced on 4 December 2017 intersected this structure in the 2017 drilling campaign and returned high grade copper cobalt assays.

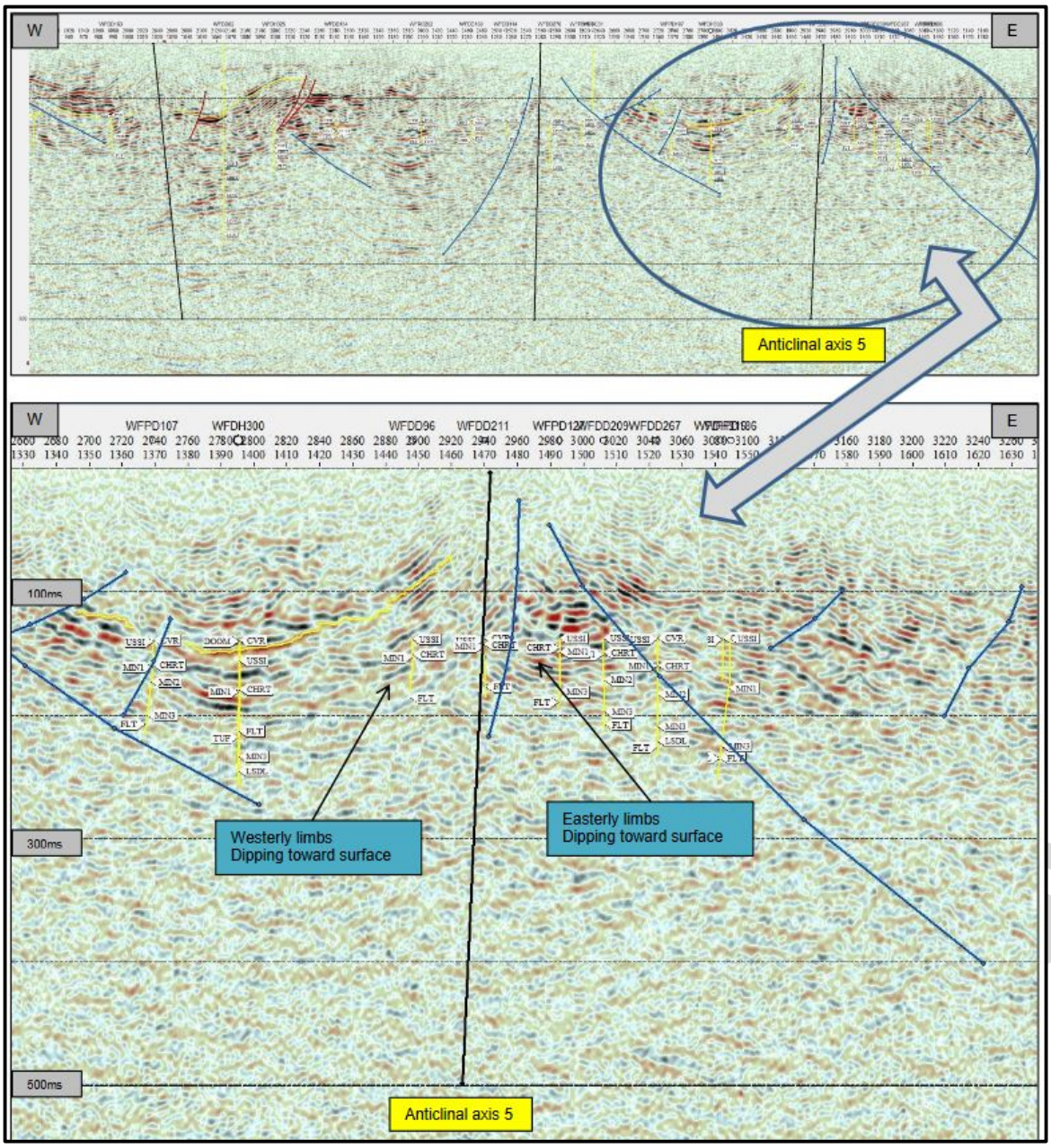


Figure 12: Anticline 5 is situated in the Vardy zone. Strong mineralisation throughout this, well defined, area is a positive analogue for the other, relatively untested, anticlinal features.

