

# SUBSTANTIAL WALFORD CREEK RESOURCE UPGRADE

Aeon Metals Limited (**Aeon** or **the Company**) provides updated Mineral Resource estimates for its 100%-owned Walford Creek Copper-Cobalt Project in north-west Queensland (**Walford Creek Project**).

## Highlights:

- Total Vardy & Marley Mineral Resources now 35.8mt @ 1.94% CuEq<sup>1</sup> over 3.6km strike
  - *Copper mineralisation*: 18.4mt @ 2.46% CuEq (1.05% Cu, 0.14% Co and 29g/t Ag)
  - *Cobalt Peripheral*: 17.4mt @ 1.39% CuEq (0.26% Cu, 0.09% Co and 20g/t Ag)
- Over 95% of the total Vardy & Marley Mineral Resources is now in the Measured & Indicated classification (34.3mt)
- Significant increase to Amy Mineral Resources for a total of 5.1mt @ 2.63% CuEq (incl. 1.25% Cu, 0.14% Co and 37g/t Ag; all Inferred) (previously 1.8mt)
- The updated Mineral Resource estimates are now set to feed into PFS mine scheduling, with significant potential life and economic upside flowing from the increased Vardy/Marley M&I component and targeted inclusion of Amy material (not included in the Scoping Study)
- Walford Creek PFS remains scheduled for completion in 2Q CY2020

**Commenting on the updated Walford Creek Mineral Resource estimates, Aeon's Managing Director and CEO, Hamish Collins, said:**

*"In 2018 we successfully completed Australia's largest independent base metals drilling campaign for that year at Walford Creek. We were able to do that on time, on budget and, most importantly, safely. In 2019 we have again undertaken another large drill program at Walford Creek this was also conducted safely and built strongly on the platform of work laid down in 2018.*

*"The updated Mineral Resources for Walford Creek reflect the excellent drilling outcomes delivered this year. We have now successfully upgraded over 95% of all Vardy and Marley Mineral Resources to the higher confidence Measured & Indicated classifications. Our technical team has concurrently delivered a sizeable increase in the Amy Mineral Resource to over 5mt at a copper-equivalent grade of 2.6%.*

*"The new Mineral Resource estimates have been timed for incorporation in the Walford Creek Pre-Feasibility Study, which is due for completion in the second quarter of calendar 2020. The over 25% higher tonnage of M&I Mineral Resources at Vardy/Marley further lifts confidence in the endowment from which a maiden Ore Reserve can be estimated. Additionally, the sizeable increase in the Amy Mineral Resource, will allow it to be included in the Walford mine schedule for the first time. This offers further potential mine life and economic upside to the existing Scoping Study estimates."*

<sup>1</sup> See Appendix 4 for copper equivalent (CuEq) calculation and assumption

## Updated Mineral Resource estimates

Independent geological consultant, H&S Consultants Pty Ltd (**H&SC**), were retained to incorporate all results from the 2019 Walford Creek drilling campaign and complete updated Mineral Resource estimates for the Walford Creek Project. H&SC also undertook the previous Mineral Resource estimates for the Walford Creek Project in February 2019.

Comprehensive detail in relation to the updated Mineral Resource estimates is provided in this ASX release, including the JORC tables in Appendix 4.

## Vardy & Marley zones

Total Vardy & Marley Mineral Resources now stand at 35.8mt @ 1.94% CuEq, extending over a strike of 3.6km. Of this total, over 95% of the Mineral Resource tonnage is classified as Measured and Indicated (34.3mt @ 1.94% CuEq).

### Copper Mineral Resource (18.4mt @ 2.46% CuEq)

The Vardy & Marley Copper Mineral Resource has increased to 18.4mt @ 1.05% Cu, 0.14% Co, 29g/t Ag, 0.90% Pb and 0.72% Zn (previously 17.6 Mt @ 1.14% Cu, 0.13% Co, 28 g/t Ag, 0.87% Pb and 0.74% Zn).

The Measured and Indicated (M&I) component has increased significantly to 17.5mt @ 1.05% Cu, 0.14% Co, 29g/t Ag, 0.90% Pb and 0.71% Zn. This comprises approximately 95% of the total Vardy & Marley Copper Mineral Resource tonnage.

**Table 1: Vardy/Marley Copper Mineral Resource**  
(0.5% Cu cut-off)

Category	Mt	Cu %	Pb %	Zn %	Ag g/t	Co %	CuEq %
Measured	6.2	1.15	0.89	0.86	26.5	0.15	2.62
Indicated	11.3	1.00	0.90	0.63	30.1	0.14	2.37
Inferred	0.9	1.04	1.06	0.80	35.2	0.14	2.49
<b>Total</b>	<b>18.4</b>	<b>1.05</b>	<b>0.90</b>	<b>0.72</b>	<b>29.1</b>	<b>0.14</b>	<b>2.46</b>

See Figures 3 and 4 in Appendix 1 for further detail on the Vardy & Marley Copper Mineral Resource.

