ASX Announcement
30 June 2021

WALFORD CREEK COPPER/COBALT PROJECT – MOVING FORWARD TOWARDS DEVELOPMENT

Aeon Metals Limited (ASX:AML) (**Aeon** or the **Company**) is pleased to announce the key outcomes of a revised Scoping Study completed on its 100%-owned Walford Creek Copper/Cobalt Project (**Walford Creek Project**) in north-west Queensland.

The revised Scoping Study builds on the previously announced decision to embrace bulk sulphide flotation followed by pressure oxidation leaching as the preferred processing pathway. The revised flowsheet delivers production of premium end metal products that include LME copper cathode and zinc ingots (100% payability), battery precursor inputs of nickel sulphate and cobalt sulphate (100%), and silver doré (+99%).

The revised Scoping Study results are derived from a substantial body of completed testwork and incorporate Mineral Resources defined within the Vardy, Marley and Amy zones. These results are **preliminary** and will be optimised during the Pre-Feasibility Study (**PFS**). They were derived using assumptions that are considered conservative. As such, they provide Aeon with strong comfort in continuing to proceed towards completion of the more detailed and comprehensive PFS during Q1 CY2022.

The projected economic outcomes of the revised Scoping Study are reported under two commodity prices scenarios that are considered indicative of market consensus and current spot, respectively.

SCOPING STUDY HIGHLIGHTS (all forecast numbers are necessarily approximations)

- Conventional open pit and underground mining of existing Vardy, Marley and Amy deposits delivering an initial operating life of approximately 14 years.
- 3Mtpa comminution and flotation plant feeding a 1.5Mtpa pressure oxidative leach plant yielding high grade, high payability products for copper, cobalt, zinc, silver and nickel.
- Total contained production of 243kt copper, 33kt cobalt, 278kt zinc, 26Moz silver and 15kt nickel. Total copper equivalent (**CuEq**) production of 590kt and average annual CuEq output at nameplate of approximately 50kt.[1]
- Forecast LOM net revenue split of 38% copper, 32% cobalt, 16% zinc, 10% silver and 4% nickel (LOM price assumptions of US$4.54/lb Cu, US$20.42/lb Co and 0.75 A$/US$).
- Average All-In-Sustaining-Cost (**AISC**) of US$2.0 - 2.2/lb CuEq.[1]
- Forecast pre-production capex estimate of A$996 million (including 20% contingency); delivers highly globally competitive upfront capital intensity of approx. US$15,000/t annual CuEq output.
- Ungeared, real, post-tax $NPV_{8\%}$ of A$375M to A$805M.
- Post-tax internal rate of return (**IRR**) of 13% to 18% and project payback within 4 to 5 years.
- Projected life-of-mine project net free cashflow of A$1,200M to A$1,925M.
- Over 30% of total electricity generation of 54MW to be derived from renewable solar energy.

1. Refer to Section 15 of this release for full details on the calculation of copper equivalent (CuEq) and payable CuEq volumes.

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Cautionary Statement

The Scoping Study referred to in this ASX release has been undertaken for the purpose of initial evaluation of a potential development of the Walford Creek polymetallic deposits. It is a preliminary technical and economic study of the potential viability of the Walford Creek Project. The Scoping Study outcomes, production target and forecast financial information referred to in this release are based on a range of varying accuracy levels for technical and economic assessments that are collectively insufficient to support estimation of Ore Reserves. While each of the modifying factors was considered and applied, there is no certainty of eventual conversion to Ore Reserves or that the production target itself will be realised. Further exploration and evaluation work and appropriate studies are required before Aeon will be in a position to estimate any Ore Reserves or to provide any assurance of an economic development case. Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the Scoping Study.

Of the Mineral Resources scheduled for extraction in the Scoping Study production plan, approximately 27% are classified as Measured, 53% as Indicated and 20% as Inferred. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised. Inferred Resources comprise less than 1% of the production schedule in the first year of operation and an average of 1% over the first seven years of operation. Aeon confirms that the financial viability of the Walford Creek Project is not dependent on the inclusion of Inferred Resources in the production schedule.

The Mineral Resources underpinning the production target in the Scoping Study have been prepared by a competent person in accordance with the requirements of the JORC Code (2012). The Competent Person's Statement is found in Appendix A of this ASX release. For full details of the Mineral Resources estimate, please refer to Aeon ASX release dated 19 April 2021, *Walford Creek Resource Update*. Aeon confirms that it is not aware of any new information or data that materially affects the information included in that release. All material assumptions and technical parameters underpinning the estimates in that ASX release continue to apply and have not materially changed.

This release contains a series of forward-looking statements. Generally, the words "expect," "potential", "intend," "estimate," "will" and similar expressions identify forward-looking statements. By their very nature forward-looking statements are subject to known and unknown risks and uncertainties that may cause our actual results, performance or achievements, to differ materially from those expressed or implied in any of our forward-looking statements, which are not guarantees of future performance. Statements in this release regarding Aeon's business or proposed business, which are not historical facts, are forward-looking statements that involve risks and uncertainties, such as Mineral Resource estimates, market prices of metals, capital and operating costs, changes in project parameters as plans continue to be evaluated, continued availability of capital and financing and general economic, market or business conditions, and statements that describe Aeon's future plans, objectives or goals, including words to the effect that Aeon or management expects a stated condition or result to occur. Forward-looking statements are necessarily based on estimates and assumptions that, while considered reasonable by Aeon, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements. Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date they are made.

Aeon has concluded that it has a reasonable basis for providing these forward-looking statements and the forecast financial information included in this release. This includes a reasonable basis to expect that it will be able to fund the development of the Walford Creek Project upon successful delivery of key development milestones and when required. The detailed reasons for these conclusions are outlined throughout this ASX release (including Section 17) and in Appendix B. While Aeon considers all of the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Scoping Study will be achieved.

To achieve the range of outcomes indicated in the Scoping Study, pre-production funding in excess of A$996M will likely be required. There is no certainty that Aeon will be able to source that amount of funding when required. It is also possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of Aeon's shares. It is also possible that Aeon could pursue other value realisation strategies such as a sale, partial sale or joint venture of the Walford Creek Project. This could materially reduce Aeon's proportionate ownership of the Walford Creek Project.

No Ore Reserve has been declared. This ASX release has been prepared in compliance with the current JORC Code (2012) and the ASX Listing Rules. All material assumptions, including sufficient progression of all JORC modifying factors, on which the production target and forecast financial information are based have been included in this ASX release.

Given the preliminary status of flowsheet design, it was considered appropriate to adopt a conservative approach to the capital cost estimate. The estimate is comprised of relevant benchmark comparisons for the major flowsheet components to which a conservative 20% contingency has been applied. In addition, any potential sales premia for producing battery precursor grade cobalt sulphate and nickel sulphate end products was not considered appropriate at this early stage. (In the case of nickel sulphate has typically traded at a 10 - 40% premium to the LME priced nickel content over the past decade).

The underlying rationale adopted was to use the revised Scoping Study economic analysis to confirm that the Walford Creek Project was sufficiently viable under appropriately exacting assumptions that it warranted ongoing progression down the PFS pathway. This confirmation has been resoundingly delivered.

While the forecast capital cost of the Walford Creek Project has increased under the revised flowsheet and project development pathway, the metal recoveries are greatly improved and treatment/refining charges are largely absent delivering overall an improved economic outcome. Notwithstanding, the project retains globally a highly competitive upfront capital intensity of approximately US$15,000/t annual CuEq output. These changes have also delivered Aeon considerably greater optionality with respect to financing of the Walford Creek development. The higher forecast recoveries and final payability levels of all metals produced from Walford Creek have significantly extended the Company's ability to utilise potential financing routes such as silver streaming (forecast LOM silver revenue of A$691 - 934 million), offtake financing and/or sale of a strategic asset interest. Given the location of the Walford Creek Project in northern Australia, Aeon also plans to investigate the potential for a substantial funding contribution to be delivered from the Australian Federal Government's A$5 billion Northern Australia Infrastructure Fund (**NAIF**) initiative. For further details of Aeon's planned project financing approach, refer to Section 17 of this release.

A drilling program focussed on resource extension and classification upgrade is already underway at Walford Creek. The results of this drilling are expected to feed into a revised Mineral Resource Estimate to be compiled by year end. This update is targeting an enlarged total resource and further increases in total Measured and Indicated resources. The revised Mineral Resource Estimate is set to form the basis of the more advanced mine scheduling and economic assessment to be completed within the PFS, which is targeted for finalisation in Q1 CY2022 (given the already significantly advanced state of the mining and related studies).

It is expected that the PFS will explore potential opportunities to further improve the Walford Creek Project economics including:

- Improved flotation metal recoveries and pressure oxidation (POX) metal extractions.
- Recovery of lead which is not currently included in the revenue stream.
- Updated Mineral Resource Estimates arising from the current exploration program.
- Modified and cheaper caving method for underground production.
- Optimised mine design to minimise waste development and bring forward higher grade material.
- Increased proportion of cheaper solar PV in the overall electricity generation mix.
- Optimisation of the autoclave operating conditions to achieve reduced POX oxygen consumption.
- Co-deposition of acid forming mine waste with acid consuming process tailings.
- Further design and engineering to optimise capital and operating cost estimates.
- Confirming and incorporating any potential premia available for higher quality metal end products.

Commenting on the revised Scoping Study results, Aeon Interim Managing Director, Dr Fred Hess, said:

"Our decision to embrace the bulk sulphide flotation and pressure oxidative leaching flowsheet on a largely technical basis is now more fully appreciated with the release of the initial results of these economic considerations. While the overall results are unoptimised, preliminary and conservative, their magnitude

provides sufficient buffer in relation to their potential for uncertainty to warrant guarded optimism, especially with the capital cost estimate incorporating a healthy 20% contingency.

"There are a range of further potential economic improvements to be explored in the PFS. Critically, the drilling program that recently commenced at Walford Creek also provides potential opportunity to increase scale, life and forecast economics of the project.

"Two commodity pricing scenarios have been utilised in the revised Scoping Study. These serve to highlight a range of potential outcomes based on an amalgamation of past and recent commodity price performance. While a number of analysts are opining on the potential for a commodity price super-cycle, an upside scenario was not considered warranted for inclusion at this point in the study process – since there will be further opportunities to review project economics as the project is better informed and closer to realisation at the conclusion of the PFS.

"The testwork programs focussed on optimising bulk sulphide flotation metal recoveries, pressure oxidative leach metal extractions and general operating conditions are already underway. It is expected that by the time that an updated Mineral Resource Estimate is completed, sufficient work will have been completed to release a PFS incorporating a maiden Ore Reserves statement in Q1 2022.

"The revised Scoping Study results were based on the extensive infill drilling, geological modelling and metallurgical testwork undertaken to date on the Vardy and Marley deposits and to a lesser extent the Amy deposit. Importantly, the open pit and underground mining study elements are considerably advanced.

"In comparison, given the preliminary nature of the current metallurgical assessment and the need to conduct further confirmatory and optimisation testwork, the potential exists for certain elements of the proposed flowsheet to change, including the composition mix and quality of the proposed metal end products. As such, one of the primary objectives of the PFS is to increase the overall depth of understanding and confidence in the metallurgical aspects of the proposed flowsheet.

"Compared to previous assessments, the revised Scoping Study has delivered an approximate 50% longer mine life at an approximate 50% increased scale of operation. These results serve to reinforce the numerous favourable step changes that are being delivered by the adoption of the current flowsheet. The level of the initial capital cost estimate is a natural consequence of selecting a POX leach circuit that yields the substantial benefits of higher metal recoveries and higher quality, higher payability end metal products.

"A significant opportunity to be realised in the new project configuration is the embrace of renewable solar PV electricity generation for greater than 30% of the total site demand. The Walford Creek Project is set to boast one of the highest proportions of renewable energy content in its metal products compared to any other off-grid mining operation globally.

"The much higher mineral resource conversion to mill feed achieved, the higher metal recoveries and qualities of the end products produced and their substantially higher renewable energy content are set to collectively establish a new high-water mark for responsible mining and processing of Australia's limited mineral resources wealth.

"The metal product streams planned to be produced from Walford Creek are much sought after in the global marketplace. They offer metal price leverage to both conventional metal markets as well as the fast-growing EV battery and associated infrastructure space. Their outstanding green mining and processing credentials should allow them to be positioned at the premium end of the market. Moreover, the production of metal end products, versus concentrate streams, essentially eliminates further treatment and refining charges and minimises transportation costs.

"While the capital cost of construction has increased in response to the changes in scale and processing flowsheet, the operating costs have decreased substantially, and this has propelled the significant increase in process plant feed to 36Mt which in turn has driven the step up in throughput scale to 3Mtpa. Preliminary consideration of financing options suggests that the mix and quality of the products being produced coupled with the focus on higher solar PV energy content will appeal to a project finance market with a growing appetite for battery metals with strong renewable credentials. The opportunities to finance the project will be explored in greater detail during the PFS.

“There remain a number of options to further enhance project economics and these will form the basis for further investigation during the PFS. The current strong trend in commodity prices provides a favourable tailwind for progressing these opportunities and our desire to press our development timetable to the fullest extent that is still prudent.”

Walford Creek Project Scoping Study: Key Physical Parameters

Key physical inputs	Unit	Total / LOM	Annual average @ Nameplate
Operations			
Detailed Engineering	months	12	na
Construction period	months	12	na
Initial production life - Open Pit	years	1 - 11	na
Initial production life - Underground	years	1 - 14	na
Mining			
Production tonnes	Mt	36	3.0
Open pit production tonnes	Mt	11	0.9
Underground production tonnes	Mt	25	1.8
Waste mined - Open Pit	Mt	31	2.4
OP strip ratio	W:O	2.8	na
Processing - Flotation			
ROM Feed	Mt	36	3.0
Copper head grade	% Cu	0.70%	na
Zinc head grade	% Zn	0.83%	na
Silver head grade	g/t Ag	28	na
Cobalt head grade	% Co	0.12%	na
Nickel head grade	% Ni	0.05%	na
Copper recovery	%	98%	na
Zinc recovery	%	95%	na
Silver recovery	%	91%	na
Cobalt recovery	%	82%	na
Nickel recovery	%	78%	na
Processing - POX			
POX Feed	Mt	18	1.5
Copper recovery	%	97%	na
Zinc recovery	%	97%	na
Silver recovery	%	90%	na
Cobalt recovery	%	97%	na
Nickel recovery	%	97%	na
Processing - Overall			
Copper recovery	%	95%	na
Zinc recovery	%	92%	na
Silver recovery	%	82%	na
Cobalt recovery	%	79%	na
Nickel recovery	%	76%	na

1. Refer to Section 15 of this release for full details on the calculation of copper equivalent (CuEq) and payable CuEq volumes.

Walford Creek Scoping Study: Key Economic Outcomes

Key financial outcomes	Unit	Consensus Case[1]	Current Case
Price inputs			
LOM average copper price	US$/lb	3.52	4.54
LOM average cobalt price	US$/lb	16.79	20.42
LOM average zinc price	US$/lb	1.22	1.36
LOM average silver price	US$/oz	20.0	27.0
LOM average nickel price	US$/lb	6.80	8.16
LOM average A$/US$	A$/US$	0.70	0.75
Valuation, returns and key ratios			
$NPV_{8\%}$ (post-tax, real basis, ungeared)	A$M	375	805
IRR (post-tax, real basis, ungeared)	%	13%	18%
Payback period (post-tax, from mine start)	years	5	4
Pre-production capital expenditure (exc. Open pit pre strip)	A$M	996	996
Cashflow summary			
Revenue copper	A$M	2,508	3,236
Revenue zinc	A$M	1,001	1,113
Revenue silver	A$M	691	934
Revenue cobalt	A$M	1,631	1,984
Revenue nickel	A$M	288	346
Total net revenue	**A$M**	**6,120**	**7,612**
Mining opex	A$M	1,682	1,682
Processing opex (incl. tailings)	A$M	1,539	1,539
G&A (incl. insurance) opex	A$M	105	105
Product transport and port opex	A$M	137	137
Site Opex	A$M	3,462	3,462
Royalties	A$M	219	255
EBITDA	**A$M**	**2,875**	**3,894**
Tax (unlevered)	A$M	588	892
Operating Cash Flow	**A$M**	**2,287**	**3,002**
Unit cash operating costs			
Mining	A$/t processed	46.4	46.4
Processing (incl. tailings)	A$/t processed	42.4	42.4
G&A (incl. insurance)	A$/t processed	2.9	2.9
Product transport and port	A$/t processed	3.8	3.8
Site Operating Costs	**A$/t processed**	**95.4**	**95.4**
Royalties	A$/t processed	6.0	7.0
Operating Cost	**A$/t processed**	**101.5**	**102.5**
By-product basis			
Site Opex	US$/lb Cu	4.5	4.9
Royalties	US$/lb Cu	0.3	0.4
By-Product Credits	US$/lb Cu	-5.1	-6.1

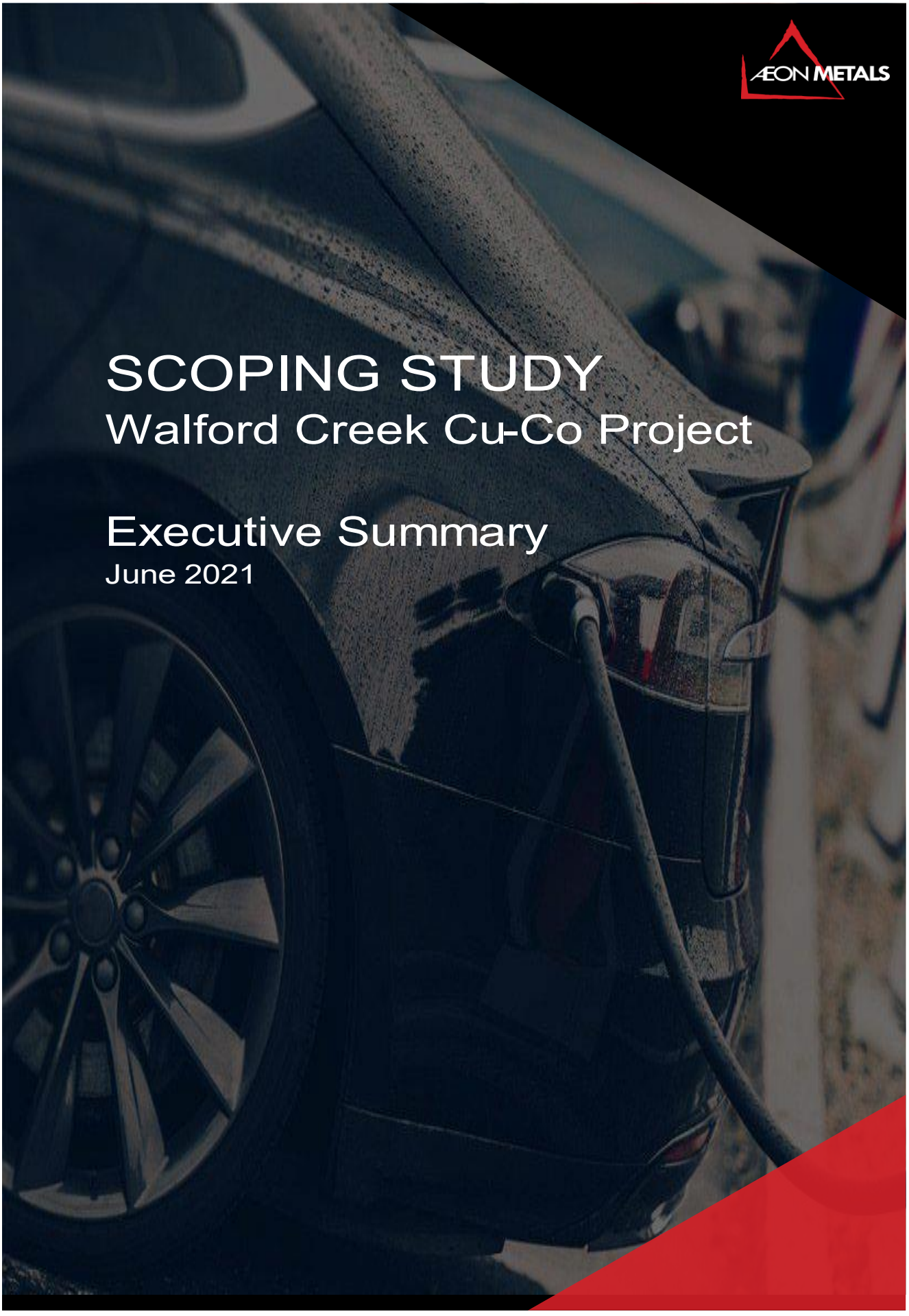
C1 Costs	US$/lb Cu	-0.2	-0.9
Sustaining Capex	US$/lb Cu	0.1	0.1
AISC	**US$/lb Cu**	**-0.2**	**-0.9**
Co-product basis			
Site Opex [1]	US$/lb CuEq	1.9	2.1
Royalties [1]	US$/lb CuEq	0.1	0.2
C1 Costs [1]	US$/lb CuEq	2.0	2.2
Sustaining Capex [1]	US$/lb CuEq	0.02	0.03
AISC [1]	**US$/lb CuEq**	**2.0**	**2.2**

1. Refer to Section 15 of this release for full details on the calculation of copper equivalent (CuEq) and payable CuEq volumes.