Summary Comments

The 2018 Walford Creek 2D Seismic Survey was successful in providing geological information for use in further exploration and future mine planning. Data quality of the stacked seismic sections across the survey was generally good, especially given the degree of complex structure seen in the area.

Around the zone of concentrated mineralisation (central part of 2018-05) the seismic response does drop off and it becomes difficult to image reflectors. This drop of signal is attributed to the high degree of structuring in the mineralised areas, where fault planes act as conduits for mineral forming hydrothermal fluids. It is important to keep in mind that in these areas, there are likely numerous faults which the seismic cannot adequately image and are therefore not depicted on the interpreted sections.

In the west, the top of the Doomadgee Sandstone was successfully mapped across seismic lines in the area and by use of polygon matching, correlated across to the east where there is no borehole control. This marker reflector will allow our geological team to predict, with accuracy, the depth of prospective lithological units and greatly assist in drill planning.

The major structural feature observed in the area was the large normal displacement style on the FRF. Total displacement across this interpolated fault was not able to be determined as the intersected Doomadgee Sandstone was not present on the northern side of the fault plane.

In addition to the interpreted faulting, E-W line 2018-05 displays several potential anticlinal axes which will provide targets for potential mineralisation. Some of these structures are yet to be tested and compare in size and nature to the well-defined Vardy anticline, host of the current Vardy Resource. Consideration will be given to these structures when the 2019 exploration program is being designed.

JORC Table 1 in respect of this seismic survey is attached.

For more information, please contact:

Hamish Collins
Managing Director
info@aeonmetals.com.au
www.aeonmetals.com.au

APPENDIX 2 - COMPETENT PERSONS STATEMENT

The information in this report that relates to Exploration Results for the Walford Creek 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 Limited and consents to the inclusion in this report of the Exploration Results in the form and context in which they appear.

Appendix 3 - JORC Code, 2012 Edition – Table 1

Walford Creek Seismic Survey 2018

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	• Not applicable as no sampling conducted. ,
Drilling techniques	• Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• Not applicable a no drilling conducted
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• Not applicable as no drill sample recovery
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	• Not applicable as no samples or intersections logged.

	• The total length and percentage of the relevant intersections logged.	
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• Not applicable as no sampling conducted.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	• Instrumentation and parameters for the seismic survey are shown in Table 1 of Report to which this JORC Table 1 is attached. • Quality control procedures are those applied by Velseis Pty Ltd as a specialist seismic contractor.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• Not applicable as no sampling or assaying undertaken. .
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• 2018 Seismic Survey, shot points and geophone locations were surveyed by RPS using GDA 94, MGA Zone 55.
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	• 2018 Seismic, shot point and receiver spacing of 8m on a 160 channel nominal spread were the selected parameters based on

		geological variables.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• 2018 Seismic, 5 lines were orientated north-south (perpendicular to structure) and 1 line east-west (along strike).
Sample security	• The measures taken to ensure sample security.	• Not applicable as no samples taken.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• No audit of seismic data.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	• Walford Creek is located wholly within EPM 14220. The EPM is located 65km west-northwest of Doomadgee township and 340km north-northwest of Mount Isa. • Following a transfer of title (dated 12 March 2013) EPM 14220 is held 100% by Aeon Walford Creek Limited formerly Aston Metals (Qld) Limited and the previous Joint Venture Agreements no longer apply. The tenement currently consists of 41 sub-blocks. The tenement is a granted Exploration Permit for Minerals and no known impediments exist. • As it currently stands, no Native Title claim is in existence over EPM 14220, however AML continue to operate under the premises of the previous agreements negotiated with the Carpentaria Land Council Aboriginal Corporation "CLCAC" representing the Waanyi and Gangalidda-Garawa peoples and signed prior to commencement of exploration.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• Numerous companies have explored within the tenement area, largely concentrating on the discovery of a significant stratabound lead-zinc system. • More recently, companies have been focused on targeting copper mineralisation in the hanging wall of the Fish River Fault.