The new Vardy & Marley Copper Mineral Resource estimates represent a 4% increase in overall tonnes, inclusive of a 112% increase in Measured classification tonnage. The overall average copper grade has dropped slightly (~8%) but additional tonnes have been added (~800kt). This is mainly due to the change in the grade interpolation technique via dynamic interpolation along with the removal of the copper zone hard boundary, thus allowing for a more robust estimate.

### Cobalt Peripheral Mineral Resource (17.4mt @ 1.39 CuEq)

The Vardy & Marley Cobalt Peripheral Mineral Resource has decreased to 17.4mt @ 0.26% Cu, 0.09% Co, 20g/t Ag, 0.80% Pb and 1.01% Zn (previously 19.8 Mt @ 0.16% Cu, 0.10% Co, 22 g/t Ag, 0.84% Pb and 0.99% Zn).

The Measured and Indicated (M&I) component has increased significantly to 16.8mt @ 0.26% Cu, 0.09% Co, 20g/t Ag, 0.78% Pb and 1.02% Zn. This comprises approximately 96% of the total Vardy & Marley Cobalt Peripheral Mineral Resource tonnage.

**Table 2: Vardy/Marley Cobalt Peripheral Mineral Resource**  
(600ppm Co Cut-off on blocks that are outside of Copper)

Category	Mt	Cu %	Pb %	Zn %	Ag g/t	Co %	CuEq %
Measured	5.9	0.24	0.75	1.14	18.9	0.10	1.44
Indicated	10.9	0.27	0.80	0.95	20.9	0.09	1.37
Inferred	0.7	0.25	1.06	0.82	23.1	0.09	1.38
<b>Total</b>	<b>17.4</b>	<b>0.26</b>	<b>0.80</b>	<b>1.01</b>	<b>20.3</b>	<b>0.09</b>	<b>1.39</b>

See Figures 5 and 6 in Appendix 1 for further detail on the Vardy & Marley Cobalt Peripheral Mineral Resource.

The new Vardy & Marley Cobalt Peripheral Mineral Resource estimates represent a 12% decrease in overall tonnes, but with a 144% increase in Measured classification tonnage. The cobalt grade has dropped slightly (~5%) and in combination with the lower overall tonnes, this has resulted in an approximate 20% reduction in contained cobalt metal.

As noted earlier, the differences are predominantly attributable to the change in the grade interpolation technique via dynamic interpolation along with the removal of the copper zone hard boundary (allowing for a more robust estimate). This has meant that while there has been a reduction in Cobalt Peripheral Mineral Resource tonnage, a sizeable amount of this material is now included in the Copper mineralisation (hence the increase in contained cobalt metal seen in the Copper Resource). Further, this has also resulted in an approximate 60% increase in the average copper grade of the Cobalt Peripheral Mineral Resource, leading to an approximate 45% increase in contained copper associated with the Cobalt Peripheral mineralisation.

## Amy zone

The Amy zone is located immediately to the west of the Vardy/Marley zones (see Figure 2 in Appendix 1). Significant further drilling of the Amy zone in 2019 has delivered a substantial increase to the Copper Mineral Resource estimate for this zone. The updated estimate is defined in four discrete areas extending across a strike extent of approximately 5.7km.

Geological continuity has been demonstrated further westwards of Amy, as well as immediately to the east, providing opportunity to potentially add significant further resources with additional drilling.

## Copper Mineral Resource (5.1mt @ 2.63% CuEq)

The Amy Copper Mineral Resource has increased to 5.1mt at 1.25% Cu, 0.14% Co, 37g/t Ag, 1.35% Pb and 0.63% Zn (previously 1.8 Mt at 1.5% Cu, 0.15% Co, 32 g/t Ag, 0.75% Pb and 0.51% Zn).

All of the Amy Copper Mineral Resource is classified as Inferred.

**Table 3: Amy Copper Mineral Resource**  
(0.5% Cu cut-off)

Category	Mt	Cu %	Pb %	Zn %	Ag g/t	Co %	CuEq %
Inferred	5.1	1.25	1.35	0.63	36.9	0.14	2.63

The H&SC report also provides an Exploration Target in relation to the Copper mineralisation not currently defined in the Amy Copper Mineral Resource. This Exploration Target estimate is 2 to 4 Mt @ 2.3% to 2.8% CuEq. See Table 4 for full details of the Exploration Target estimate.

The Amy Exploration Target is based on interpolated block grades generated from using a 200m search radius plus 50% of the remaining blocks within the mineral wireframe that still don't have an interpolated grade. All drill hole locations and sections underpinning the Exploration Target have been the subject of prior public reports and a list of the relevant Aeon ASX releases is presented in Appendix 3.

**Table 4: Amy Copper Exploration Target**

Amy Copper Exploration Target Estimate							
Category	Mt	Cu %	Pb %	Zn %	Ag g/t	Co %	CuEq %
Exploration Target	2 – 4	1.1- 1.5	1.1- 2.0	0.5 – 1.6	30 - 60	0.11 - 0.20	2.3 – 2.8

The potential quantity and grade referred to in the Exploration Target above is conceptual in nature, as there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource. Aeon will consider undertaking further drilling within the Amy zone during the 2020 field program.