ABOUT AEON METALS

Aeon Metals Limited (**Aeon**) is an Australian based mineral exploration and development company listed on the Australian Securities Exchange (ASX: AML). Aeon holds a 100% ownership interest in the Walford Creek Polymetallic Project (**Walford Creek Project**) located in north-west Queensland, approximately 340km to the north north-west of Mount Isa.

Aeon completed a Scoping Study in June 2021 on the development of a 3.0Mtpa open pit and underground mining operation at the Walford Creek Project producing approximately 243kt copper and 33kt cobalt (plus zinc, silver and nickel) for sale to global metal markets. A PFS is targeted for completion in Q1 CY2022.



SCOPING STUDY
Walford Creek Cu-Co Project

Executive Summary
June 2021

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1. Introduction and Project Overview

The Walford Creek Copper-Cobalt Project (**Walford Creek Project** or the **Project**) is located approximately 340 km to the north north-west of Mount Isa and around 110 km to the north-west of the former Century Zinc Mine near Lawn Hill. It is situated within granted EPM's 14220, 14854, 18552 and 26906.

The Project has Measured, Indicated and Inferred Mineral Resource estimates (April 2021) totalling:

- Vardy and Marley Copper Lodes: 19.6Mt @ 1.08% Cu, 0.15% Co, 31g/t Ag, 1.03% Pb, 0.73% Zn and 0.07% Ni;
- Vardy and Marley Cobalt Peripheral: 19Mt @ 0.24% Cu, 0.09% Co, 21g/t Ag, 0.96% Pb, 1.07% Zn and 0.04% Ni; and
- Amy Copper Lode: 5.1Mt at 1.25% Cu, 0.15% Co, 37g/t Ag, 1.35% Pb, 0.63% Zn and 0.08% Ni.

This Scoping Study presents a stand-alone development pathway for the Walford Creek Project based on development of the existing Vardy, Marley and Amy resources only. The chosen mine schedule and processing flowsheet are considered the most suitable development and operating approach following incorporation of all current technical and economic parameters pertaining to those deposits.

The mine schedule incorporates mining of the Vardy and Marley Resources utilising both open-pit and underground mining methods. Amy is mined from underground only. For the existing resource scale and the selected processing route, optimal mine and process throughput has been established to be approximately 3Mtpa nameplate capacity.

Processing will involve a comminution and flotation plant treating ore at 3Mtpa to produce approximately 1.5Mtpa of bulk sulphide concentrate which will be pressure leached in an autoclave under oxidative conditions to yield a pregnant leach solution containing the copper, cobalt, zinc and nickel metals in solution. The metals will be sequentially extracted from the pregnant leach solution according to:

- Copper – solvent extraction followed by electrowinning to produce 99.99% copper cathode
- Zinc – solvent extraction followed by electrowinning to produce 99.99% zinc ingot
- Cobalt – solvent extraction followed by purification and crystallisation to produce 99% cobalt sulphate
- Nickel – solvent extraction followed by purification and crystallisation to produce 99% nickel sulphate

The solid residue from the pressure leach circuit will be subjected to cyanide leaching to extract the silver which will be upgraded via the Merrill-Crowe process to produce silver dóre. The cyanide will be destroyed prior to disposal with the other residue streams in the tailings storage facility. A proportion of the tailings from bulk sulphide flotation will be directed underground as paste backfill.

The flowsheet was established after extensive metallurgical testwork on the Walford Creek Project mineralisation. It is expected that the relevant silver processing plant and operations will be certified to comply with the International Cyanide Management Code (**ICMC**) and that Aeon would become a signatory to the Code.

Export of the metal end products is planned via trucking (and possibly rail) to the port of Townsville for shipping to domestic and global markets.

The Scoping Study has been completed to an overall forecast accuracy of +/- 40%. It should be noted that a number of the workstreams within the Scoping Study have already been undertaken to a more detailed standard of evaluation and definition.

2. Study Team

Key external contributors and consultants involved in the preparation of this Scoping Study included:

H&SC	Mineral Resource estimation
PSM	Geotechnical
AMDAD	Mining, mine capital and operating costs
Geometcon	Testwork, comminution and flotation processing
Malachite Process Consultants	Hydromet processing
DRA Global	Engineering, capital and operating cost (audit)
Epic Environmental	Environment, permitting, social and community

3. Geology and Mineral Resource Estimate

The Project is situated on the northern margin of the Mount Isa Inlier where it is faulted against and onlaps onto the Murphy Tectonic Ridge. This ridge is a major basement inlier trending east-west and comprising of Proterozoic granites and volcanics with underlying metamorphics. Overlying these older rocks are the Wire Creek Sandstone and the Peters Creek Volcanics. The Peters Creek Volcanics are unconformably overlain by the mid-Proterozoic Fickling Group, akin to the Mount Isa Group and consisting of the basal Fish River Sandstone overlain by the Walford Dolomite, then the prospective Mt Les Siltstone and above that the Doomadgee Formation.

The Fish River Fault (**FRF**) is a long-lived growth fault which was active during the deposition of the mineral bearing sulphidic shallow-basin sediments of the Fickling Group, particularly the Mt Les Siltstone, that hosts the base metal mineralisation south of the strike extensive FRF. It is a normal fault with south block down relative to the north block.

The most significant mineralisation in the Project area consistently abuts the steeply dipping, broadly east-west trending FRF zone where it coincides with particularly the pyritic sediments of the Mt Les Siltstone. Currently, known mineralisation parallels the fault over approximately 10 kms from Vardy in the east into Marley and west into the Amy zone.

The Mt Les Formation comprises a series of interbedded fine-grained dolomitic sandstones, siltstones and shales with variable amounts of both dolomitised rock and pyritic rich sediments. The dominant mineral zones are within what are known as the upper Py1 (PY1) and associated dolomite and the lower Py3 unit (PY3). These are separated by a distinctive, mostly barren green siltstone unit. These shallow, south dipping gently folded layered sediments are broadly continuous across the entire drilled strike of known mineralisation at Walford Creek Project. This continuity of geology, defined by over 70 km of drilling, is reflected in both the schematic cross section and the long section shown in Figures 1 and 2.

Figure 1: Walford Creek Project schematic geological cross section

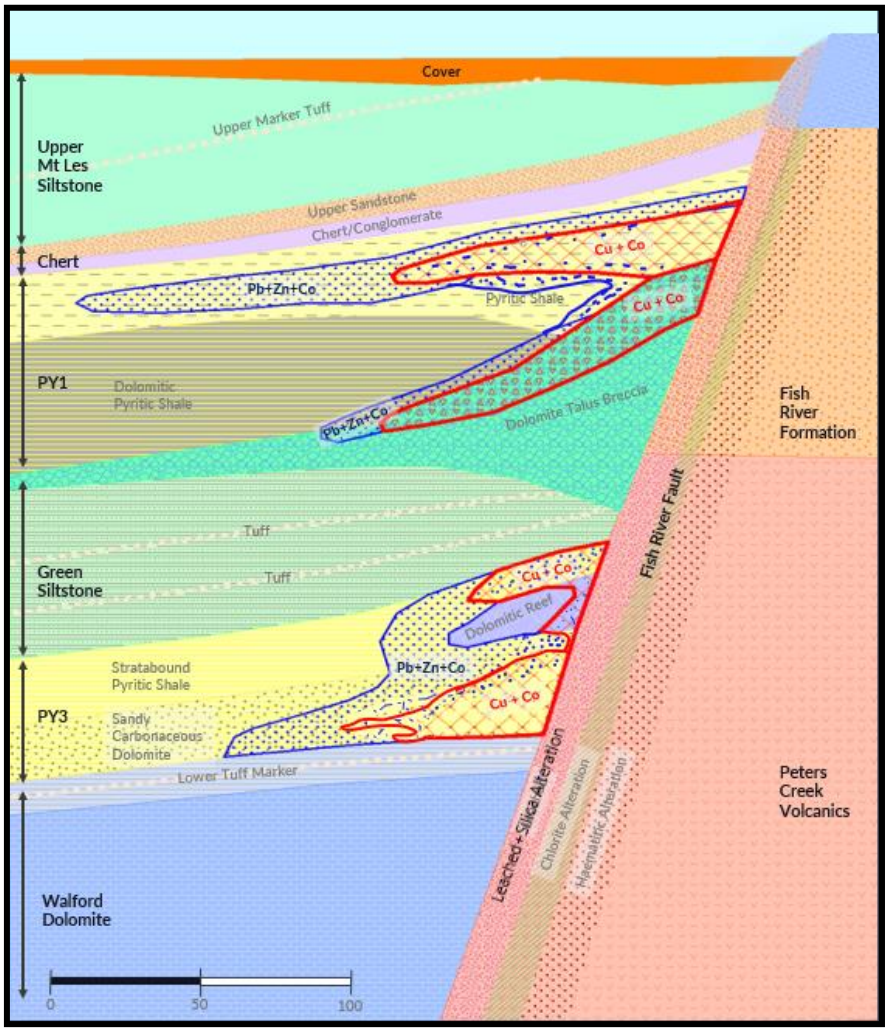
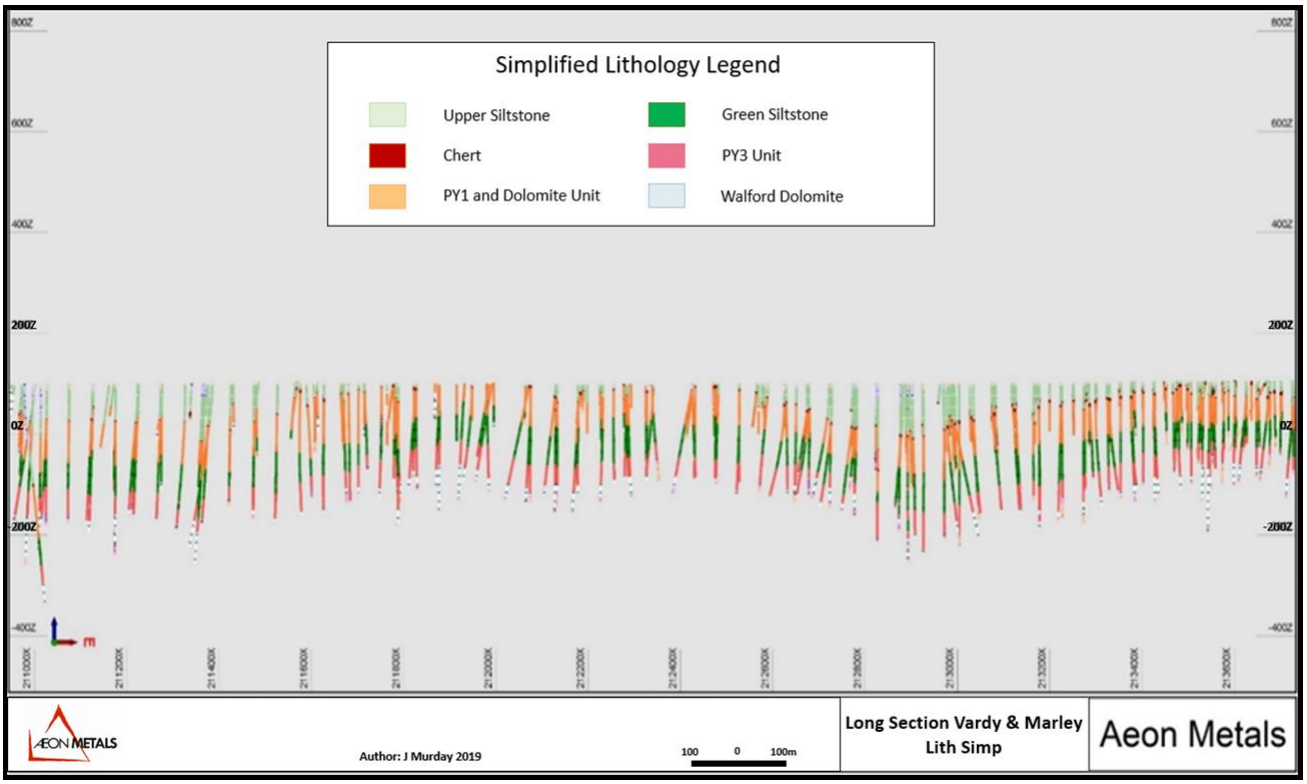


Figure 2: Long section of Vardy/Marley lithology



The existing global Mineral Resource Estimates for the Walford Creek Project (April 2021) are outlined in Table 1. These Resources are presently delineated across three defined areas of similar mineral nature: Vardy, Marley and Amy.

The Resource estimates are divided into two components: a Copper Lode Resource and a Cobalt Peripheral Resource.

The Copper Lode resource estimates are reported at a 0.5% copper cut off from block centroids within the mineralisation wireframes, defined by a 120ppm cobalt cut off. Measured and Indicated Resources constitute 95% of the total Vardy/Marley Copper Lode Resource.

The Cobalt Peripheral resource estimates are reported at a 600ppm cobalt cut off (and copper <0.5%) from block centroids inside the cobalt mineralisation wireframes. Measured and Indicated Resources constitute 95% of the total Vardy/Marley Cobalt Peripheral Resource.

Table 1: Walford Creek Project Global Mineral Resource Estimates

Vardy/Marley Copper Lode

Category	Mt	Cu %	Pb %	Zn %	Ag g/t	Co %	Ni %	Pyrite %
Measured	6.4	1.17	1.02	0.88	27.9	0.15	0.07	42.8
Indicated	12.2	1.03	1.03	0.66	31.8	0.15	0.07	39.0
Inferred	1.0	1.05	1.13	0.73	36.2	0.14	0.06	42.9
Total	**19.6**	**1.08**	**1.03**	**0.73**	**30.8**	**0.15**	**0.07**	**40.4**

Vardy/Marley Cobalt Peripheral

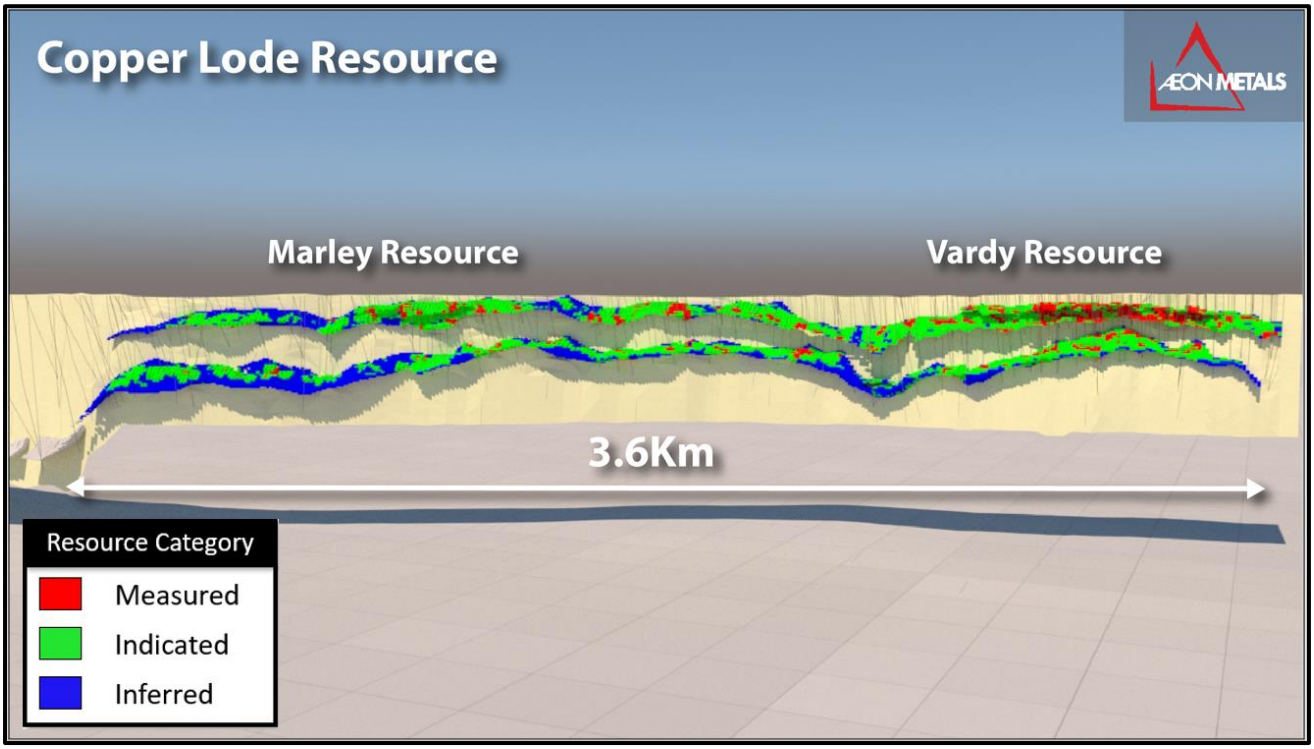
Category	Mt	Cu %	Pb %	Zn %	Ag g/t	Co %	Ni %	Pyrite %
Measured	6.4	0.24	0.85	1.20	19.5	0.10	0.04	44.4
Indicated	11.7	0.25	0.99	1.03	21.8	0.10	0.04	38.5
Inferred	0.9	0.20	1.27	0.72	23.7	0.09	0.04	39.3
Total	**19.0**	**0.24**	**0.96**	**1.07**	**21.1**	**0.10**	**0.04**	**40.5**

Amy Copper Lode

Category	Mt	Cu %	Pb %	Zn %	Ag g/t	Co %	Ni %	Pyrite %
Inferred	5.1	1.25	1.35	0.63	36.9	0.15	0.08	37.7

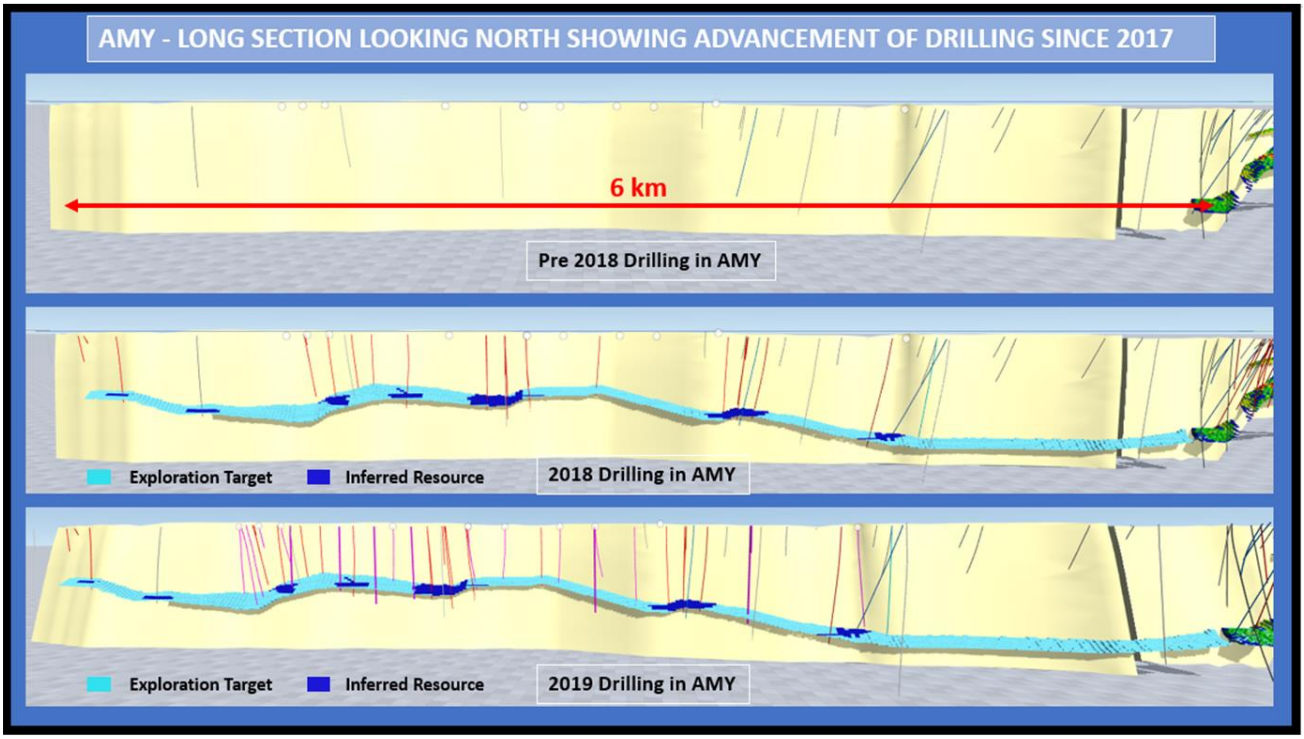
A long section of the Vardy/Marley Copper Lode resource is depicted in Figure 3.