- All exploration is considered to have been completed to a reasonable standard by experienced companies in a professional manner. Most exploration work has been appropriate but there are minor issues on historic documentation.
- Previous exploration of the Walford Creek Prospect is summarised below:

1984-1996 WMC

Re-evaluation of the Walford Creek area resulting in a major exploration program targeting Pb-Zn mineralisation near the Fish River Fault:

- Systematic grid-based mapping, rock chip and soil sampling.
- Detailed Tempest EM and aeromagnetic survey; gravity survey, 600 line km of SIROTEM.
- 45 diamond and 49 percussion holes totalling approximately 16,500m of drilling on 400 and 800 m spaced drill hole fences.
- Isolated higher grade Pb-Zn-Cu-Ag intersections but no coherent economic Pb-Zn resource.
- Brief JV with MIMEX from 1995-1996. MIMEX completed CSAMT, EM and IP over 9 conceptual targets but no drilling.

2004-2006 Copper Strike

Exploration program targeting copper mineralisation at the Walford Creek Prospect in and along the Fish River Fault:

- A small RC drilling program was commenced in 2004 but curtailed prematurely due to the 2004-2005 wet season.
- A significant RC drill program was completed during 2005.
- 30 holes were drilled for a total of 3,162m, of which 60.7m was diamond cored.
- Estimation of an Inferred Mineral Resource for the Walford Creek Project of 6.5 million tonnes at 0.6% Cu, 1.6% Pb, 2.1% Zn, 25 g/t Ag and 0.07% Co.

2010 to 2012 Aston Metals Limited

Exploration undertaken by Aston followed on from the targeting approach adopted by

		Copper Strike in drilling along the Fish River Fault to test both the SEDEX lens and the associated copper/cobalt mineralisation close to the fault. Aston Metals drilled a total of 92 Diamond holes 14,929m; HQ Triple Tube Diamond drilling with some RC pre-collars. • 2012 Indicated and Inferred Resources of 48.3 million tonnes at 0.39% Cu, 0.83% Pb, 0.88% Zn, 20.4 g/t Ag and 731 ppm Co.
Geology	• Deposit type, geological setting and style of mineralisation.	• At the Walford Creek Prospect structurally controlled, vein/breccia hosted or replacement Cu ± Co mineralisation, with minor Pb-Zn-Ag and stratabound, diagenetic Pb-Zn-Ag ± Cu mineralisation, are hosted in dolomitic and argillaceous sediments of the Palaeoproterozoic Fickling Group, forming part of the Lawn Hill Platform stratigraphic sequence, along the east-west to east-northeast trending, steeply south-dipping Fish River Fault. • The mineralisation typically occurs as early diagenetic sphalerite-galena-(chalcopyrite) to late epigenetic chalcopyrite-(galena-sphalerite) associated with three stacked massive pyrite lenses and talus, hydrothermal and tectonic breccias in the hanging wall of the Fish River Fault. • Mineralisation shows affinities to both early sediment-hosted SEDEX-type and late Mississippi Valley-type mineralisation styles. • The wide diversity of mineralisation styles reflects multiple events in a long-lived re-activated structural setting that originated as a growth fault. • Further interpretation of the geological model is ongoing and views will reflect the geological teams assessment as both the database grows in size and as the results are interpreted. • Recent re-interpretation also shows strong analogies to some Zambian style sediment hosted copper deposits where elevated copper in association