See Figures 7 and 8 in Appendix 1 for further detail on the Amy Copper Mineral Resource and the Amy Exploration Target.

## Mineralised domains

The Copper mineralisation at Walford Creek, and its relationship to the Cobalt Peripheral mineralisation, are shown schematically in Figure 1. The high-grade copper core tends to be surrounded or encased by a substantial tonnage of lower copper grade mineralisation which contains significant cobalt and silver mineralisation as well as lead and zinc.

The PY1 and the Dol units have been combined and modelled together.

## Copper Equivalent Information

Based on figures used in the Scoping Study (2019)

Assumed recoveries are based on ongoing metallurgical testwork for the Walford Creek deposit

Metal	Price	Recovery (%)
Cu	US\$6,812 per tonne	95.7
Pb	US\$2,381 per tonne	52.3
Zn	US\$2,712 per tonne	63.7
Ag	US\$12 per ounce	66.6
Co	US\$51,390 per tonne	72.1

HS&C has been advised by AEON that it is AEON's opinion that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold.

Copper Equivalent Formula

$(Cu\_%) + (0.21 * Pb\_%) + (0.29 * Zn\_%) + (0.00432 * Ag \text{ ppm}) + (6.2 * Co\_%)$



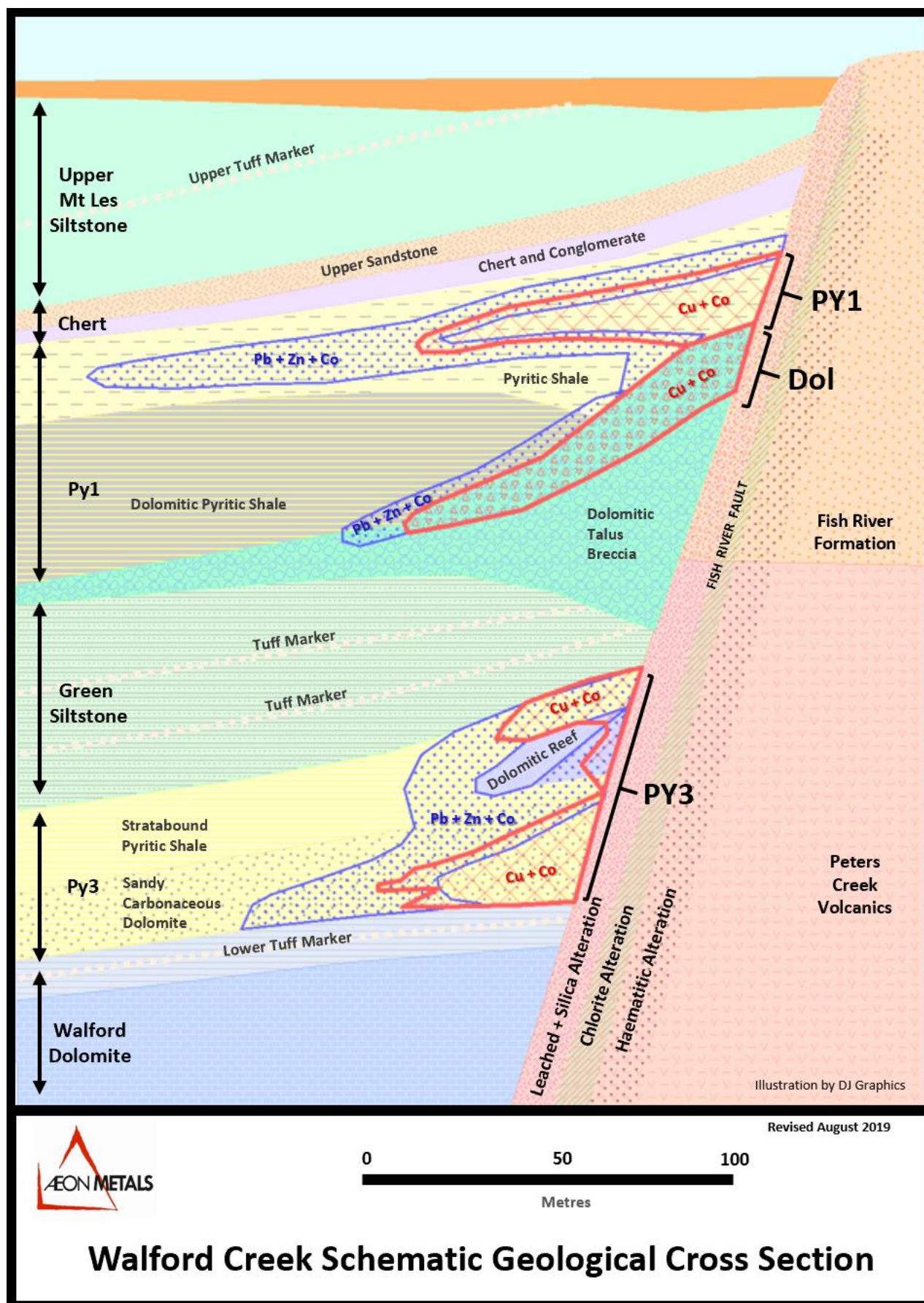


Figure 1: Schematic cross section showing the stylised relationship between the high-grade copper core (red) and the surrounding peripheral cobalt mineralisation (blue).