Figure 3: Long section of Vardy/Marley Copper Lode Resources



There is also an Exploration Target Range (ETR) delineated across the Amy zone, which reflects the clear potential for additional mineralisation within the interpreted PY3 mineral wireframe. The approximate 7 km of drilling within the shallower 2.5km portion of Amy in 2019 has confirmed the excellent mineral potential of the PY3 stratigraphy and provides great confidence of further definition of economic base metals mineralisation. This Exploration Target Range is currently being tested as part of the 2021 drilling campaign that commenced in May 2021.

Figure 4: Amy Copper Lode Resource and Exploration Target



The ETR is based on a combination of interpolated grades not included in the Amy Mineral Resource plus 50% of the blocks within the geologically interpreted mineral wireframe that have no interpolated. The ETR estimate (at a 0.5% Cu cut off) is outlined in Table 2.

Table 2: Walford Creek Project Exploration Target Range (ETR) estimates

Amy Copper Lode

Category	Mt	Cu %	Pb %	Zn %	Ag g/t	Co %
ETR	2 - 4	1.1 – 1.5	1.1 - 2	0.5 – 1.6	30 - 60	0.11 – 0.2

The potential quantity and quality of the ETR is conceptual in nature. Insufficient exploration has been undertaken to estimate a Mineral Resource and it is uncertain that further exploration will result in the estimation of a Mineral Resource.

It is important to note that no Amy exploration potential (as estimated by the Amy ETR) has been incorporated in the Scoping Study forecast mine and process schedule.

Updates to the Walford Creek Project Mineral Resource estimates, which will incorporate drilling results from the 2021 field program, are expected in Q4 2021.

4. Geotechnical and Hydrogeology

Geotechnical assessment was carried out by PSM (Consultants) for the proposed open pit and underground mines. Both sections of the Scoping Study were produced to the confidence level of Pre-Feasibility Study. A summary of the outputs for both the open pit and the underground can be found in the following section.

Table 3: Vardy pit wall recommendations

Wall	Rock Mass Unit[1]	Bench Face Angle (°)	Berm Width (M)	Bench Height (M)	Inter-Ramp Angle (°)
Footwall (North)	Surface to TOFR	45	10	20	33
	TOFR to 10 m Intersection of FRF	70	8	20	53
	10 m Intersection of FRF to Pit Floor	70	10	20	49
Hanging Wall (South)	Surface to TOFR	45	10	20	33
	TOFR to Pit Floor	70	8	20	53

It should be noted that no geotechnical testwork has been carried out for the Marley pit or the Amy Underground, however the geology is similar to the Vardy area and has been assumed to require the same geotechnical considerations.

The underground mine was divided up into various geotechnical domains and stability parameters calculated for each domain. The table below presents a summary and average range of recommendations for stope heights of 25m for domains other than the FRF Fault Zone. Within the fault zone stope walls are likely to be unstable and stoping should therefore be conducted in retreat from hangingwall to footwall with stopes adjacent to the fault mined last.

Table 4: Stope design recommendations

	Hydraulic Radius m		Max Stope Width m	
	Typical	Range	Typical	Range
Hanging Wall and Footwall	7.6	2.5 - 18.2	6	6 - 86
Backs (widths for square spans)	4.1	1.8 -– 6.6	16.5	7 - 27
End / Side Walls	8.3	3.51 – 11.2	38.5	9 - 89

The main access development will be in the footwall of the FRF (north side) where ventilation shafts of 4 to 6m in diameter are expected to be stable in all rock units other than the fault zone or surface cover material. Bolt lengths for decline and level development are assumed to be 2.4m for up to 5m wide and 3m for poor ground conditions such as around the FRF.

Table 5: Decline and drive support recommendations

	Bolt Spacing m		Shotcrete/Mesh
	Typical	Range	
Decline and Drive (5m wide)	1.6	1.0 – 2.2	Mesh + 100mm to 120mm shotcrete in FRF
Intersections (additional)	2		6m Cable bolts
Stope brows in fault zone	1.5		2 x 6m cable bolts plus up to 200mm shotcrete

The geotechnical recommendations anticipate the impact of ground water on ground stability. Further testing will be carried out during the next phases study.

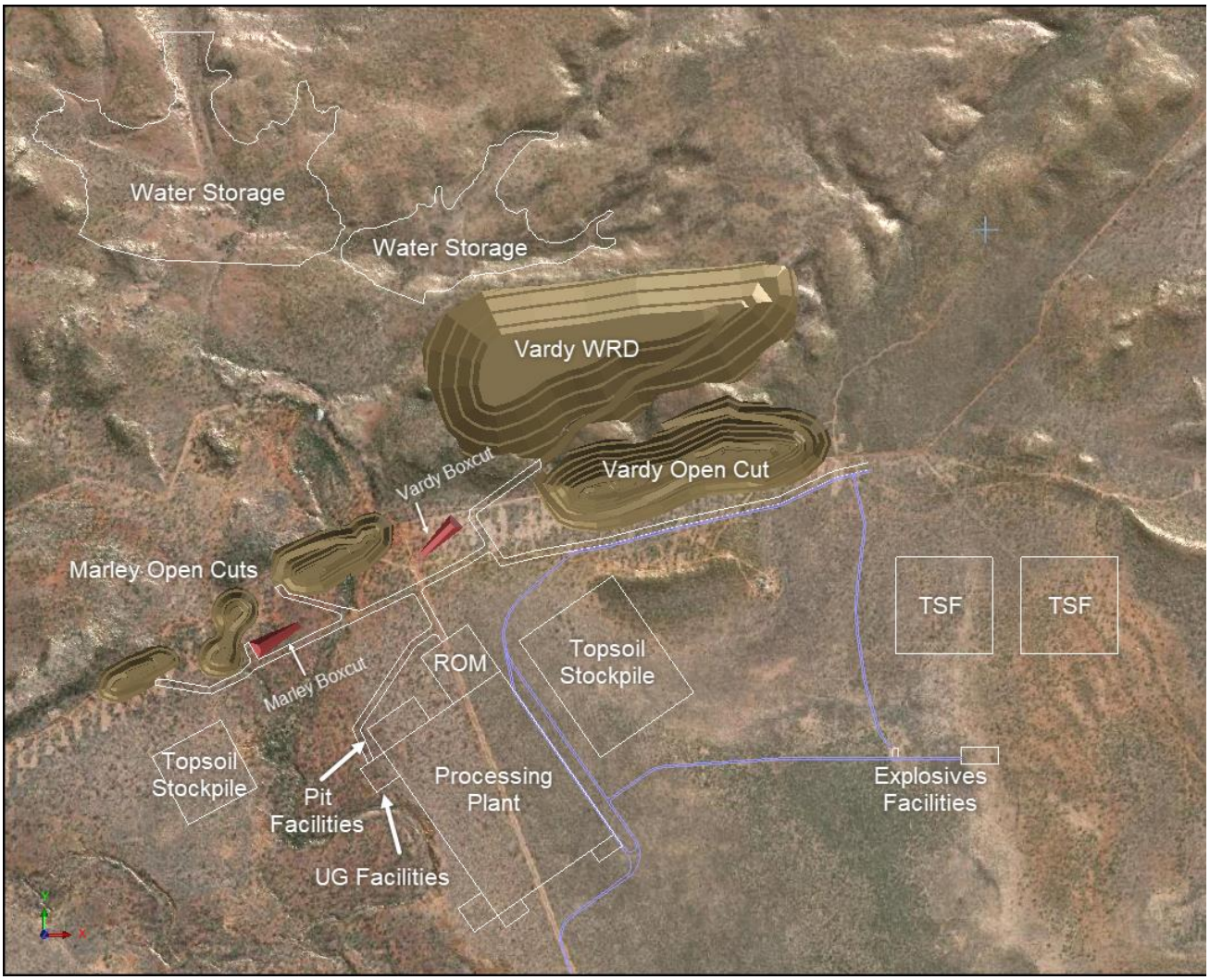
The first round of pump tests was carried out on the anticipated Vardy pit area. The pump tests showed limited water ingress, a relatively fast depression of the water table and a very slow recovery. These results along with a second round of pump tests will be incorporated into future geotechnical studies.

5. Mining Method and Schedule

The Scoping Study mining schedule allows for optimal extraction of the Vardy, Marley and Amy Resources through a combination of open pit and underground mining.

The open pit schedule is based on two main phases: extraction of Vardy Starter Pit and Marley East Pit, followed by extraction of the remaining Marley satellite pits and a pushback to final pit in Vardy. This extraction sequence will be refined in the PFS to further optimise cashflow, facilitate in-pit storage of PAF waste material, and to address wet season impacts. Marley East Pit intersects a prominent water course and the existing catchment to the north of this pit has the potential to result in significant storm water runoff entering the pit. Possible measures to address this include construction of a stream diversion channel around the eastern side of the pit.

Figure 5: Indicative pit design and site layout in plan view



Estimated total open pit production mined is 11.2Mt with total movement of 43Mt, which equates to a strip ratio of approximately 2.8:1. Open pit mining activities extend across all but the last three processing years of the Project.

Open cut costs have been estimated on the basis that mining will be carried out by Aeon, with contractors engaged for specialised tasks such as blasting services and drilling depressurisation holes. The fleet is expected to consist of 120t to 190t backhoe configured excavators matched to 90t trucks. Truck numbers will vary throughout the mine life according to pit depths and strip ratio.

The deeper PY3 lode will be mined entirely from underground. The top of PY3 starts at approximately 120m below surface and extends to approximately 300m depth. To develop the underground mine in parallel with the open pit, access will be via conventional declines developed from boxcuts at the surface at a grade of 1 in 7.

Once each decline reaches target depth, access drives will be mined to the east and the west to establish levels along strike. These drives will be located in the footwall, on the north side of the FRF and approximately 20m north of the mineralisation.

Underground extraction will be by transverse retreat longhole open stoping. This will require cross cuts (largely in mineralised material) on 15m centres to be mined from the access drive through the FRF and then up to 60m to the southern extent of the mineralisation. Stope voids will be filled with cemented paste fill or waste rock from development mining as appropriate to maximise mining recovery.

Figure 6: Vardy/Marley underground mine design in longitudinal projection looking north

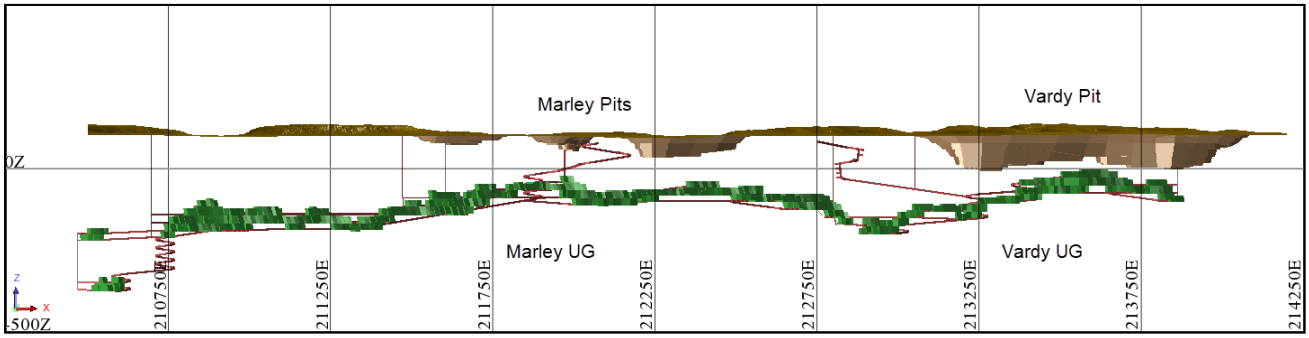


Figure 7: Vardy/Marley underground mine design looking north-west

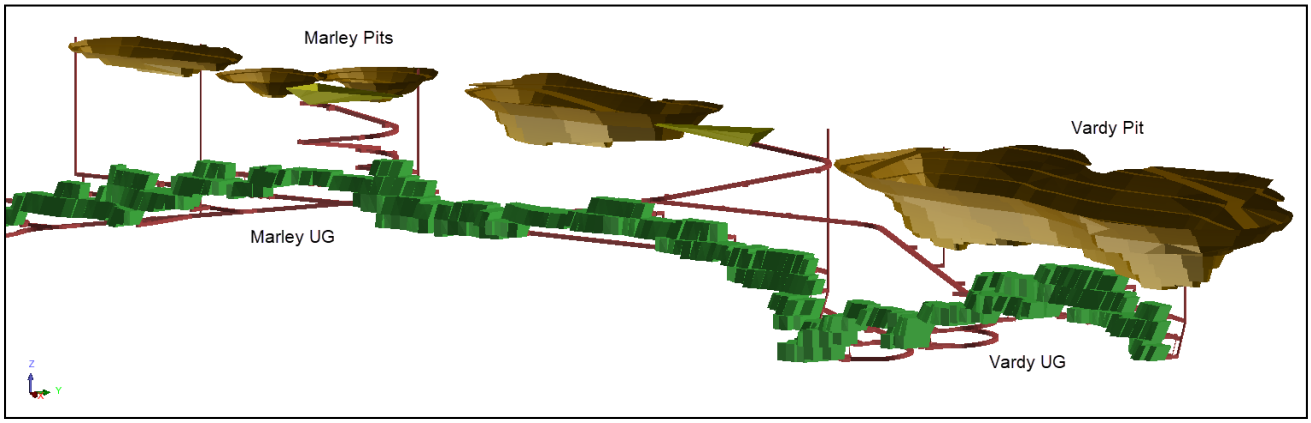
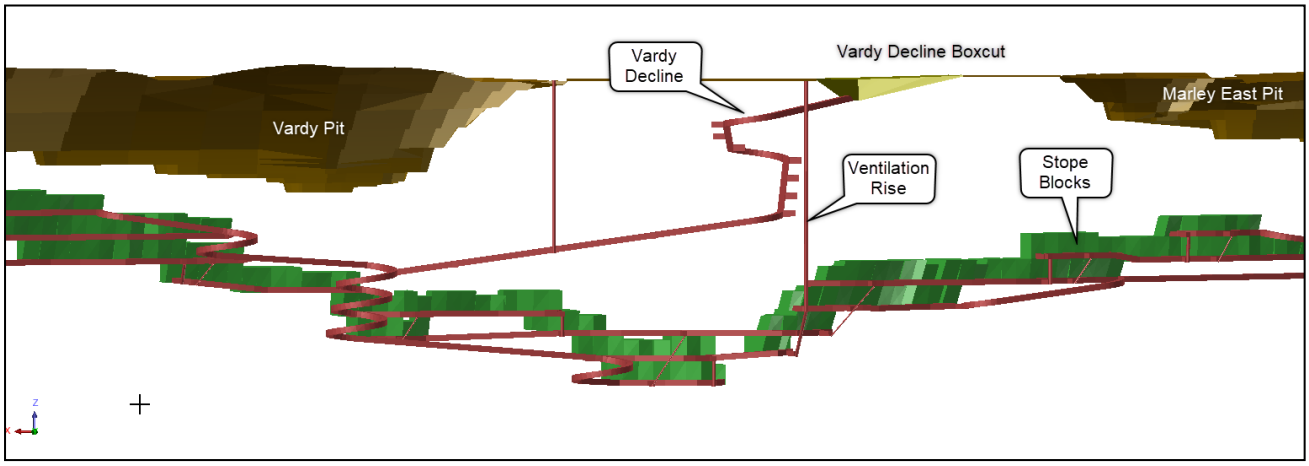


Figure 8: Schematic showing Vardy PY3 stope access



The Amy deposit, located to the west of the Marley deposit, will be mined entirely from underground. The tops of the Amy stopes start at approximately 230m below surface and the stopes extend to approximately 480m depth. Amy will be accessed from a decline developed from surface, with access drives connecting to the stoping zones along 3.5km of strike.

Figure 9: Marley-Vardy and Amy designs looking north

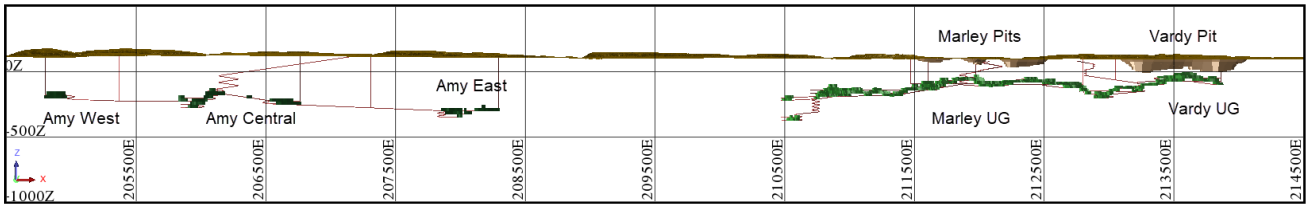
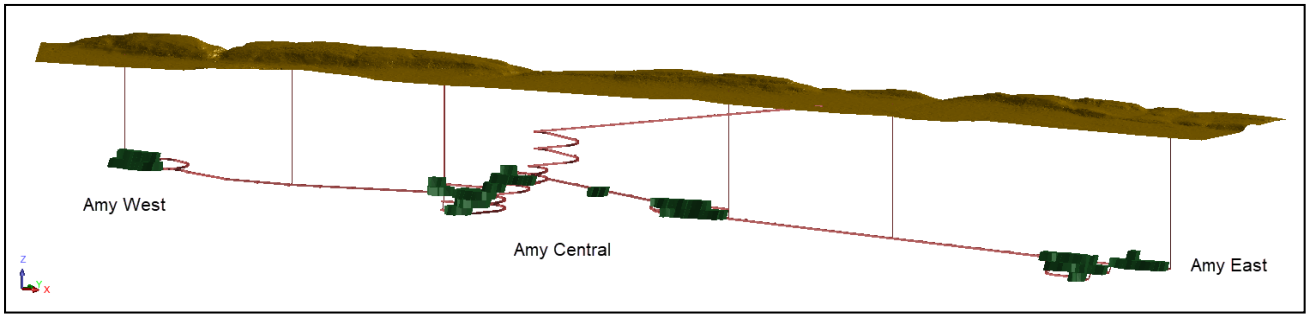


Figure 10: Amy underground mine design looking north-west



Development of the Vardy and Marley declines from surface is planned to commence in Year 1. Underground production will start in Year 2, ramping up to maximum underground production of approximately 2.0 Mtpa from Year 3. Future detailed scheduling will prioritise mining of higher-value stoping zones in Years 2 to 5 to optimise underground cashflow.