		with high cobalt values is often a characteristic.
Drill hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	• Exploration results have not previously been reported in the public domain as Aston Metals, the previous company, was privately listed. • Information on the pre-2016 drill holes is included in the 2015 Resource Estimate Report. • Summary Information pertaining to the completed 2018 drilling holes is contained in the body of the relevant ASX release**.**
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• Exploration results have not previously been reported in the public domain as Aston Metals, the previous company, was privately listed. • Aeon has not undertaken any cutting of grades as it currently believes that all the grades received are an accurate reflection of the sampled interval. • Aeon has maintained realistic intervals of dilution when stating mineralised intercepts, however further refinement of what are considered realistic mining widths will be understood following further resource calculations. • Aeon has not taken to stating significant intercepts as metal equivalents.
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	• Exploration results have not previously been reported in the public domain as Aston Metals, the previous company, was privately listed. • Drill hole angle relative to mineralisation has been a compromise to accommodate the flat-lying stratabound massive sulphide bodies with associated replacement breccias and the steeper dipping epigenetic mineralisation proximal to the Fish River Fault. Generally the stratabound

		intercepts are close to true width whereas the epigenetic mineralisation intercepts are apparent widths.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	• Appropriate maps showing the nature and extent of the mineralisation are included in the 2013 Resource Estimation report by H&SC for all work prior to 2014. • Appropriate maps and sections have been provided for the 2016 and 2017 work to date. • Appropriate sections have been included for some of the significant intercepts recorded from the 2016 and 2017 drilling. • Sections have been provided in the relevant ASX releases for all assay results for 2018 holes
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• Exploration results have not previously been reported in the public domain by Aston as the previous company was privately listed. • All results reported on by Aeon are considered to be accurate and reflective of the mineralised system being drill tested.
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	• Aeon believes that the results and data provided give a meaning and material reflection of the geological lithologies and structure being tested at Walford Creek. • Metallurgical test work both undertaken and continuing shows that acceptable levels of mineralisation for all the important elements can be satisfactorily extracted for Walford mineralisation. • It should also be noted that this metallurgical test work will be ongoing. • 2018 seismic, a 2D survey was carried out over the deposit to help define fault orientation, structural controls on mineralisation and depths/thickness of prospective lithologies. This data is continuously used in conjunction with other exploration data, such as mapping and soil geochemistry, to aid drill hole planning and targeting.
Further work	• The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions,	• Aeon's future exploration will focus on upgrading and expanding upon the current Inferred and Indicated Resource Estimates at the Walford Creek Prospect, through further drilling within and immediately outside

	including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	the resource area.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section. This section will be updated again for the new resource information in February 2019)

Criteria	JORC Code explanation	Commentary
Database integrity	• Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. • Data validation procedures used.	• All relevant data were entered into an Access database where various validation checks were performed including duplicate entries, sample overlap, unusual assay values and missing data. • Data linked to Surpac for wireframing, block model creation and resource reporting. • Visual reviews of data were conducted to confirm consistency in logging and drillhole trajectories. • Assessment of the data confirms that it is suitable for resource estimation.
Site visits	• Comment on any site visits undertaken by the Competent Person and the outcome of those visits. • If no site visits have been undertaken indicate why this is the case.	• Simon Tear of H&SC completed a site visit to the property and Mt Isa core handling facility during the May 2016 drilling. Visit included review of core for 6 holes. • Simon Tear H&SC visited in 2012 the project's core handling facility in Mt Isa and reviewed 5 diamond drillholes from the AML 2012 drilling.
Geological interpretation	• Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. • Nature of the data used and of any assumptions made. • The effect, if any, of alternative interpretations on Mineral Resource estimation. • The use of geology in guiding and controlling Mineral Resource estimation. • The factors affecting continuity both of grade and geology.	• The Walford Creek Deposit is characterised by several different mineralisation styles dependent on the host rock and stratigraphic position. • Primary base metal mineralisation is hosted in relatively flat lying sedimentary units. Sulphide mineralisation is dominant. The new resource estimates are primarily focussed on distinct, higher grade copper mineralisation related to specific stratigraphic hosts and proximity to the Fish River Fault • A detailed stratigraphic reconstruction has been completed noting minor structures as splays and parallel faults to the main Fish River Fault.