## Walford Creek PFS

The Walford Creek Project PFS remains targeted for completion in 2Q CY2020.

The updated Walford Creek Mineral Resource estimates will now be incorporated into the Pre-Feasibility Study (PFS). This is planned to be accompanied by some additional drilling for hydrogeological and geotechnical studies as well as some targeted in-fill drilling which is hoped to upgrade the resource tonnes and grade and increase the continuity of the minable stopes.

The Walford Creek Scoping Study (October 2019) outlined a nameplate 3.5Mtpa open-pit and underground mining operation delivering an initial forecast operating life of approximately 11 years (see Aeon ASX release dated 21 October 2019, *Walford Creek Scoping Study*). Aeon confirms that all the material assumptions underpinning the production target within that Scoping Study and the forecast financial information derived from the production target continue to apply and have not materially changed.

The updated Walford Creek Mineral Resource estimates offer significant potential mine life and economic upside, relative to the Scoping Study forecasts, as a function of both:

- the substantially increased Vardy/Marley M&I Mineral Resource tonnage (given the significantly increased higher confidence endowment from which a maiden Ore Reserve can be estimated); and
- inclusion of the now considerably larger Amy Mineral Resource in the Walford Creek schedule. (Amy was not included in the Scoping Study evaluation).

**This ASX release has been authorised for and on behalf of the Aeon Board by:**

Hamish Collins, Managing Director and CEO

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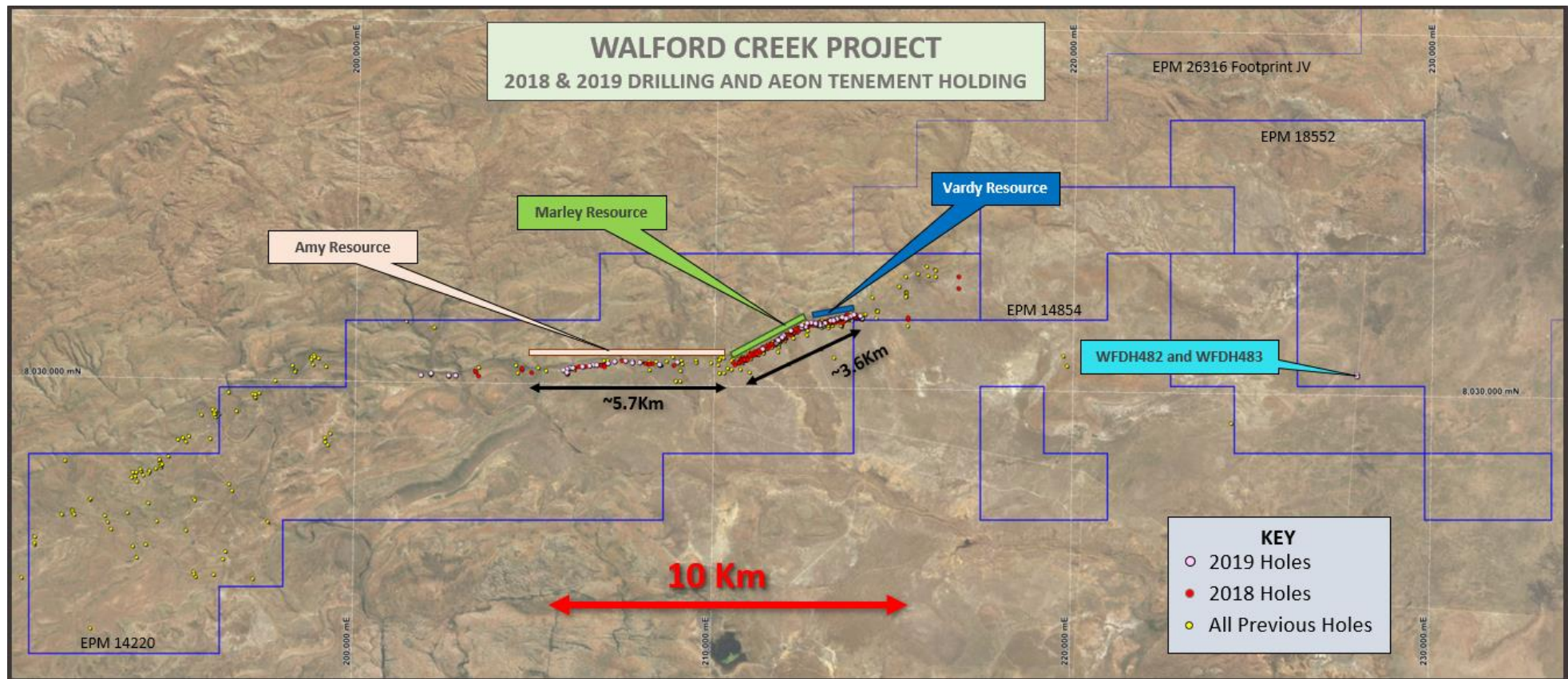
## ABOUT AEON METALS