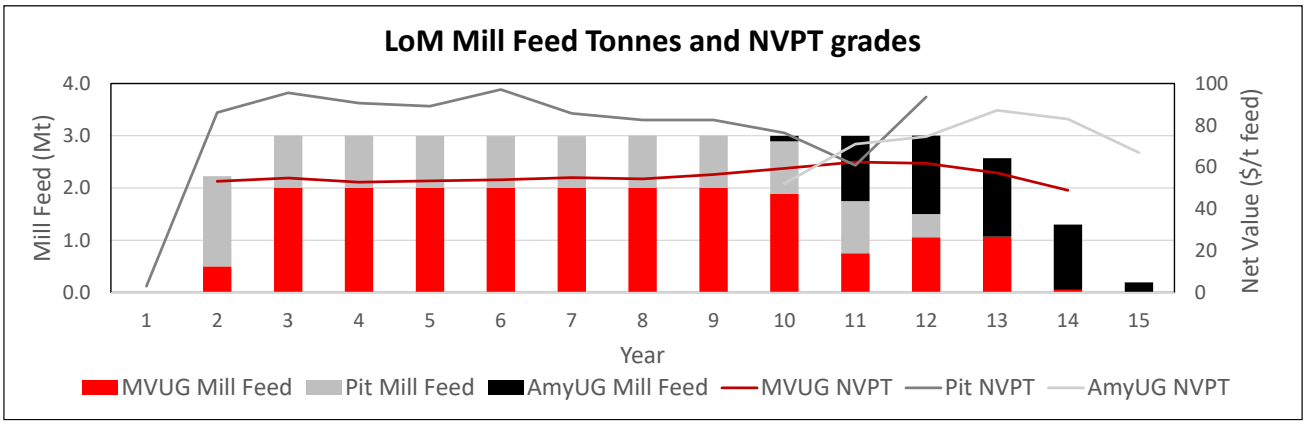
For the Marley-Vardy Underground total decline development requirements are estimated at 7,089m, while forecast lateral development requirements total 41,279m, and capital vertical development for ventilation totals 2,502 metres.

For the Amy Underground total decline development requirements are estimated at 6,034m, while forecast lateral development requirements total 12,471m, and capital vertical development for ventilation totals 2,381 metres.

Underground costs have been estimated on the basis that mining will be carried out by Aeon, with contractors engaged for specialised tasks including blasting services and raise boring of ventilation shafts. It is expected that the fleet will consist of 17t payload load-haul dump units matched with a fleet of 50-60t payload articulated trucks.

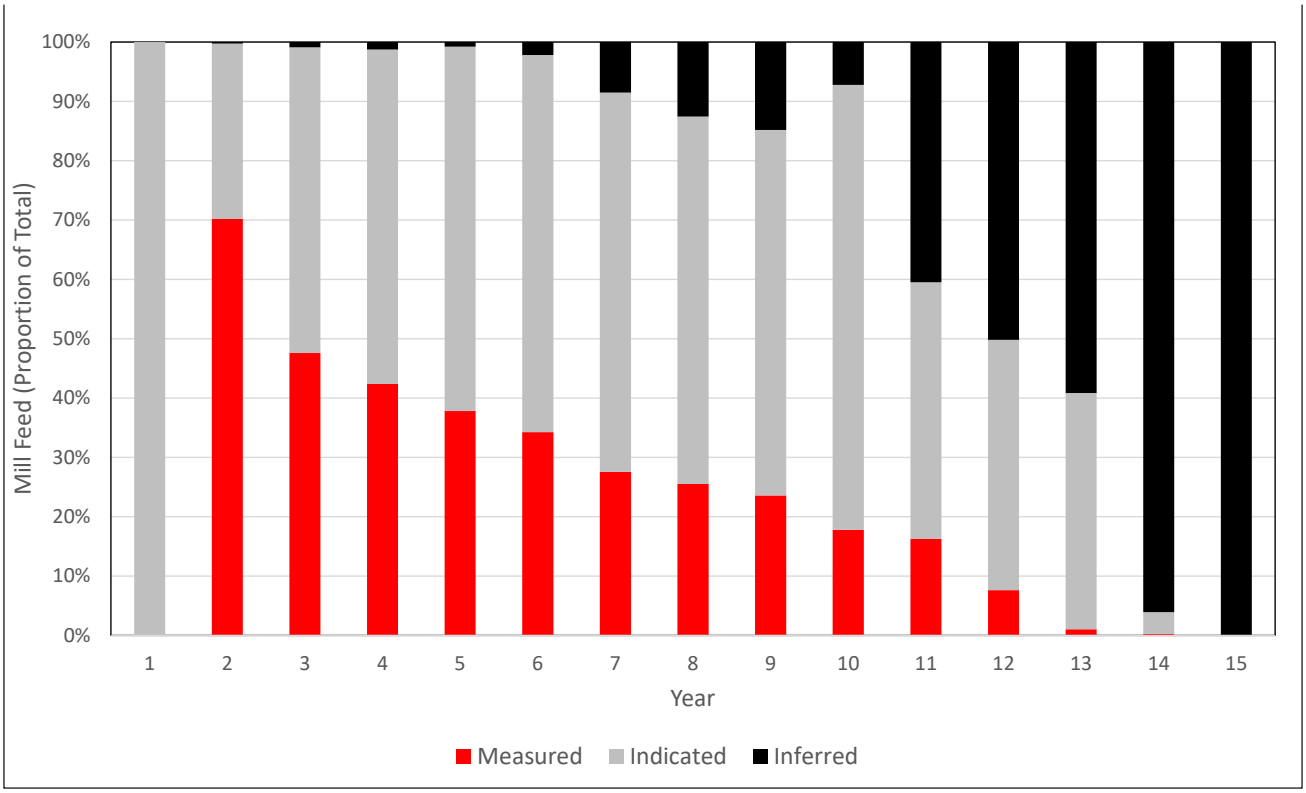
The overall Vardy/Marley/Amy mine production schedule is outlined in Figure 11. The mining schedule has been developed on a Net Value Per Tonne (NVPT, A$/t) breakeven basis. The net value includes underground stoping and haulage costs plus processing costs. Open pit quantities have been derived from pit optimisations, which have been factored to allow for practical material volumes. Similarly, the underground quantities are based on underground MSO optimisations, which have then been factored for waste development. The pit designs shown in Figure 5 are indicative only. Open Pit and Underground material will be fed through the flotation plant at 3Mtpa to produce 1.5Mtpa of bulk sulphide concentrate for treatment by pressure oxidation leaching.

Figure 11: Vardy/Marley/Amy open pit and underground mine scheduling



The composition of this production schedule by Mineral Resource classification is shown in Figure 12. Inferred Resources constitute only 20% of the production schedule, including less than 1% in the first five years of operation and less than 6% over the first ten years of operation.

Figure 12: Vardy/Marley/Amy open pit and underground mine scheduling by Resource Classification



6. Process Flowsheet and Plant Design

Introduction

The Walford Creek Project treatment plant consists of a conventional crush/grind/float circuit to produce a bulk sulphide concentrate. This bulk sulphide concentrate is subjected to pressure oxidative leaching (POX) in an autoclave to yield a pregnant leach solution containing iron, copper, cobalt, zinc, nickel, arsenic, and other gang minerals. The solid residue consisting predominantly of iron (as jarosite) and elemental sulphur. Both lead and silver in the POX feed report overwhelmingly to the solid residue.

The payable metals will be sequentially extracted from the pregnant leach solution according to:

- Copper – solvent extraction followed by electrowinning to produce 99.99% copper cathode
- Zinc – solvent extraction followed by electrowinning to produce 99.99% zinc ingot
- Cobalt – solvent extraction followed by purification and crystallisation to produce 99% cobalt sulphate
- Nickel – solvent extraction followed by purification and crystallisation to produce 99% nickel sulphate

The solid residue from the pressure leach circuit will be subjected to cyanide leaching to extract the silver which will be upgraded via the Merrill-Crowe process to produce silver doré. The cyanide will be destroyed prior to disposal with the other residue streams in the tailings storage facility. A proportion of the tailings from bulk sulphide flotation will be directed underground as paste backfill.

The majority of the lead and silver report to the leach residue. The leach residue will be subjected to cyanide leaching to extract the silver which will be upgraded via the Merrill-Crowe process to produce silver dóre. The cyanide will be destroyed prior to disposal with the other residue streams in the tailings

storage facility. A proportion of the tailings from bulk sulphide flotation will be directed underground as paste backfill. The lead in the leach residue, reporting as predominantly plumbojarosite, is not currently considered to be economically viable to extract and therefore it is not considered further. It is expected that the relevant silver processing plant and operations will be certified to comply with the International Cyanide Management Code (**ICMC**) and that Aeon would become a signatory to the Code.

The flowsheet was based on extensive metallurgical testwork on the Walford Creek Project mineralisation. A number of flowsheet elements, particularly the sequential extraction of the PLS metals from solution, have either limited or no supporting Walford creek testwork but are nonetheless widely practiced elsewhere. The outcome of the optimisation of the POX autoclave operating conditions is expected to directly influence the final configuration of these specific flowsheet elements.

The Walford Creek Project process plant will produce the following end products:

- Copper cathode;
- Zinc ingot;
- Silver doré;
- Cobalt sulphate; and
- Nickel sulphate.

Testwork

Comminution: 24 samples representative of Vardy PY1, PY3 and transition and Marley PY3 have undergone comminution tests. Comminution parameter results for abrasion (Ai), Bond Ball Mill Work Index (BWI) and SMC tests (DWi and A*b) indicate the deposit has moderate SAG mill competency, moderate ball mill hardness and low abrasion properties and would be suitable for a standard SAG-ball mill circuit.

Flotation: To date, 509 composite optimisation and variability tests have been conducted. The tests varied from roughing to regrind evaluation and open circuit cleaning tests. Thirteen locked cycle tests have been conducted including 10 evaluations of copper performance, 13 evaluating cobalt and one each evaluating lead and zinc performance, respectively. The majority of tests conducted to date related to production of individual concentrates. Current testwork is focussed on production of a bulk concentrate via roughing and scavenging, with the scavenger concentrate reground and cleaned.

Sequential Metal Separation: Precipitation tests have been conducted at ALS in Burnie and Outotec in Finland. Initial results have been used to inform the Scoping Study (see Aeon ASX release dated 30 July 2019, *Bioleach Selected for Process Flowsheet*).

Silver Recovery: Initial sighter tests are currently underway to commence cyanidation of POX residue for silver extraction to determine its potential economic extraction.

Lead Recovery: The majority of the lead reports to the POX leach residue. Future testwork will determine the chemical formation of lead compounds to allow evaluation of its potential economic extraction.

Based on the testwork noted above, Table 6 summarises the indicative average life-of-mine feed grades and stage recoveries.

Table 6: Indicative feed grades and stage recoveries

	Cu	Co	Zn	Ag	Ni	S
	%	%	%	g/t	%	%
Mill Feed	0.70%	0.12%	0.83%	29	0.05%	21.2%
Flotation Recovery	98.3%	81.6%	94.8%	90.6%	78.3%	92.3%
POX Feed	1.38%	0.19%	1.59%	0.01%	0.08%	39.36%
POX[1] Recovery	97.0%	97.0%	97.0%	90.0%	97.0%	N/A
Overall Recovery	95%	79%	92%	82%	76%	N/A

[1] For silver this is the cyanide leach recovery from the POX leach residue

Further drilling to recover representative samples from the orebody is under way as outlined in ASX announcement Walford Creek 2021 Exploration Program Commences dated 27th May 2021. The testwork program designed to confirm that above assumptions to a level of confidence of PFS was outlined in ASX announcement Metallurgical Testwork Program dated 3rd June 2021.

Process Description

The Walford Creek Project metallurgical treatment consists of the following processes:

- 3Mtpa sulphide concentration circuit consisting of crushing, SAG and ball milling, flotation, and thickening, producing a bulk sulphide concentrate representing a mass pull of ~50% (Figure 13);
- 1.5Mtpa pressure oxidative leach circuit for treatment of bulk sulphide concentrate (Figure 14);
- Sequential extraction stages to separate valuable metals and residues according to:
    - solvent extraction followed by electrowinning to produce LME grade 99.9% copper cathode
    - precipitation followed by disposal of iron, lead, arsenic and other trace metals to residue
    - solvent extraction followed by electrowinning to produce LME grade 99.9% zinc ingot
    - solvent extraction followed by purification and crystallisation to produce battery precursor grade 99% cobalt sulphate
    - solvent extraction followed by purification and crystallisation to produce battery precursor grade 99% nickel sulphate
- Cyanide leach of POX leach residue followed by Merrill-Crowe circuit to produce silver doré
- Disposal of flotation tailings to tailings storage facility or underground as paste backfill
- Disposal of PLS impurity precipitates to tailings storage residue
- Disposal of silver leach (POX) residue to tailings storage facility

Figure 13: Walford Creek Project process flowsheet - Flotation

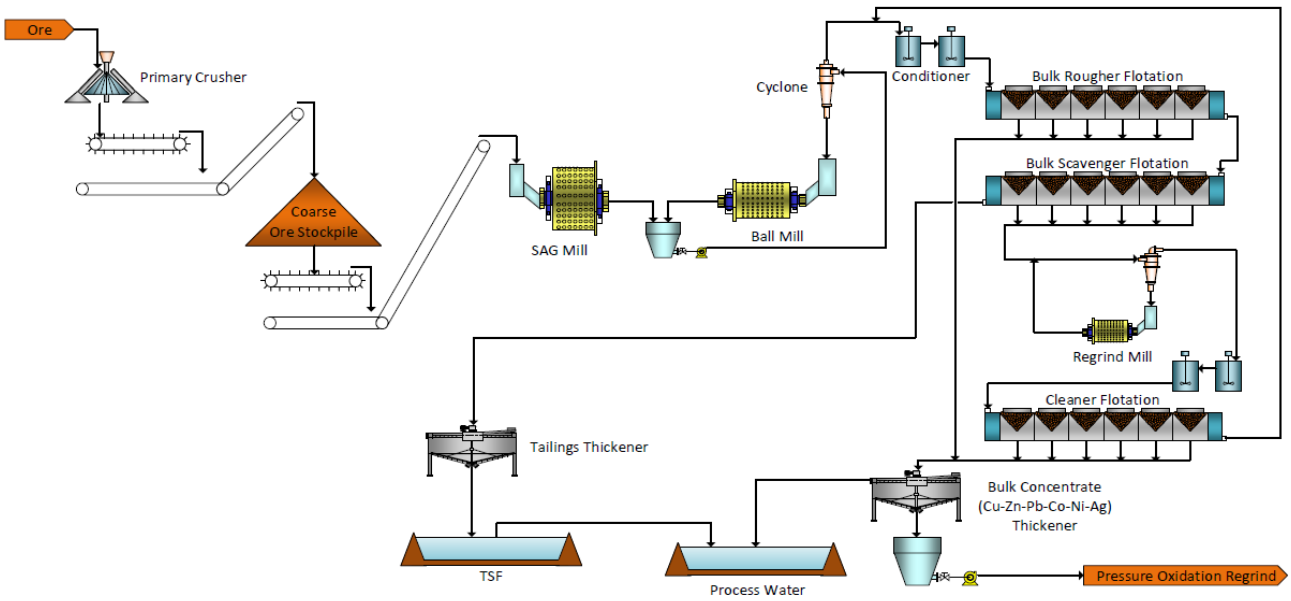
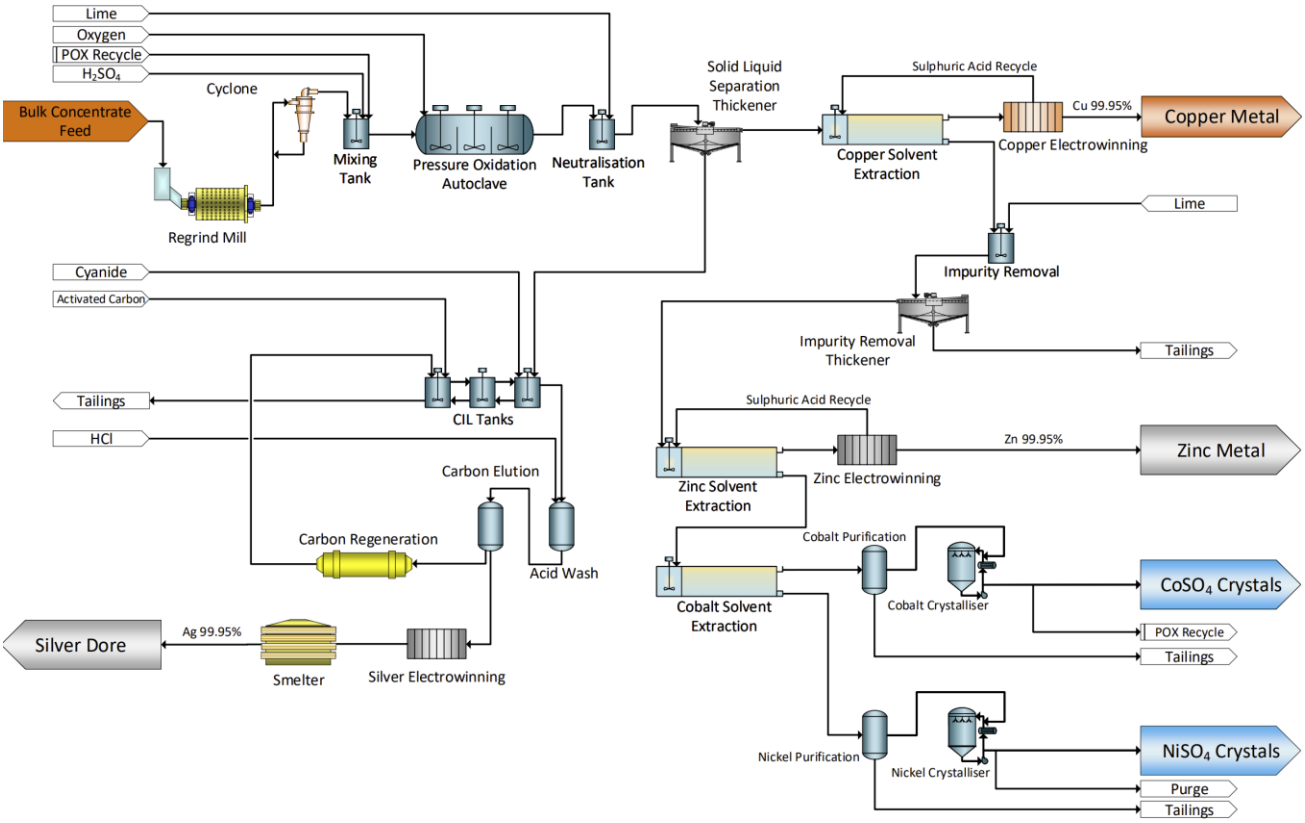


Figure 14: Walford Creek Project process flowsheet – Leaching and metal recovery



The life of mine production schedule is shown in Table 7.

Table 7: Annual mining and processing production schedule[1]

Years	O/C feed	U/G feed	Total feed	Cu	Co	Zn	Ag	Ni
	Mt	Mt	**Mt**	%	%	%	g/t	%
1	1.7	0.5	2.2	0.8	0.09	0.66	24	0.04
2	1.0	2.0	3.0	0.8	0.10	0.77	27	0.05
3	1.0	2.0	3.0	0.7	0.11	0.84	26	0.05
4	1.0	2.0	3.0	0.7	0.12	0.86	26	0.05
5	1.0	2.0	3.0	0.7	0.13	0.90	26	0.06
6	1.0	2.0	3.0	0.6	0.13	0.81	27	0.06
7	1.0	2.0	3.0	0.6	0.12	0.87	27	0.05
8	1.0	2.0	3.0	0.6	0.12	0.97	28	0.05
9	1.0	2.0	3.0	0.6	0.12	1.00	27	0.05
10	1.0	2.0	3.0	0.7	0.11	0.82	25	0.05
11	0.4	2.6	3.0	0.8	0.12	0.69	29	0.06
12	0.0	2.6	2.6	0.8	0.12	0.75	35	0.06
13	0.0	1.3	1.3	0.9	0.10	0.81	36	0.05
14	0.0	0.2	0.2	0.7	0.08	1.21	40	0.04
Total	**11**	**25**	**36**	**0.7**	**0.12**	**0.83**	**28**	**0.05**

The life of mine forecast production and annual average production of metals are shown in Table 8. Figures 15 through 19 show the forecast annual metal production for the mine.