		• Some oxidation of mineralisation has occurred with possible supergene enrichment noted for the PY1 and DOL unit zones. • Mineralisation wireframes were designed on a nominal 0.5% Cu cut-off grade and geological criteria including host lithology and stratigraphical relationship, structural position, oxidation and geological sense. • 3D wireframes and surfaces constructed include: new mineral zones for copper for the PY1 Unit, the Dolomite Unit and the PY3 Upper and Main Unit, Fish River Fault, Chert Marker & HW Chromite Marker, BOPO and BOCO. • Wireframe extrapolation is 25m beyond the last drillhole; termination of wireframes is generally due to a lack of copper grades. • The existing interpretation honours all the available data; an alternative interpretation is unlikely to have a significant impact on the resource estimates.
Dimensions	• The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.	• Mineralisation can be modelled for 1km of strike length, with a range of down dip widths of 40 to 60m. The mineral lenses are part of a 160m thick mineralised sequence. The individual mineral lodes have thicknesses ranging from 2m to 60m where the lodes coalesce. • The depths below surface to the top of the mineralisation vary for the different lodes but an approximate overall range is from 25m to 35m for the uppermost lode and 130 to 230 for the lowermost lode.
Estimation and modelling techniques	• The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. • The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes	• Mineral wireframes and geological surfaces are based on interpretations completed on sections with strings snapped to drill holes. • Surpac mining software was used for the interpretation and block model reporting. The GS3M software was used for block grade interpolation. • Wireframes were used to control the composite selection and the loading of subsequently modelled data into the block model. • Geostatistics were performed for copper, lead, zinc, silver and cobalt

	appropriate account of such data. • The assumptions made regarding recovery of by-products. • Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation). • In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. • Any assumptions behind modelling of selective mining units. • Any assumptions about correlation between variables. • Description of how the geological interpretation was used to control the resource estimates. • Discussion of basis for using or not using grade cutting or capping. • The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.	within individual mineralised lenses. A set of estimated pyrite content values was created from the base metal, iron & sulphur assays. • Correlation between the main economic elements was weak indicating possible mineral zonation, which is not an uncommon feature with the type of mineralisation. • Drillhole spacing ranges along strike from 25 to 50m and 30-80m on section. • Parent block sizes were 10m in the X (east) direction, 7.5m in the Y (north) direction and 2.5m in the Z (RL) direction with no sub-blocking. • Ordinary Kriging estimation method was used. • 1,506 1m composites, for the 4 mineral units, were selected using the wireframes; residuals of <0.5m were discarded. • No top cutting was applied; the coefficients of variation for the relevant composite datasets suggest that the data is not sufficiently skewed or unstructured to warrant top cutting. • 6 estimation search passes were used for all mineral lodes with an increasing search radius and decreasing number of data points. • Search size: 30 by 20 by 5m (Measured), 60 by 40 by 10m (Indicated) to 120m by 120m by 20m (Inferred) with 12 minimum data decreasing to 6. An additional search comprised of 150m by 150m by 25m with a minimum number of 6 data (Inferred). • The first and second passes used an octant based search where at least 4 octants had to be estimated; the remaining passes used a 2 octant based search. • Variography was modest in all zones mainly due to a lack of drilling, particularly in the down dip direction in combination with localised thinness of some of the mineral zones. • Search ellipses were orientated to follow the strike, dip and plunge trend of the individual units. 1 spatial domain was used for the PY1 and DOL units whilst 2 search domains were