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 Copper-Cobalt Project (**Walford Creek Project**) located in north-west Queensland, approximately 340km to the north north-west of Mount Isa. Aeon has completed a Scoping Study in October 2019 on the development of a 3.5Mtpa open pit and underground mining operation at the Walford Creek Project producing approximately 146kt copper and 22kt cobalt (plus zinc, lead, silver and nickel) for sale to global metal markets. This Scoping Study demonstrated that the Walford Creek Project represents a technically robust and highly economic mine development. A Pre-Feasibility Study (**PFS**) is targeted for completion in Q2 CY2020.

In relation to that Scoping Study released on 21 October 2019, the Company confirms that all the material assumptions underpinning the production target therein and the forecast financial information derived from the production target continue to apply and have not materially changed.



## APPENDIX 1: FURTHER KEY IMAGES



**Figure 2: Aeon tenement holding showing Resource and additional extensive strike. Prospective stratigraphy and minor copper mineralisation seen in WFDH483 approximately 12km to the east.**

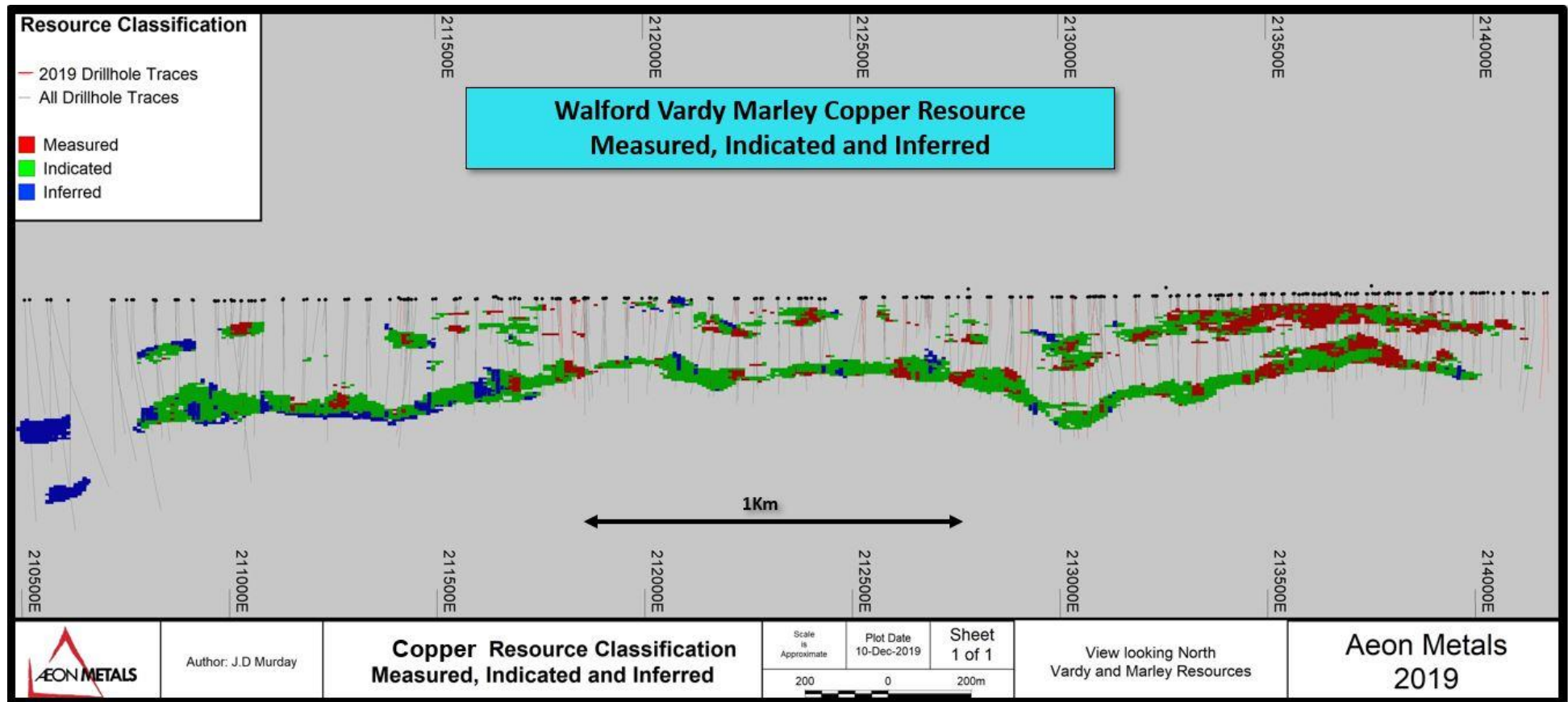
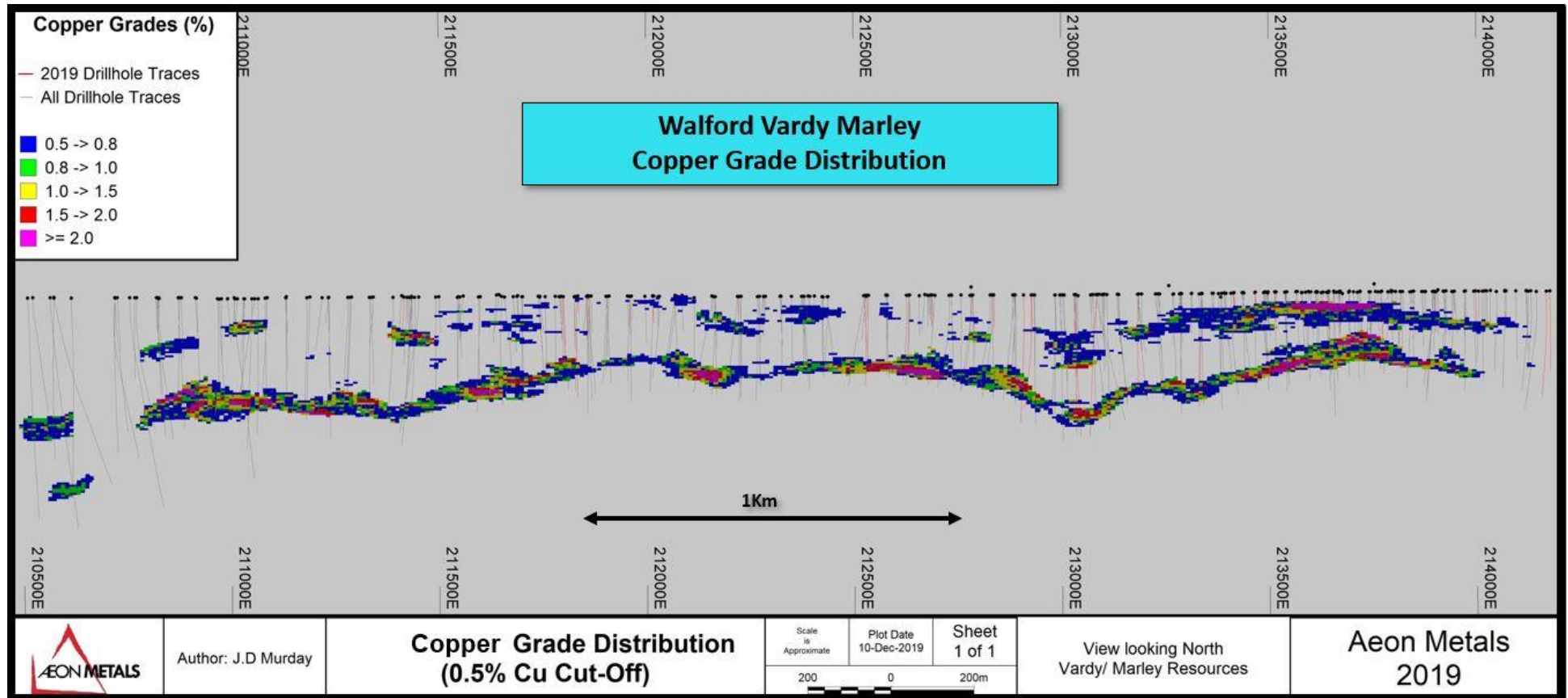
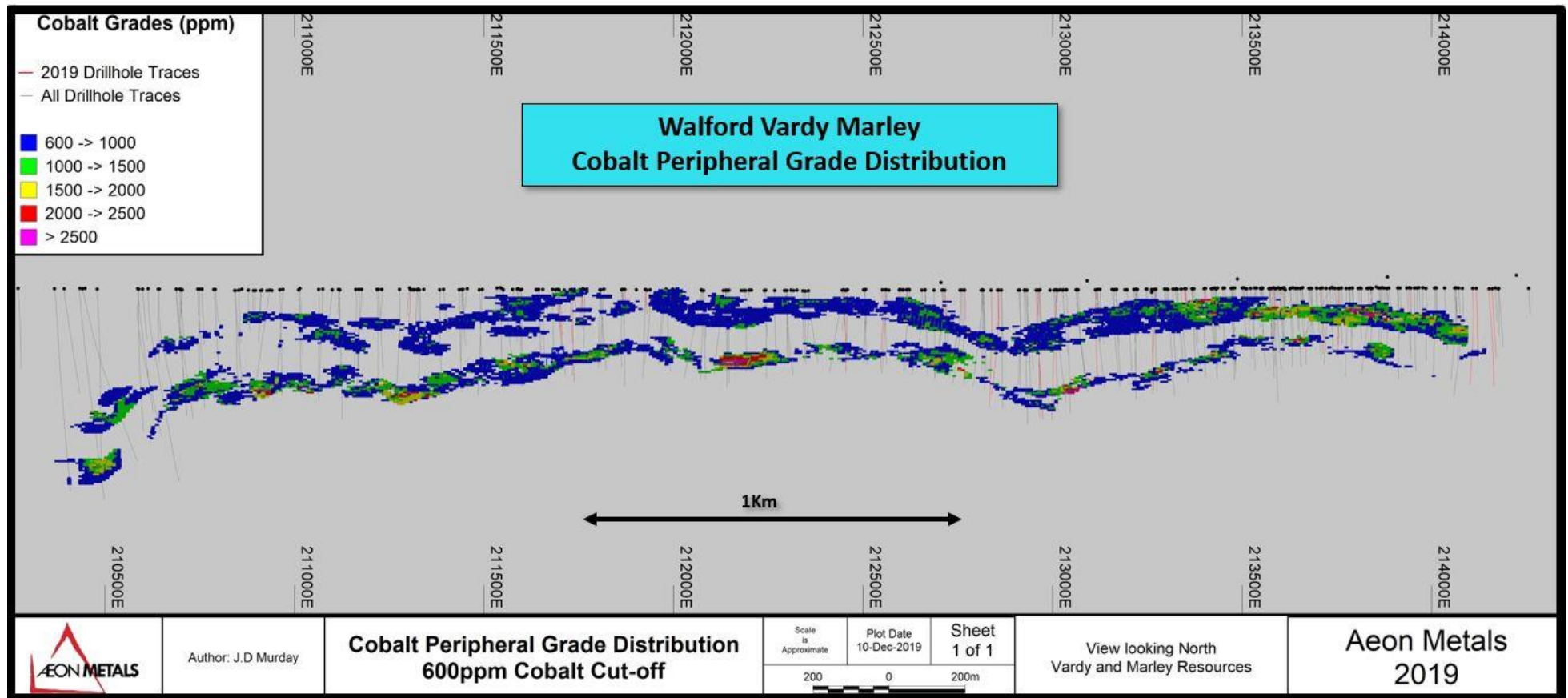