Table 8: LOM and annual average production

Key physical outputs	Unit	Total / LOM	Annual average[1]
Metal production			
copper production	kt	243	20
cobalt production	kt	33	2.5
zinc production	kt	278	23
silver production	Moz	26	2
nickel production	kt	15	1
Copper equivalent production	**kt**	**592**	**50**

[1] *Rounded and based on average nameplate throughput of 3Mtpa*

Figure 15: A Grade Copper Cathode Production (ktpa)

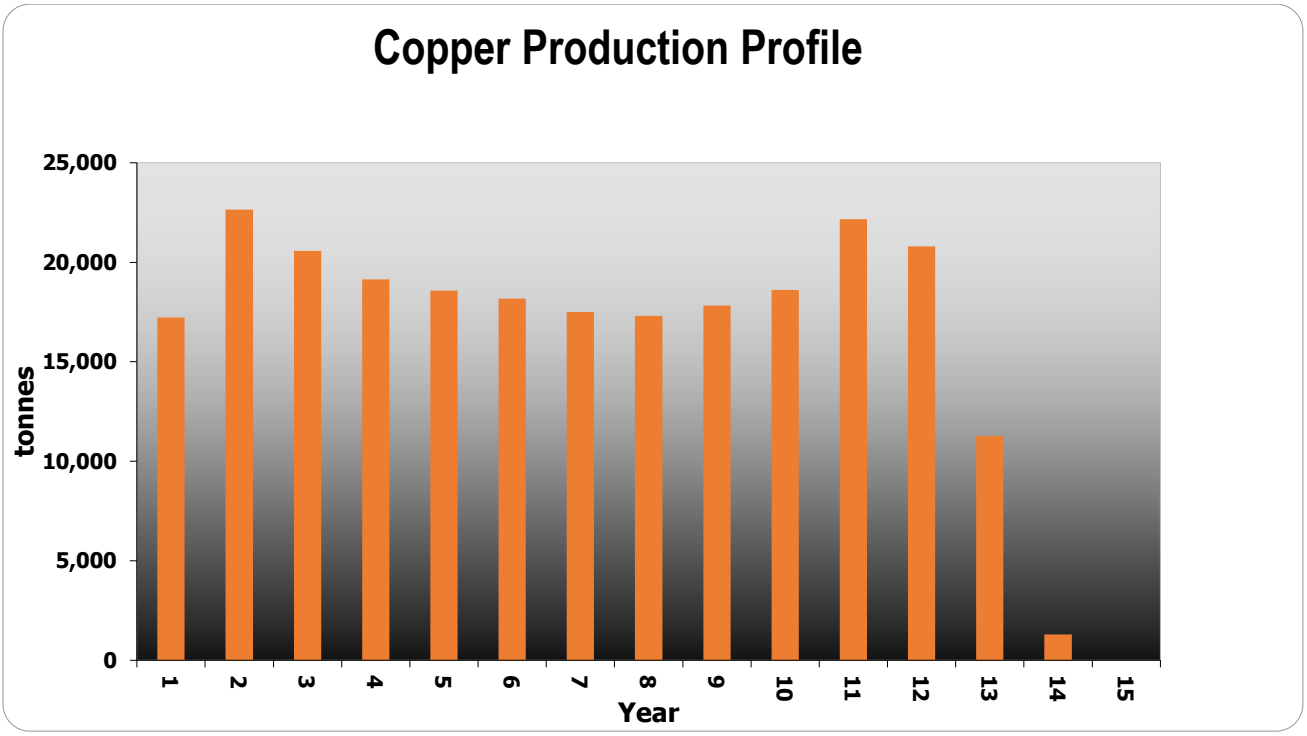


Figure 16: Zinc Cathode Production (ktpa)

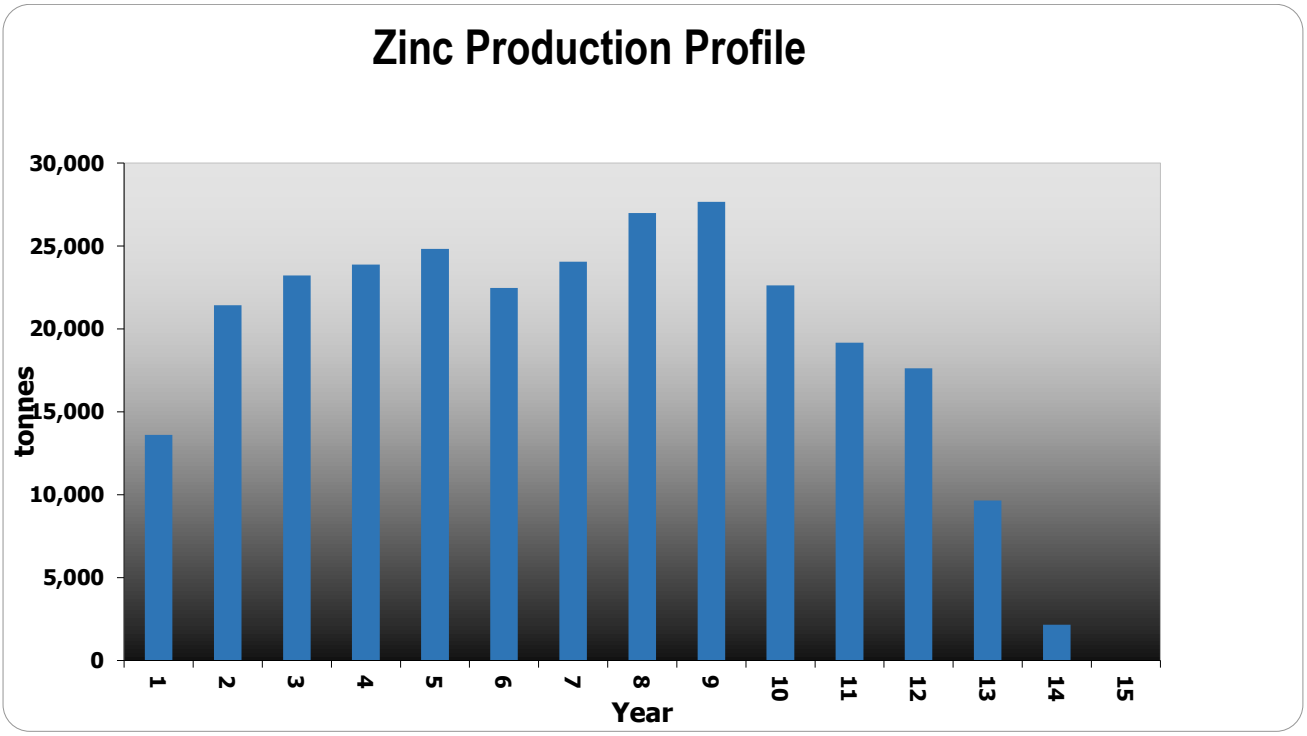


Figure 17: Cobalt Sulphate (battery precursor) Production (ktpa)

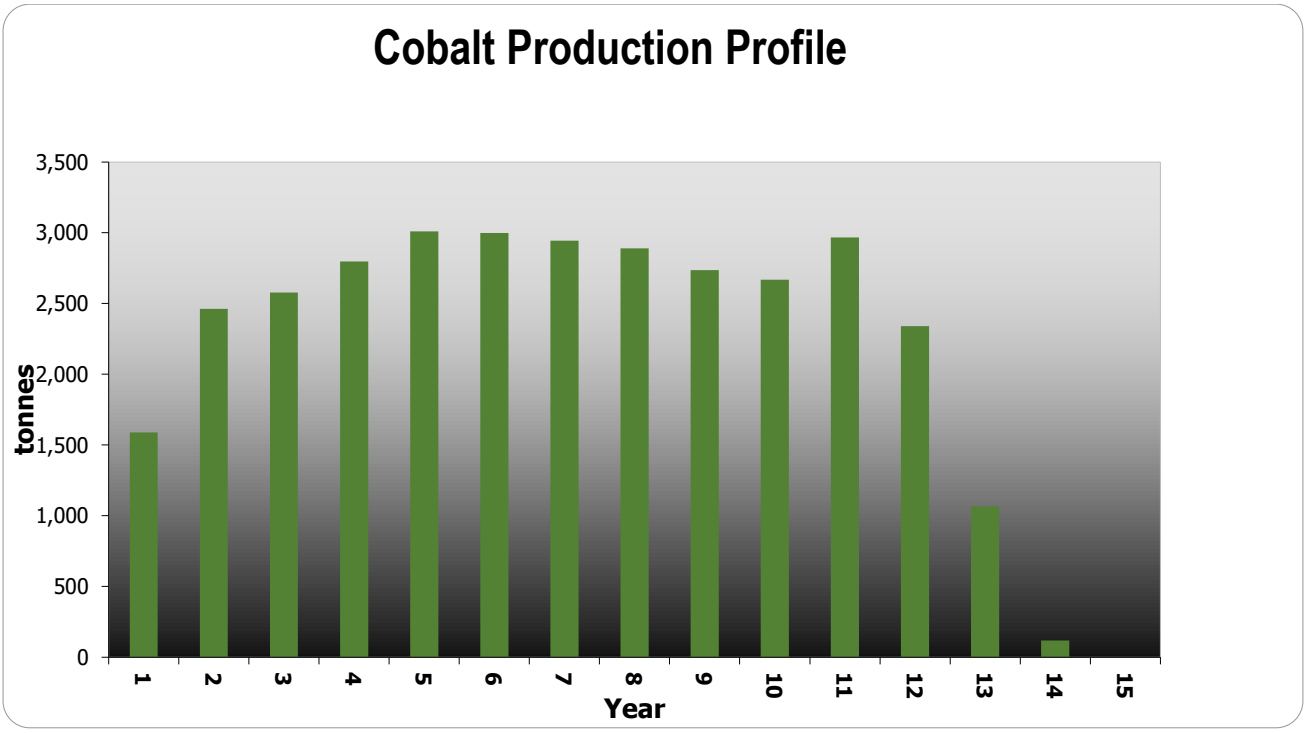


Figure 18: Nickel Sulphate (battery precursor) Production (ktpa)

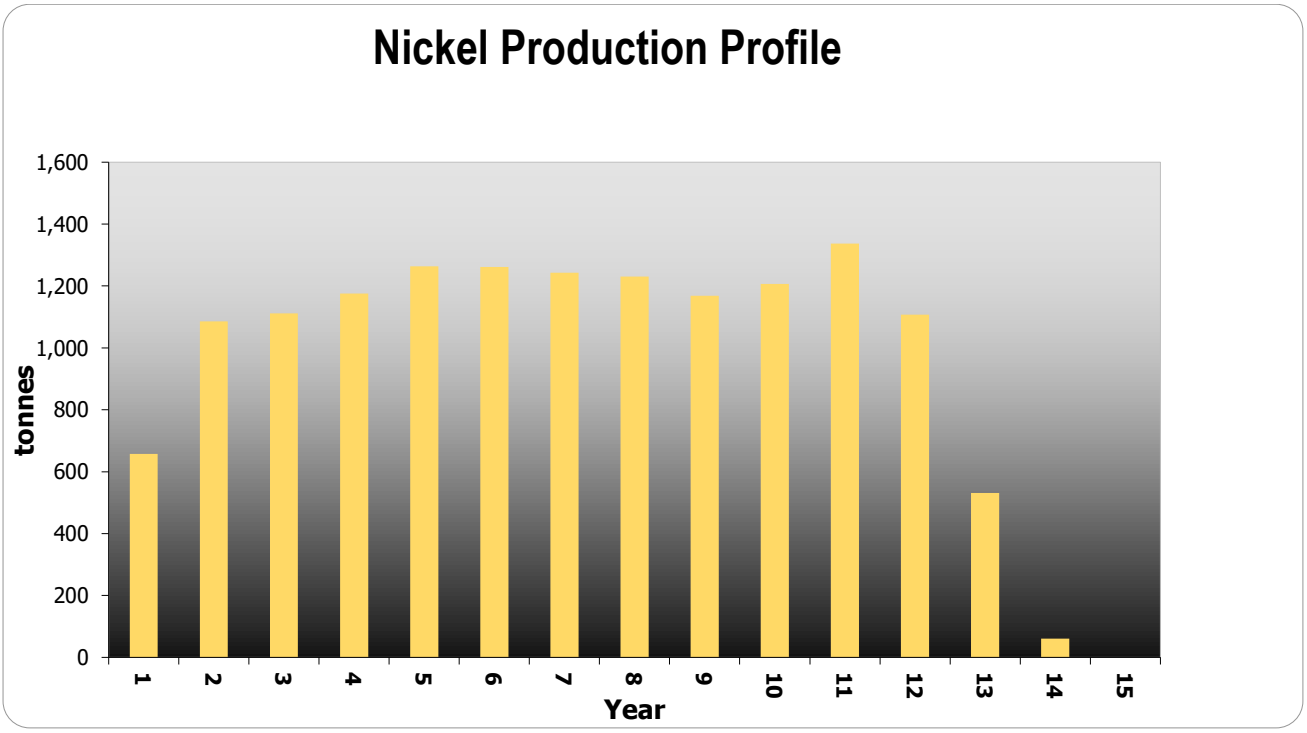
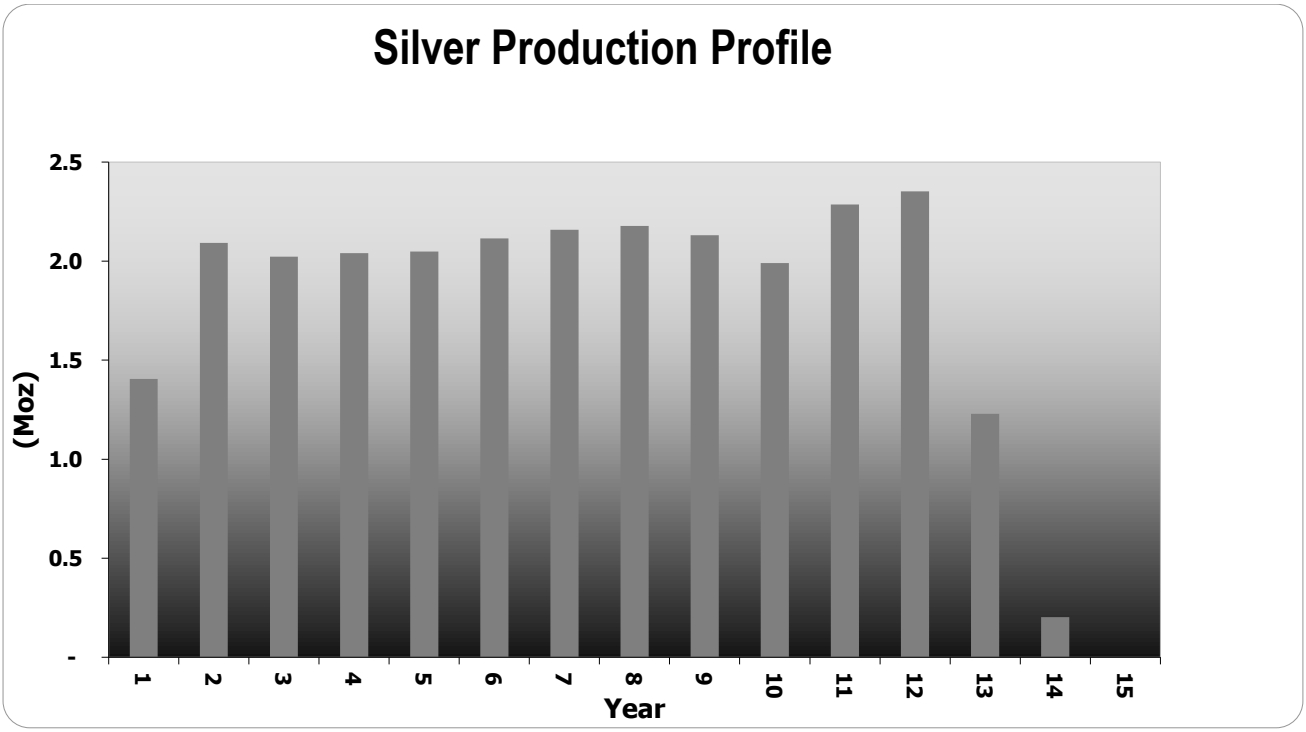


Figure 19: Silver Production (Moz)



7. Tailings Storage

The Scoping Study is based on the use of a lined turkey's nest concept for the Tailings Storage Facility (**TSF**). Further consideration will be given to converting the facility to a waste landform, thus significantly increasing the strength of the buttressing of the walls.

The location chosen for the TSF is to the east of the Vardy pit and to the south of the hill line created by the FRF. This location is favoured due to it being relatively flat, protected from any major run-off lines or catchment.

Geochemical testwork has been undertaken to determine the expected characteristics of the Walford Creek Project tailings. This included a specific focus on the acid and metalloid generating potential of the tailings material. The testwork shows that if the tailings were to be co-disposed with waste rock the tailings (high in dolomite) would provide considerable pH buffering capability. The option of tailings / waste rock co-disposal will be investigated further in the PFS.

8. Water Supply

The Project will require around 2.5GL of water per annum to support planned operations. These water requirements are planned to be met by a combination of groundwater sources and surface water harvesting.

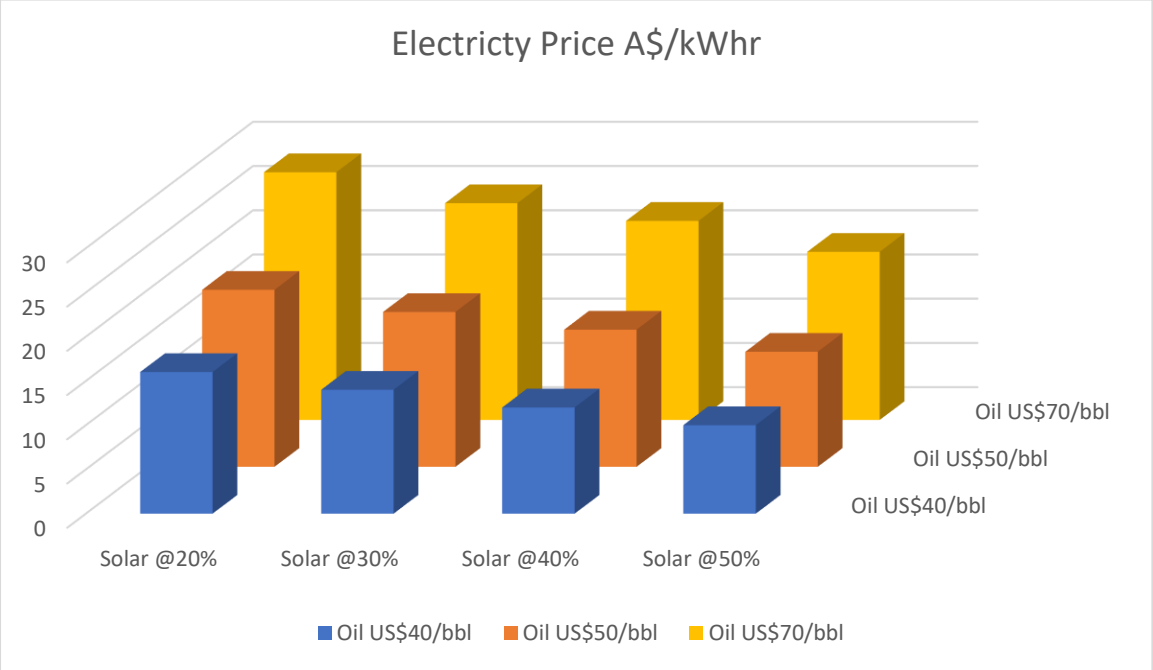
Based on available groundwater information and a review of the geological setting, there are a number of potential water sources for the Project including: deep artesian aquifers, indicated paleochannels, and water in the FRF zone.