		used for the PY3 Main and Upper units. • Model validation has consisted of visual comparison of block grades and composite values and indicated a reasonable match. Comparison of summary statistics for block grades and composite values has indicated a small risk of overestimation of grade for certain elements for certain lodes usually in the Inferred category but with no consistent pattern. • There are relatively limited changes from the October 2016 H&SC global resource estimates for the Vardy Zone and this provides a good level of confidence in the resource estimates and their classification.
Moisture	• Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	• Tonnages are estimated on a dry weight basis.
Cut-off parameters	• The basis of the adopted cut-off grade(s) or quality parameters applied.	• Resource estimates have been reported at a 0% copper cut off within the relevant mineral wireframe. There is a limited amount of sub-grade material within the resource estimates (<10%) • The cut-off grade at which the resource is quoted reflects the intended bulk-mining approach.
Mining factors or assumptions	• Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	• H&SC's understanding based on information supplied by Aeon is for an open pit mining scenario. • The proposed mining method will be a truck shovel operation for the upper mineralisation • Minimum mining dimensions are the parent block size of 10x7.5x2.5m. • The current assumptions for the mining dilution and recovery for the open pit mine are 5% dilution and 95% recovery • There is also the potential for an underground room and pillar operation to target the lower PY3 mineral zone
Metallurgical factors or assumptions	• The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding	• Metallurgical testwork was in progress during compilation of resource estimates. • There is some evidence of metal zonation for Cu, Pb, Zn & Ag. The dominant minerals are chalcopyrite, galena & sphalerite for copper, lead and zinc respectively.

	metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	• Mineralogical testwork has identified that a majority of the cobalt resides within distinctive types of pyrite and is not necessarily linked to copper grades. • Various metal recovery options are currently being investigated including simple sulphide concentrate generation via floatation, possible sulphide leach or roasting. • Metal recoveries are likely to be of industry norm. • The deposit type is similar to Mt Isa style.
Environmental factors or assumptions	• Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	• Baseline studies by Aeon are currently in progress • The area contains large flat areas suitable for waste dumps and tailings facilities. • No large river systems pass through the area. • Water courses are generally restricted. • There are abundant carbonate rocks, the Walford Dolomite, in the vicinity to provide material for control of any acid mine drainage.
Bulk density	• Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples. • The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit. • Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	• 2,474 1m composites were generated from single 10cm pieces of core that had SG values determined using the “Archimedes Principle” on a dry weight basis. • Some localised vuggy material may have an overstated density due to samples not sealed in wax prior to measuring the weight in water. • Density was modelled using the Inverse Distance Squared modelling technique on the unconstrained composites extracted from the drillhole database. Search directions for the grade interpolation were consistent with the gently south dipping host stratigraphy. • Regular SG measurements continue to be taken for all the drilling undertaken and reflects the different lithological units. It is now considered that the numbers of samples

		collected by Aston and Aeon represents a significant dataset that allows for an acceptable calculation of the different densities drilled and therefore used in the resource calculations.
Classification	• The basis for the classification of the Mineral Resources into varying confidence categories. • Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). • Whether the result appropriately reflects the Competent Person's view of the deposit.	• Mineral resources have been classified on the estimation search pass category subject to assessment of other impacting factors such as drillhole spacing (variography), core handling and sampling procedures, QAQC outcomes, density measurements, geological model and previous resource estimates. • A review of blocks classed as Measured by the initial search pass indicated a 'spotted dog' effect for all lodes. A more coherent picture is achieved using a 35m search (in the X direction) on an unconstrained set of composites for the complete deposit. • The classification appropriately reflects the Competent Person's view of the deposit.
Audits or reviews	• The results of any audits or reviews of Mineral Resource estimates.	• An internal peer review of the model has been completed by H&SC.
Discussion of relative accuracy/ confidence	• Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. • The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. • These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	• The Mineral Resources have been classified using a qualitative assessment of a number of factors including the complexity of mineralisation (including metal zonation), the drillhole spacing, QA/QC data, undocumented historical RC sampling methods, and missing cobalt grades from the historical drilling. • The Mineral Resource estimates are considered to be accurate globally, but there is some uncertainty in the local estimates due to the current drillhole spacing. • The geological understanding has been substantially improved with the Aeon drilling campaign. • No mining of the deposit has taken place, so no production data is available for comparison.