Figure 3: Vardy and Marley Copper Resource over 3.6km.

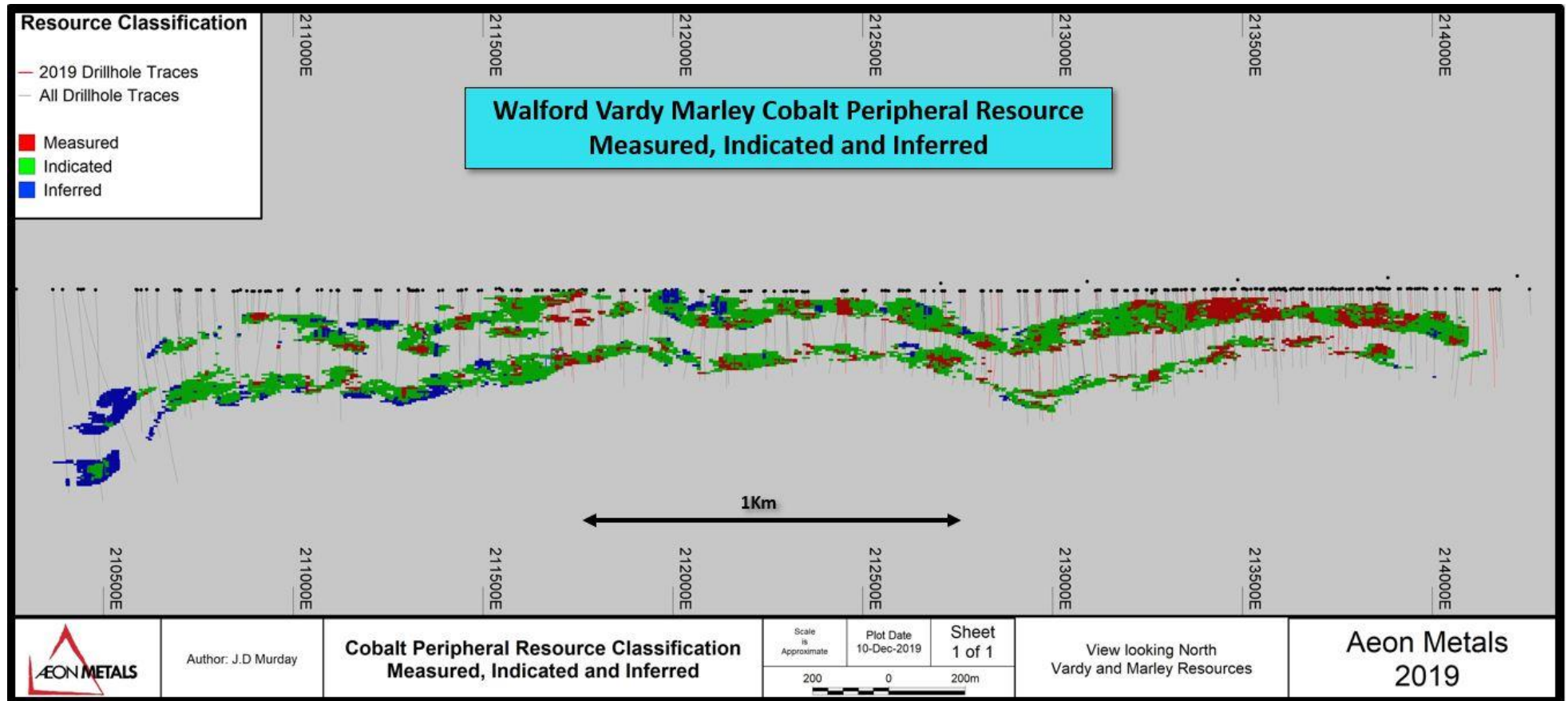


**Figure 4: Vardy and Marley Copper Grade