More detailed evaluation of potential water sources and the preferred water supply strategy is planned for the PFS.

9. Power Supply

Total expected power requirement for the Project is 54MW. This is comprised of 46.7MW for the processing plant, 5.3MW for the underground and open pit mining operations, and 1.5MW for the camp facilities. The continuous 24 hour per day power generation will be sourced from a combination solar PV electricity generation (augmented by battery storage to smooth output) and diesel generators. The annual average solar generation capacity is expected to contribute up to 30% of the total required for each 24 hour day. In periods where the solar output is less than that required, diesel generation will be used to augment supply.

Figure 20: Electricity price sensitivity for various solar / diesel combinations

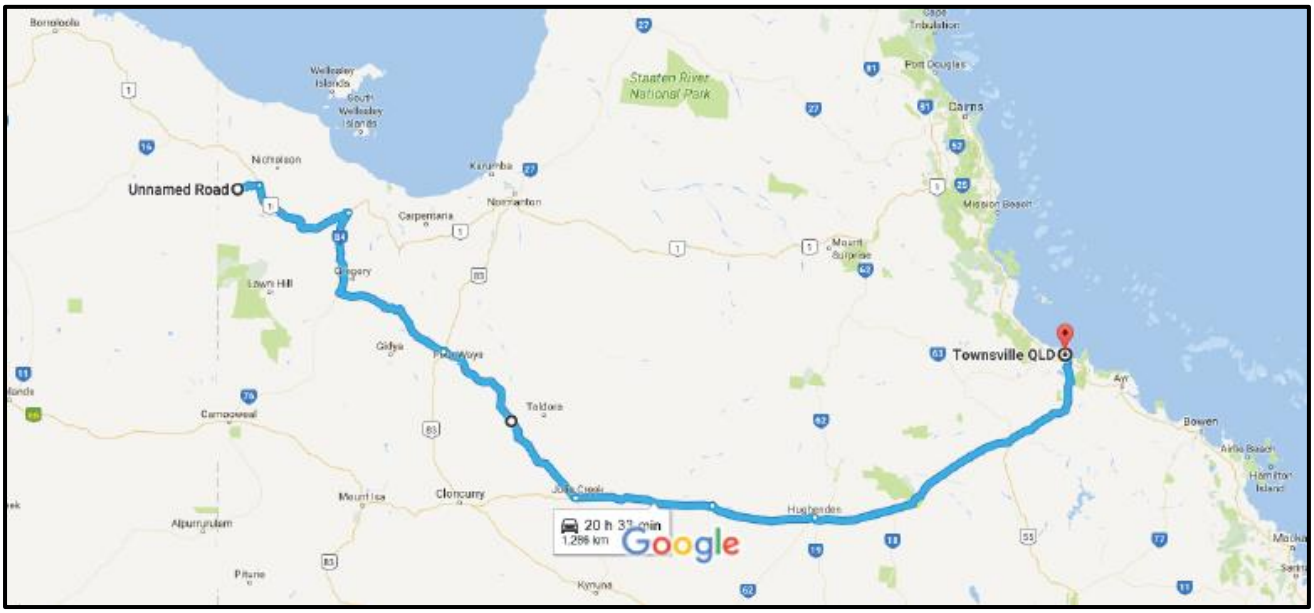


The closest major powerline to the Project is Ergon's 220kV single circuit powerline from Mica Creek Power Station to the Century Zinc Mine. Century Mine is approximately 100km south of the Walford Creek Project. Further evaluation of power sourcing alternatives, including constructing a connection to the Century power supply, will be undertaken as part of the PFS.

10. Product Transportation and Logistics

Townsville is the proposed port option for the transportation of all freight to and from the operation. The trucking distance is approximately 1,300km and the cost of container trucking to Townsville is estimated at approximately A$176/t.

Figure 21: Preferred road route from Walford Creek Project to Townsville



11. Environmental and Social

All exploration leases are in good standing.

The key overarching approval for the Walford Creek Project is the Environmental Authority application. Other key approvals that might be required for the Project under Commonwealth and Queensland legislation include: the EPBC Act (where the Project impacts threatened and migratory fauna); the Water Act (Qld), for taking and/or storage of surface and groundwater; and development and approval of a Progressive Rehabilitation and Closure Plan.

An EIS process would be targeted to take 12-18 months from the point at which a detailed project plan is finalised through to grant of and Environmental Authority followed by Mining Lease(s). There are reasonable grounds to believe that an EA and Mining Lease(s) would be granted in a timeframe consistent with the proposed project development timeline.

Preliminary environmental baseline work carried out in the field seasons since 2015 is planned to be supplemented by additional work to bring these studies to EIS scope level (see Table 9).

Table 9: Progress on key baseline studies for an EIS scope

Item	Work completed to date	Work required for EIS scope, based on generic SDPWO Act Terms of Reference
Surface water	Initial flood modelling complete. Collection and analysis of surface water samples within and downstream of the EPM.	Geomorphic assessment of wetlands and waterways. Ongoing seasonal and event-based sampling; collation of data to establish Environmental Values (**EVs**) for affected catchments (Walford, Hedleys, Nicholson) to establish baseline. DEM data required for hydrological model calibration and development of site water management plan
Groundwater	Specific stratigraphic units targeted to determine potential on-site water supply. Stygofauna sampling of selected boreholes	Detailed groundwater impact assessment targeting potential groundwater dependent ecosystems. Water quality monitoring to establish baseline. Expanded sampling to meet criteria for stygofauna pilot study

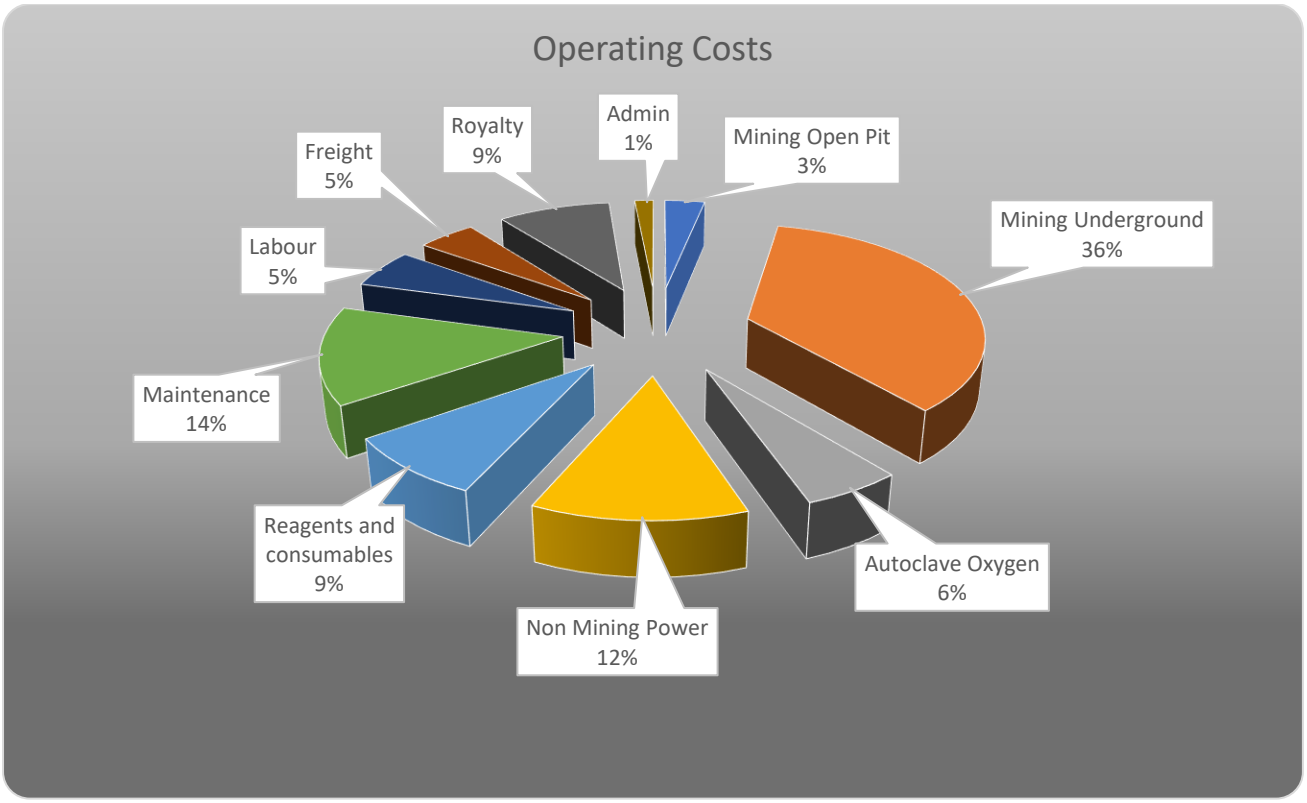
Item	Work completed to date	Work required for EIS scope, based on generic SDPWO Act Terms of Reference
Waste	Geochemical characterisation of waste rock in drilled areas	Ongoing characterisation of waste rock and other waste streams. Development of suitable technical justifications to support Progressive Rehabilitation and Closure Plan guidelines.
Terrestrial flora	Detailed vegetation assessments across three field seasons. Targeted survey of Gouldian Finch breeding sites	Detailed assessment of key map units; prepare site-scale vegetation map. Dry season survey required to validate preliminary results and complete a detailed impact assessment. Complete a flora impact assessment in accordance with guidelines and contribute to EPBC referral (see below).
Terrestrial fauna	Baseline fauna survey work over three field seasons	Dry season survey including targeted assessments for threatened and migratory fauna species. Complete a fauna impact assessment in accordance with guidelines. Submit a referral to DAWE for a determination of a Controlled Action under the EPBC Act.
Cultural heritage	State and local heritage registers searched for EPM	Indigenous cultural heritage investigations and consultation to meet duty of care guidelines
Social / economic	Preliminary desktop review	Community and stakeholder engagement program. Prepare social and economic impact assessments in accordance with relevant legislation or guidelines.
Visual Amenity	No assessment /investigations completed to date.	Complete a visual impact assessment.
Traffic and Transport	No assessment /investigations completed to date.	Completed a transport impact assessment and develop a road use management plan.
Noise and Vibration	No assessment /investigations completed to date.	Complete a noise impact assessment. In accordance with guidelines
Air	Air quality data collection	Complete an air emissions assessment. In accordance with guidelines
Soils	Broad soil baseline survey work	Expanded sampling and analysis, including land suitability assessment and spatial mapping.
Progressive Rehabilitation and Closure Plan	No compilation of rehabilitation plan or rehabilitation schedule commenced	Once requisite studies are available, compilation of the document will commence, utilising majority of sections listed above

12. Operating Costs

A breakdown of the Scoping Study operating cost estimate is provided in Tables 10 and 11.

Mining costs include clearing, topsoil removal, drill and blast, load and haul, rehandling allowance and rehabilitation. All mining activities are currently planned to be via owner mining arrangements.

Figure 22: Operating Cost Split



General and administrative (G&A) costs include management/administrative/HSE/general labour costs and other general expenses.

Product transport and port costs include trucking of concentrate and sulphide products to Townsville and export through this port facility.

Royalties comprise Queensland State government royalties.

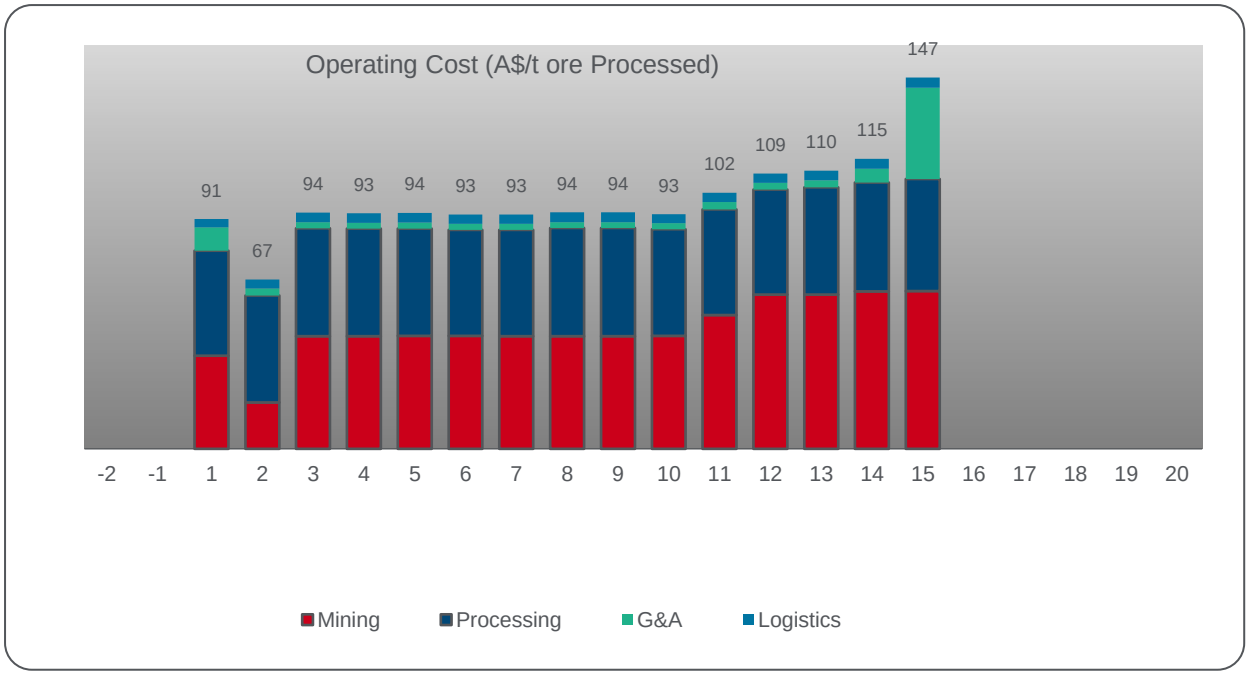
Table 10: Operating cost estimates

Operating cost component - Mining	(A$ M)	(A$/t mined)
Mining Costs: Open Cut	179	16
Mining Costs: Vardy/Marley Underground	1,071	55
Mining Costs: Amy Underground	342	59
Mining Costs: Total	1,682	46

Table 11 Operating costs per tonne milled

Operating cost component	(A$ M)	(A$/t processed)
Mining	1,682	46
Processing	1,539	42
G&A	105	3
Product Logistics	137	4
Site Operating Costs	3,462	95

Figure 23: Unit Operating cost (A$M)



13. Capital Costs

The capital costs are presented in Australian dollars to an overall estimated accuracy level of ±40%. The total capital expenditure estimate (including sustaining capital) for the Project is A$1.08B.

The scope of this estimate covers the capital costs for mining development, process plant, surface infrastructure, TSF and associated facilities to support operation of mining, processing and product transport activities in a steady state across the initial production life. Solar, Battery / Diesel Power is assumed to be provided by a third party on an “over the fence” basis.

Pre-production capital expenditure is forecast at A$996M. It is assumed that the purchase of mining and general mobile equipment fleets will be undertaken via lease financing arrangements. A summary of the pre-production capital estimate for the proposed mining, processing and other infrastructure is provided in Table 12.

Table 12: Pre-production capital expenditure estimates

Capital cost component	Pre-production capital expenditure (A$M)
Direct costs	
Mining – Open Pit (Excludes pre strip)	8
Process facilities	639
Total Direct Costs	**647**
Indirect Costs	
Construction Indirects	32
Project Indirects	96
Total Direct + Indirect Costs	**775**
EPCM	54
Owner's Costs	13
Contingency (20%)	153
Total Capital	**996**

Vardy underground starts in year 2 so the start-up capital has not been included in the project pre-production capital. The difference between the pre-production capital and the total capital is required for sustaining and includes items such as pumps, fans, HV electrical equipment etc.

Amy underground starts in year 10 so the start tup capital has not been included in the project pre-production capital. The difference between the pre-production capital and the total capital is required for sustaining and includes items such as pumps, fans, HV electrical equipment etc.

Process capital estimates have been prepared on the basis that a specialist consultant will perform EPCM activities, with actual construction being performed by a construction contractor(s). No allowance has been included in the process plant capital estimates for escalation, or for possible future price increase/decrease due to demand for materials and equipment.

A nominal allowance of A$18M has been allocated for off-site infrastructure, which would include any work at the port of Townsville and the site access road.

Owner's costs of A$11M per annum have been assumed for the period of Year -2 through to Year 2 of production. This allowance is for AML specialists to be involved in the design, commissioning and ramp-up of the Project.

EPCM has been factored at 7% of direct costs, a level which is consistent with similar projects. An overall project contingency of 20% has been applied to all capital items including process but excluding mining.

Post-production and sustaining capital expenditure is forecast at A$86M. This is predominantly comprised of general sustaining capital allowance ($45M) and underground capital ($42M).

Mining capital expenditure includes allowances for: mobilisation and demobilisation, owner capital items (including light vehicles, computers, and surveying equipment), establishment of in-pit portals for Vardy/Marley, primary ventilation fans, secondary fans and electrical reticulation for Vardy/Marley and Amy.

14. Product Marketing

The Walford Creek Project is expected to produce the specific products outlined in Table 13.

Table 13: Anticipated products and payable metal content

Product	
Copper	LME grade cathode with payable copper 100%
Zinc	LME grade ingots with payable zinc 100%
Silver	Doré bars with payable silver >99%
Cobalt	Cobalt sulphate hexahydrate with payable cobalt 100%[1]
Nickel	Nickel sulphate heptahydrate with payable nickel 100%[1]

[1] A premium is potentially possible

The following is noted:

- The copper cathode and zinc ingot is expected to be sold directly to overseas consumers.
- Silver doré will sold to a precious metals' refiner.
- Cobalt and nickel sulphate will likely be exported to overseas consumers.
- Premia have not been incorporated into the financial modelling.

Copper is expected to exhibit long term trend demand growth, from both new and traditional demand sectors. While global supply is growing, long term mine decline and the challenges associated with the next major phase of global copper developments means there is a ready need for new copper mine developments, on a global basis.

New A Grade Copper Cathode product is expected to be readily absorbed into global copper markets to meet projected demand growth. Nearby Asian markets are expected to continue to be central to global copper demand growth and will be the key destinations for Walford Creek copper production.

Cobalt is also expected to exhibit long term trend demand growth. This growth is primarily driven by Electric Vehicle **(EV)** battery demand. Primary cobalt production is concentrated in Africa, and refined production in China.

While global supply is growing, long term mine decline and the challenges associated with many new cobalt developments means there is a ready need for new cobalt mine developments globally.

Moreover, the demand for cobalt is also expected to grow sharply as the EV vehicle market gains further penetration at the expense of Internal Combustion Engines **(ICE)**. This dynamic creates significant additional opportunity for new entrants with an attractive asset domicile.

Supply, demand and price in key metal markets have been analysed as part of the Scoping Study and incorporated into the selected metal price assumptions utilised. The key metal products incorporated in the economic analysis of the Walford Creek Project in this Scoping Study are expected to be readily saleable in global metal markets.

Aeon's marketing strategy with respect to metal products from the Walford Creek Project is planned to be a price and quality maximizing one that also takes detailed account of any potential counterparty risk. The Company plans to seek to market its product to a wide audience of conventional buyers, metal traders and

(if appropriate) downstream users. This marketing strategy is expected to be further developed as part of the PFS process.

15. Economic Analysis

An economic evaluation of the Walford Creek Project was conducted as part of the Scoping Study utilising the physical and financial parameters outlined in the Scoping Study sections above. A project financial model was constructed utilising an annual Discounted Cashflow methodology to arrive at a Net Present Value (**NPV**) for the Walford Creek Project.

Due to the difficulty in projecting metal prices and exchange rates, two positions have been adopted. These are termed the Consensus case and the Current case. Table 14 shows these cases.

The Consensus commodity price assumptions utilised are derived from consensus (mean) forecasts from 14 and 9 investment bank research teams (Apr-Jun2021), respectively. An historical average A$/US$ exchange rate was used. The Current commodity price assumptions are estimates which align with current prices.

Table 14: Commodity and FX assumptions

Price inputs	Unit	Consensus	Current
copper price	US$/lb	3.52	4.54
cobalt price	US$/lb	16.8	20.4
zinc price	US$/lb	1.23	1.36
silver price	US$/oz	20.0	27.0
nickel price	US$/lb	6.80	8.16
FX: A$/US$	A$/US$	0.70	0.75

A summary of the key Scoping Study physical inputs utilised in the financial model are outlined in Table 15.

Table 15: Key physical inputs

Key physical inputs	Unit	Total / LOM	Annual average
Operations			
Detailed Engineering	months	12	na
Construction period	months	12	na
Initial production life - Open Pit	years	1 - 11	na
Initial production life - Underground	years	1 - 14	na
Mining			
Production tonnes	Mt	36	2.6
Open pit production tonnes	Mt	11	0.9
Underground production tonnes	Mt	25	1.8
Waste mined - Open Pit	Mt	31	2.4

OP strip ratio	W:O	2.8	na
Processing - Flotation			
ROM Feed	Mt	36	3.0
copper head grade	% Cu	0.70%	na
zinc head grade	% Zn	0.83%	na
silver head grade	g/t Ag	28	na
cobalt head grade	% Co	0.12%	na
nickel head grade	% Ni	0.05%	na
copper recovery	%	98%	na
zinc recovery	%	95%	na
silver recovery	%	91%	na
cobalt recovery	%	82%	na
nickel recovery	%	78%	na
Processing - POX			
POX Feed	Mt	18	1.5
copper recovery	%	97%	na
zinc recovery	%	97%	na
silver recovery	%	90%	na
cobalt recovery	%	97%	na
nickel recovery	%	97%	na
Processing - Overall			
copper recovery	%	95%	na
zinc recovery	%	92%	na
silver recovery	%	82%	na
cobalt recovery	%	79%	na
nickel recovery	%	76%	na

Note that lead is not currently recovered so is not considered.

A summary of the key physical and economic outputs from the Scoping Study financial model are outlined in Tables 8 and 16.

Table 16: Key economic outcomes

Key financial outcomes	Unit	Consensus Case	Current Case
Price inputs			
LOM average copper price	US$/lb	3.52	4.54
LOM average cobalt price	US$/lb	16.8	20.4
LOM average A$/US$	A$/US$	0.70	0.75
Valuation, returns and key ratios			
NPV8% (post-tax, real basis, ungeared)	**A$M**	**375**	**805**
IRR (post-tax, real basis, ungeared)	**%**	**13%**	**18%**
Payback period (post-tax, from mine start)	**years**	**5**	**4**
Plant Capital		996	996
Cashflow summary			
Revenue copper	A$M	2,508	3,236
Revenue zinc	A$M	1,001	1,113
Revenue silver	A$M	691	934
Revenue cobalt	A$M	1,631	1,984
Revenue nickel	A$M	288	346
Total net revenue	**A$M**	6,120	7,612
Mining opex	A$M	1,682	1,682
Processing opex (incl. tailings)	A$M	1,539	1,539
G&A (incl. insurance) opex	A$M	105	105
Product transport and port opex	A$M	137	137
Site Opex	**A$M**	**3,462**	**3,462**
Royalties	A$M	219	255
EBITDA	**A$M**	**2,875**	**3,894**
Tax (unlevered)	A$M	588	892
Operating Cash Flow	**A$M**	**2,287**	**3,002**
Unit cash operating costs			
Mining	A$/t processed	46.4	46.4
Processing (incl. tailings)	A$/t processed	42.4	42.4
G&A (incl. insurance)	A$/t processed	2.9	2.9
Product transport and port	A$/t processed	3.8	3.8
Site Operating Coats	A$/t processed	95.4	95.4
Royalties	A$/t processed	6.0	7.0
Operating Cost	**A$/t processed**	**101.5**	**102.5**
Site Opex	US$/lb Cu	4.5	4.9
Royalties	US$/lb Cu	0.3	0.4
By-Product Credits	US$/lb Cu	(5.1)	(6.1)
C1 Costs	US$/lb Cu	(0.2)	(0.9)

Sustaining Capex	US$/lb Cu	0.1	0.1
AISC	**US$/lb Cu**	**(0.2)**	**(0.9)**
Site Opex	US$/lb CuEq	1.9	2.1
Royalties	US$/lb CuEq	0.1	0.2
C1 Costs	US$/lb CuEq	2.0	2.2
Sustaining Capex	US$/lb CuEq	0.02	0.03
AISC	**US$/lb CuEq**	**2.0**	**2.2**

Other metal price assumptions		**Consensus**	**Current**
Zinc	US$/lb	1.23	1.36
Silver	US$/oz	20.00	27.00
Nickel	US$/lb	6.81	8.17

The copper equivalent (**CuEq**) as referenced in this document is calculated as follows:

CuEq = Copper feed (t) * Copper grade * recovery * copper price +

Zinc feed (t) * Zn grade * recovery * zinc price / copper price +

Cobalt feed (t) * cobalt grade * recovery * cobalt price / copper price +

Silver feed (t) * silver grade * recovery * silver price / copper price +

Nickel feed (t) * nickel grade * recovery * nickel price /copper price

Metal prices are as per assumptions outlined in Table 14.

Payable CuEq is calculated by applying the respective payability assumption for each metal (as listed below) to the conversion of each individual metal to CuEq in the equation above.

Assumed metal payables, as an average percentage of saleable metal produced, are as follows:

- Copper = 100%
- Cobalt = 100%
- Zinc = 100%
- Silver = 99%
- Nickel = 100%

The financial outcomes indicate that the forecast Walford Creek Project economics are robust. Strong net cashflow over the 14 year mine life enables a 5 year payback period of capital and attractive post-tax, ungeared, real IRR of 18%. The post-tax, ungeared $NPV_{8\%}$ of A$805M, with any further mine life or production expansion opportunities being additive to this NPV estimate.

Figure 24: Revenue (%) by metal

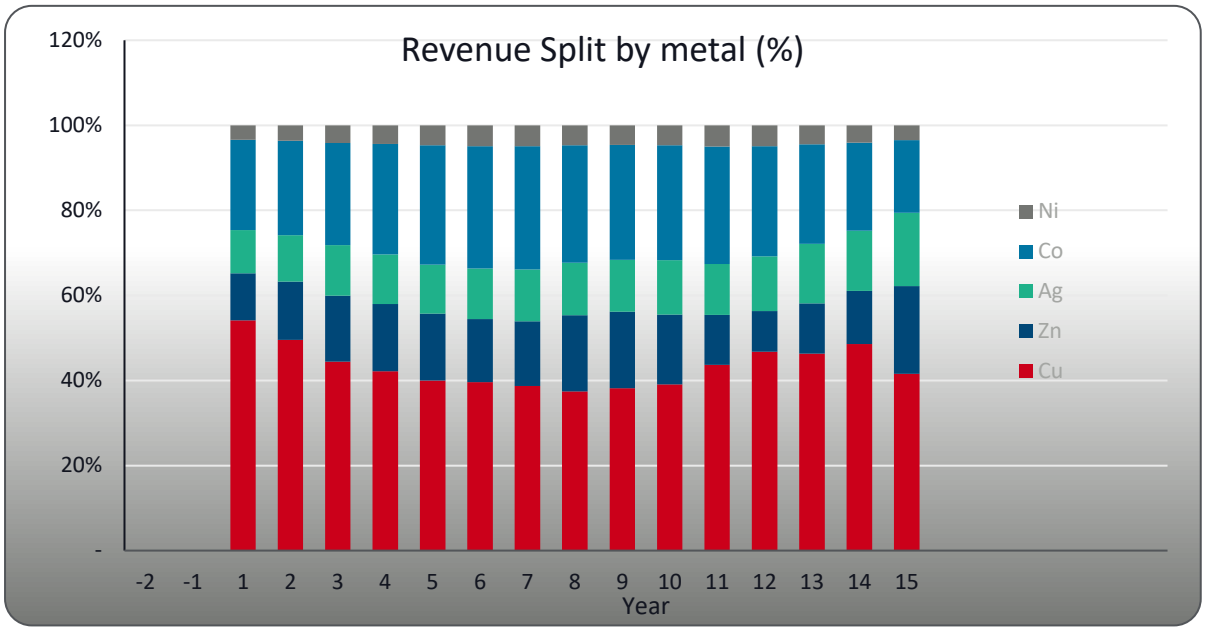
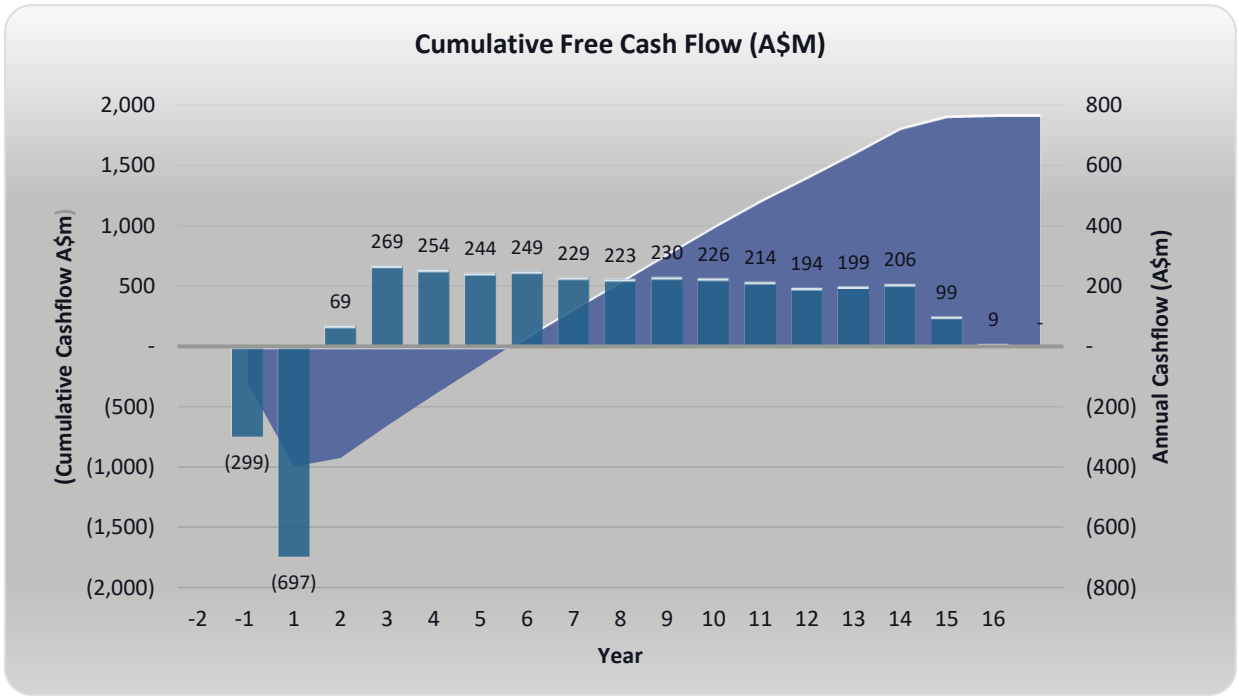


Figure 25: Annual Free Cashflow



Sensitivities were undertaken on key metal prices, copper and cobalt grades, operating and capital costs, and FX. The following charts key project drivers FX, and copper price and to a lesser extent cobalt price.

Figure 26: NPV (A$M) sensitivities

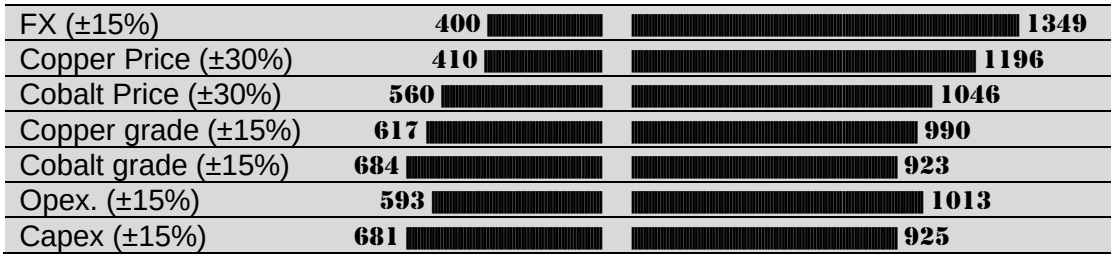
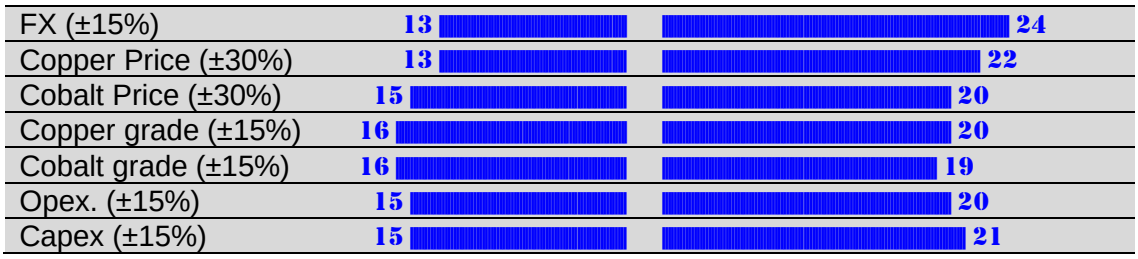


Figure 27: IRR sensitivities



16. Project Execution

Project development is currently planned to be via an Engineering, Procurement, Construction and Management (**EPCM**) contract. The PFS will however evaluate a number of contracting strategies including EPCM, EPC and agreed maximum price models.

In order to facilitate a coordinated and integrated approach to the Project, a dedicated Owner's Team is planned to be established during the Definitive Feasibility Study (**DFS**) process in preparation for Project construction and commissioning.

Forecast EPCM and Owner's Team costs have been included in the Scoping Study capital cost estimates.

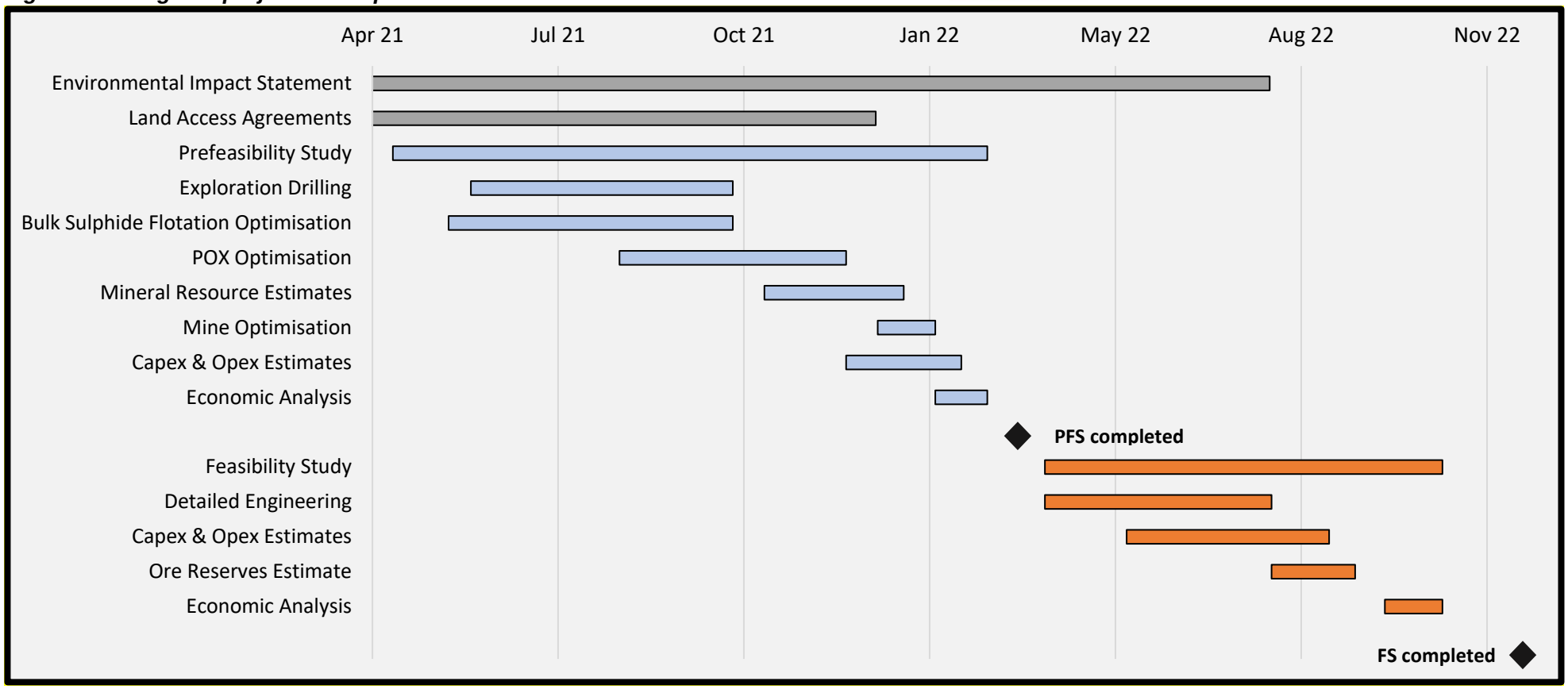
Open pit and underground mining activities are planned and costed on an owner operator basis. Ore processing and overall operational management is to be carried out by Aeon employees.

The operation is planned to function on a fly-in fly-out basis. The all-weather commercial air strip at Doomadgee can be utilised and employees will be transported by bus the remaining 70 km to site.

Logistics activities including trucking and port operations (product storage and ship loading) are expected to be contracted and handled by third parties.

The targeted development schedule for the Project is outlined in Figure 26.

Figure 26: Targeted project development schedule



17. Reasonable Basis for Funding Assumption

To achieve the range of outcomes indicated in the Scoping Study, pre-production funding in excess of A$996 million will likely be required.

There is no certainty that Aeon will be able to source that amount of funding when required. It is also possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of Aeon's shares. It is also possible that Aeon could pursue other value realisation strategies such as a sale, partial sale or joint venture of the Walford Creek Project. This could materially reduce Aeon's proportionate ownership of the Walford Creek Project.

An assessment of various funding alternatives for the Walford Creek Project has been made based on precedent funding transactions in the base and polymetallic metals mining industry.

Aeon has formed the view that there is a reasonable basis to believe that requisite future funding for development of the Walford Creek Project will be available when required. There are a number of grounds on which this reasonable basis is established:

- Global debt and equity finance availability for high-quality base and polymetallic metal projects remains robust. Recent examples of significant funding being made available for progression or construction of such projects in Australia include:
    - Galena Mining Limited (ASX: G1A) achieving project financing debt facilities totalling US$110 million (November 2020) and equity investment commitments totalling A$90 million from Toho Zinc Co. Limited (November 2020 and January 2019) for its Abra Base Metals Project in Western Australia;
    - Cyprium Metals Limited (ASX: CYM) achieving an equity placement of A$90 million (February 2021) to fund its acquisition, accelerated development studies and early works for the Nifty Copper Mine (on care and maintenance) in Western Australia;
    - Heron Resources Limited (ASX: HRR) achieving debt, equity and metal stream funding packages totalling A$240 million (June 2017) and A$91M (October 2019) for its Woodlawn Zinc-Copper Project in New South Wales;
    - Venturex Resources Limited (ASX: VXR) achieving an approved term sheet for A$100M of senior debt funding (August 2019) for its Sulphur Springs Copper-Zinc Project in Western Australia;
    - New Century Resources Limited (ASX: NCZ) achieving equity placements of A$53M (November 2017) and A$40M (April 2018) for its Century Zinc Project in Queensland;
    - Panoramic Resources Limited (ASX: PAN) achieving a project loan of A$40M (July 2018) and equity raising of A$28M (September 2019) for its Savannah North Nickel-Copper-Cobalt Project in Western Australia; and
    - Capricorn Copper Holdings Pty Ltd achieving a A$45M debt facility (July 2017) for its Capricorn Copper Project in Queensland.
- Given the location of the Walford Creek Project in northern Australia, Aeon plans to investigate the potential for a substantial funding contribution to be delivered from the Australian Federal Government's A$5 billion Northern Australia Infrastructure Fund (**NAIF**) initiative. Over the past three years NAIF has delivered substantial approved funding contributions to a range of major resource development projects in northern Australia including:
    - Strandline Resources Limited's Coburn Mineral Sands Project (A$150M) (June 2021);
    - BCI Minerals Limited's Mardie Salt and Potash Project (A$450M) (December 2020);

- Australian Potash Limited's Lake Wells SOP Project (A$140M) (March 2021);
- Sheffield Resources Limited's Thunderbird Mineral Sands Project (A$95M) (August 2018);
- Metro Mining Limited's Bauxite Hills Stage 2 Project (A$48M) (November 2019); and
- Kalium Lakes Limited's Beyondie SOP Project (A$74M) (February 2019).

- Aeon has held preliminary, confidential discussions with respect to project and corporate funding/ownership with a number of potential strategic partners and financiers. These include international mining companies, trading houses, senior lenders and other parties capable of providing up to 100% of the financing required to develop the Project. These discussions have indicated that the Project possesses physical and financial attributes that deliver Aeon a reasonable likelihood of securing the requisite funding for its development as it is required.
- The technical and financial parameters detailed in the Walford Creek Project Scoping Study are robust and economically attractive (A$375-805M $NPV_{8\%}$ (post-tax, ungeared, real basis) and 13-18% IRR). The Project is ideally located in a first world country and within the well-established and low-risk mining jurisdiction of Queensland. Release of these Scoping Study fundamentals also now provides a platform for Aeon to advance discussions with potential strategic partners, metal streamers, debt providers and equity investors.
- Aeon owns 100% of the Project. The Company has an uncomplicated, clean corporate and capital structure. Finally, 100% of the forecast copper, cobalt and other metal production from the Project remains uncommitted. These are all factors expected to be highly attractive to potential strategic investors, and conventional equity investors. These factors also deliver considerable flexibility in engagement with potential debt or quasi-debt providers.
- The Aeon Board and management team has extensive experience in the broader resources industry. They have played leading roles previously in the exploration and development, including project financing of several large and diverse mining projects in Australia. In this regard, key Aeon personnel have a demonstrated track record of success in identifying, acquiring, defining, funding, developing and operating quality mineral assets of significant scale.
- The Company has a strong track record of raising equity funds as and when required to further the exploration and evaluation of the Walford Creek Project. Aeon's prior equity raising was a A$30M institutional placement that was successfully undertaken in December 2017.
- Funding for Walford Creek Project pre-production and initial working capital is not expected to be required until close to or post completion of a Definitive Feasibility Study (**DFS**) on the Project. Finalisation of a DFS on the Project is not expected before late-2022. The majority of market analysts/commentators globally forecast demand, and market prices, for high quality copper and cobalt products to remain robust over the intervening period.
- Aeon is targeting total pre-production and working capital funding being comprised of one, some or all of: senior project debt, mezzanine debt, sale of a strategic asset interest, equity issuance and/or royalty/stream funding. As noted earlier, total pre-production funding (or equivalent) in excess of A$996M will likely be required. The final mix will depend on general market and mineral industry conditions, specific counterparty appetite and terms, and the Aeon Board's prevailing views on optimal funding mix and balance sheet configuration.
- It should be noted that this funding strategy is subject to change at the Aeon Board's discretion at any point. It should also be noted that, while the Aeon Board holds a reasonable basis to believe that funding will be available as required, there is no assurance that the requisite funding for the Project will be secured.

18. Key Risks

Key risks identified as part of the Scoping Study risk assessment process are outlined in Table 16.

Table 16: Key project risks

Area	Key risks
Market	Copper and cobalt prices, A$/US$ exchange rate, product marketing
Geology	Complexity associated with splay/parallel faults
Mining	Labour skills, geotechnical conditions costs, and stope sequencing.
Processing	Optimisation testwork to be completed. Changes in metal end product mix and quality.
Tailings	Approval for storage of deleterious elements.
Environmental	Time to approve EA.

Where possible these risks will be reduced and appropriately managed through more detailed evaluation and testwork during the proposed PFS and DFS stages of project assessment.

19. Key Opportunities

Opportunities for additional mineralisation to deliver life extension and/or expansion potential include the Amy zone, to the west of the defined Walford Creek deposits, and along strike to the east. Opportunity may also exist in regional exploration within newly applied for EPM's known as the Basin Edge Project.

Amy zone

To the west of the Marley zone is an approximate 6km strike extent known as the Amy zone. As a result of drilling in 2018, Aeon previously defined an Inferred Resource in the PY3 mineralisation in parts of the Amy zone (see Table 1).

In addition, an Exploration Target Range (ETR) has been delineated across the Amy zone, which reflects the consistent geological stratigraphy and shows the clear potential for additional Copper Lodes within the interpreted PY3 mineral wireframe.

The ETR is based on actual drilling results. It is derived from approximately 50% of the blocks with no interpolated grades within the PY3 Copper Lode extension. The lode interpretation is based on logged geology and base metal assays from diamond drilling of the Amy deposit, in conjunction with geological sense.

The ETR estimate (at a 0.5% Cu cut off) is outlined in Table 17.

Table 17: Walford Creek Project Exploration Target Range (ETR) estimates

Amy Copper Lode

Category	Mt	Cu %	Pb %	Zn %	Ag ppm	Co %
ETR	2 - 4	1.1 - 1.5	1.1 – 2.0	0.5 – 1.6	30 - 60	0.11 – 0.20

Note all numbers are approximations.

The potential quantity and quality of the ETR is conceptual in nature. Insufficient exploration has been undertaken to estimate a Mineral Resource and it is uncertain that further exploration will result in the estimation of a Mineral Resource.

It is important to note that no Amy exploration potential (as estimated by the Amy ETR) has been incorporated in the Scoping Study forecast mine and process schedule. Aeon has recently commenced an extensive in-fill and extensional drilling campaign at Walford Creek. Aeon is confident that additional Resources will be reported in these areas in the forthcoming Resource update, reflecting the results of the 2021 field program.

Additional Resources in the Amy zone have the potential to increase the operating life and possibly provide additional ore sources that may improve average grade enhancement and operating optionality with the availability of a range of new stopes.

Exploration along strike to the east and west

From the end of the Amy zone to the western end of the Walford Creek Project area there remains some 12 km of prospective strike which has only been lightly explored. There is some 8 km to the east of Vardy which is also underexplored.

Basin Edge Project

Aeon has applied for 4 EPM's with 2 pending grant. This has added a further 120km of potential strike extent to the east starting immediately from the eastern boundary of the Walford Creek Project tenements.

20. Conclusions and Next Steps

The Scoping Study has demonstrated that the Walford Creek Project has a strong potential to be a technically robust and highly economic mine development.

The Aeon Board has approved the completion of the PFS on the Walford Creek Project. Given the breadth of existing study work that is close to, or already at, a PFS level of detail, completion of the PFS is targeted for Q1 CY2022.

In the intervening period it is expected that the 2021 drilling program will result in increased Resource estimates for the Vardy, Marley and Amy deposits. These additional Resources naturally offer significant potential upside in any contribution to the final mine schedule adopted for the PFS.

Appendix A: Competent Person's Statement

The information in this report that relates to Exploration Results and Exploration Targets for the Walford Creek Project Deposit is based on and fairly represents 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 the presentation of the Exploration Targets and Exploration Results in the form and context in which they appear.

The data in this report that relates to Mineral Resource Estimates, including those that underpin the production target, is based on and fairly represents information evaluated by Mr Simon Tear who is a Member of The Australasian Institute of Mining and Metallurgy (MAusIMM) 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 Tear is a Director of H&S Consultants Pty Ltd and he consents to the inclusion in the report of the Mineral Resources in the form and context in which they appear.

Appendix B: Reasonable Basis for Forward-Looking Statements

No Ore Reserve has been declared. This ASX release has been prepared in compliance with the current JORC Code (2012) and the ASX Listing Rules. All material assumptions on which the Scoping Study production target and forecast financial information are based have been included in this release and disclosed in the table below.

Consideration of Modifying Factors (in the form of Section 4 of the JORC Code (2012) Table 1)

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	• *Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.* • *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	• **No Ore Reserve has been declared.** • Refer to JORC Table 1 in previously released Mineral Resource – Walford Creek Resource Update dated 19 April 2021 •
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.*	• Site visits have been carried out by a competent person. The site is generally flat and where possible infrastructure will be set up at the upper end of the water catchment. There is one ephemeral creek that will need a temporary diversion. Setting up a mining, processing, waste rock and tailings storage facility is seen as feasible.
Study status	• *The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.* • *The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.*	• **No Ore Reserve has been declared.** • This is a scoping study and work has been carried out to an appropriate standard for this level of study. • Only 20% Inferred material has been used in the mine plan.
Cut-off parameters	• *The basis of the cut-off grade(s) or quality parameters applied.*	• Open Pit - All of the economic and processing parameters determining mill feed selection, including the metallurgical

Criteria	JORC Code explanation	Commentary
		recoveries were defined and applied within the Whittle program Or each product element in the I feed to define the net value for each block of the optimization model. The open cut mill feed selection was affected accordingly on a marginal economic basis. Underground - The Minable Shape Optimiser by Datamine (MSO) was used for the underground modelling. Underground stope optimisation was driven by net value per tonne (NVPT), net of mining and processing cost)
Mining factors or assumptions	• *The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).* • *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* • *The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.* • *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).* • *The mining dilution factors used.* • *The mining recovery factors used.* • *Any minimum mining widths used.* • *The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.* • *The infrastructure requirements of the selected mining methods.*	• **No Ore Reserve has been declared.** • Open pit mining was selected for the shallow mineralization and underground mining was selected for the deeper mineralization that was less economic to mine from open pit. The Whittle underground function was run to adjust the base of the open pit to optimize this transition. Open pit mining methods are conventional truck and excavator. Mineral exposure on each bench justifies the assumed productivity rates. Underground mining is by uphole retreat, which is an industry standard method. Most of the production will be by transverse stoping. • 5% dilution and 95% mining recovery were applied to underground mining. This adjustment was in addition to the dilution included within the optimised stope shapes. For the open cuts, dilution was applied in the block model, based on notional dilution skins. A 98% mining recovery was then applied to the diluted open cut tonnes. • Open cut quantities and production tonnes and grades are based on optimised pit shells, adjusted to reflect typical changes in the transition to practical designs. Underground quantities and production tonnes and grades are based on optimised stope shapes and factored development lengths. • Geotechnical parameters were provided by PSM consultants for both open pit and underground at PFS level. • Productivity factors were based on industry standards for both open pit and underground. •
Metallurgical factors or assumptions	• *The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.* • *Whether the metallurgical process is well-tested technology or novel in nature.* • *The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.*	• The process selected is a standard industry flotation followed by a pressure oxidization (POX) followed by SX/EW of valuable metals. • Flotation, POX and SX/EW plant is extensively used in the minerals processing industry. • Recoveries are based on sighter testwork for the bulk concentrate, and POX. Metal recoveries from the SX/EW plant were based on industry. Metal recovery for the

Criteria	JORC Code explanation	Commentary
	• *Any assumptions or allowances made for deleterious elements.* • *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.* • *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	silver from the POX residue was based on industry standard. • Production of copper cathode, battery grade cobalt and nickel sulphate and zinc cathode largely negates the effects of deleterious elements on the final product payability. Silver has a lower payable due to slightly more impurities. • Revenues derived in the model are based on industry standard saleable products. The payability of each product stream can be seen in the body of the Scoping Study report. • Geological modelling, metallurgical testwork and minerology show that cobalt and nickel exist together in the pyrite lattice throughout the orebody.
Environmental	• *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	• Almost all environmental base-line data has been collected. • Waste rock characterisation in the form of kinetic leach tests has been running for over 24 months • Waste rock characterisation in terms of acid, metal leaching or neutralisation capacity has been undertaken and the results combined into the resource block model. Detailed waste handling and storage modelling will form part of the PFS. • Where possible tailings storage facilities, leach pads and waste dumps will be placed so that they drain towards the final pit void.
Infrastructure	• The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.	• The state / local road network comes within 8km of the site. The site access road will require upgrading and costs have been allowed for this work. • A detailed logistics study has been undertaken to assess the condition of the road network between site and the port of Townsville. • Roads exist between the site and the port of Townsville, where the concentrate will be shipped to and general freight will be sourced from. The New Century mine currently trucks general freight along this route to within 130km of Walford Creek Project. • The site is on a freehold station and there is sufficient space to develop the mine, process facilities, dumps and accommodation village. • The site will be fly in fly out with charters to and from Doomadgee, located 70km from the project.
Costs	• *The derivation of, or assumptions made, regarding projected capital costs in the study.* • *The methodology used to estimate operating costs.* • *Allowances made for the content of deleterious elements.*	• Project capital costs were developed by Malachite consulting and audited by DRA Global and are based on work carried out by Ausenco for the previous study and factored costs from similar projects. • Transport charges are based on budget quotes from a major road haulage firm and general sea freight and port costs are

Criteria	JORC Code explanation	Commentary
	• *The source of exchange rates used in the study.* • *Derivation of transportation charges.* • *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.* • *The allowances made for royalties payable, both Government and private.*	based on industry standards. • Treatment and refining charges are based on industry available rates. • Royalties are based on QLD state royalty charges. • Mining costs were based on indicative unit rates previously provided by mining contractors but converted to owner operator equivalent rates. • Process costs were developed by Geometcon (Consultants) and Malachite Consulting. • Owners supervision costs were built up from manning numbers.
Revenue factors	• *The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.* • *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	• Two sets of costs were used and generally conform to long term consensus prices and spot prices. The details of these can be fund in the body of the report. • Payables and smelter charges were sourced from available NSR terms. • Royalty calculations were sourced from the QLD government.
Market assessment	• *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* • *A customer and competitor analysis along with the identification of likely market windows for the product.* • *Price and volume forecasts and the basis for these forecasts.* • *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	• Copper is expected to exhibit long term trend demand growth. While global supply is growing, long term mine decline and the challenges associated with the next major phase of global copper developments means there is a ready need for new copper mine developments globally. New copper cathode product is expected to be readily absorbed into global copper markets to meet projected demand growth. • Cobalt is expected to exhibit long term trend demand growth. While global supply is growing, long term mine decline and the challenges associated with many new cobalt developments means there is a ready need for new cobalt mine developments globally. Moreover the cobalt market is also expected to grow sharply as the EV vehicle market stabilizes and matures globally. This dynamic creates significant additional opportunity for new entrants with an attractive asset domicile in this market. • Supply, demand and price in key metal markets have been analysed as part of the Scoping Study and incorporated into the selected metal price assumptions utilised. • The key metal products incorporated in the economic analysis of the Walford Creek Project in this Scoping Study are expected to be readily saleable in global metal markets. • Aeon's marketing strategy with respect to metal products from the Walford Creek Project is planned to be a price and

Criteria	JORC Code explanation	Commentary
		volume maximizing one that also takes detailed account of any potential counterparty risk. The Company plans to seek to market its product to a wide audience of conventional metal buyers, metal traders and (if appropriate) downstream users. This marketing strategy is expected to be further developed as part of the PFS process.

Economic	• *The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.*
	• *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*
		• No inflation is included, ie real basis analysis.
		• A real discount rate of 8% was adopted based on a review of discount rates used to evaluate peer projects by listed companies.
		• Sensitivities were carried out on major inputs. These sensitivity ranges (for NPV and IRR) are presented in the body of the Scoping Study report.
		• To achieve the range of outcomes indicated in the Scoping Study, pre-production funding in excess of A$996M will likely be required.
		• There is no certainty that Aeon will be able to source that amount of funding when required. It is also possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of Aeon's shares. It is also possible that Aeon could pursue other value realisation strategies such as a sale, partial sale or joint venture of the Walford Creek Project. This could materially reduce Aeon's proportionate ownership of the Walford Creek Project.
		• An assessment of various funding alternatives for the Walford Creek Project has been made based on precedent funding transactions in the base and polymetallic metals mining industry.
		• Aeon has formed the view that there is a reasonable basis to believe that requisite future funding for development of the Walford Creek Project will be available when required.
		  ○ The technical and financial parameters detailed in the Walford Creek Project Scoping Study are robust and economically attractive. The Project is ideally located in a first world country and within the well-established and low-risk mining jurisdiction of Queensland. Release of these Scoping Study fundamentals also now provides a platform for Aeon to advance discussions with potential strategic partners, off-takers, debt providers and equity investors.
		  ○ Aeon owns 100% of the Project. The Company has an uncomplicated, clean corporate and capital structure. 100% of the forecast copper, cobalt and

Criteria	JORC Code explanation	Commentary
		other metal production from the Project remains uncommitted. These are all factors expected to be highly attractive to potential strategic investors, offtake partners and conventional equity investors. These factors also deliver considerable flexibility in engagement with potential debt or quasi-debt providers. ○ The Aeon Board and management team has extensive experience in the broader resources industry. They have played leading roles previously in the exploration and development, including project financing of several large and diverse mining projects in Australia. In this regard, key Aeon personnel have a demonstrated track record of success in identifying, acquiring, defining, funding, developing and operating quality mineral assets of significant scale. ○ The Company has a strong track record of raising equity funds as and when required to further the exploration and evaluation of the Walford Creek Project. Aeon's prior equity raising was a A$30M institutional placement that was successfully undertaken in December 2017. ○ Funding for Walford Creek Project pre-production and initial working capital is not expected to be required until close to or post completion of a Definitive Feasibility Study (DFS) on the Project. Finalisation of a DFS on the Project is not expected before late 2022. The majority of market analysts/commentators globally forecast demand, and market prices, for high quality copper and cobalt products to increase from their current levels over the intervening period. ○ Aeon is targeting total pre-production and working capital funding being comprised of one, some or all of: senior project debt, mezzanine debt, offtake prepayment, sale of a strategic asset interest, equity issuance and/or royalty/stream funding. The final mix will depend on general market and mineral industry conditions, specific counterparty appetite and terms, and the Aeon Board's prevailing views on optimal funding mix and balance sheet configuration. It should be noted that this funding strategy is subject to change at the Aeon Board's discretion at any point. It should also be noted that, while the Aeon Board holds a reasonable basis to believe that funding will be available as required, there is no assurance that the requisite funding for the

Criteria	JORC Code explanation	Commentary
		Project will be secured.
Social	• *The status of agreements with key stakeholders and matters leading to social licence to operate.*	• There is no native title over the project area • There is a Cultural Heritage Agreement in place. • There is a Conduct and Compensation Agreement (CCA) in place with the landowner.
Other (incl Legal and Governmental)	• *To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* • *Any identified material naturally occurring risks.* • *The status of material legal agreements and marketing arrangements.* • *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.*	• The area is in the tropics so will be impacted by the occasional cyclone. At the scoping level this has not been built into the productivity. • There are no marketing agreements in place at this early stage of the project. • The Project is situated within granted EPM's 14220, 14854, 18552 and 26906. • All exploration leases are in good standing and there are no mining leases. • There is no Mining Project Environmental Authority (EA) at this early stage of the project, however there are reasonable grounds to believe that an EA would be granted in a timeframe consistent with the proposed project development timeline. • There are reasonable grounds to believe that a Mining Licence/Lease would be granted in a timeframe consistent with the proposed project development timeline. • There is no royalty agreement in place at this early stage of the project.
Classification	• *The basis for the classification of the Ore Reserves into varying confidence categories.* • *Whether the result appropriately reflects the Competent Person's view of the deposit.* • *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*	• **No Ore Reserve has been declared.** • Refer to JORC Table 1 in previously released Mineral Resource information. • The production estimate includes 20% Inferred Resource. However Aeon confirms that inclusion of Inferred Resources in the production schedule is not a determining factor in the overall viability of the project.
Audits or reviews	• *The results of any audits or reviews of Ore Reserve estimates.*	• **No Ore Reserve has been declared.** • Refer to JORC Table 1 in previously released Mineral Resource information.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve 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 reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which 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*	• **No Ore Reserve has been declared.** • Refer to JORC Table 1 in previously released Mineral Resource information.

Criteria	JORC Code explanation	Commentary
	procedures used. • *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.* • *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	