Distribution over 3.6km.**

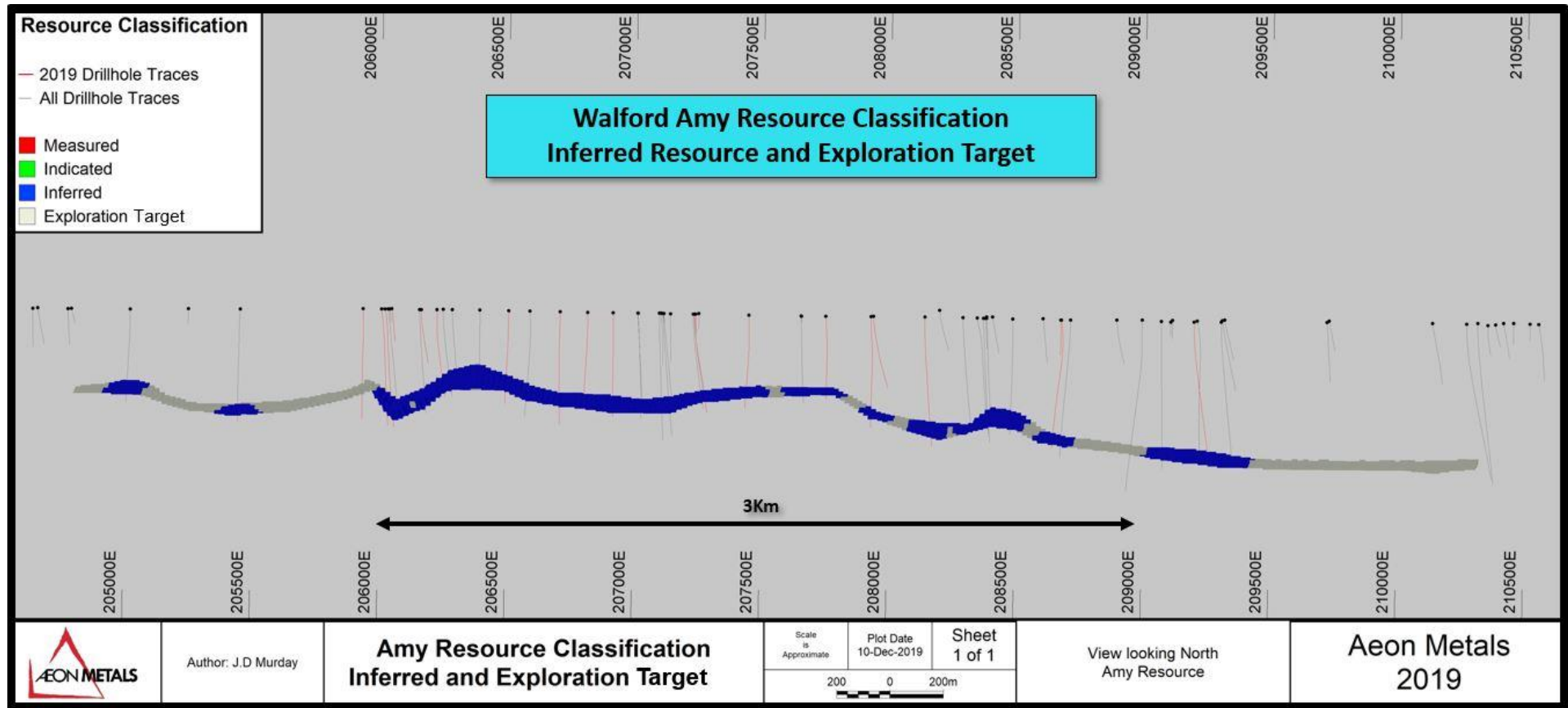




**Figure 5: Vardy and Marley Cobalt Peripheral Grade Distribution.**

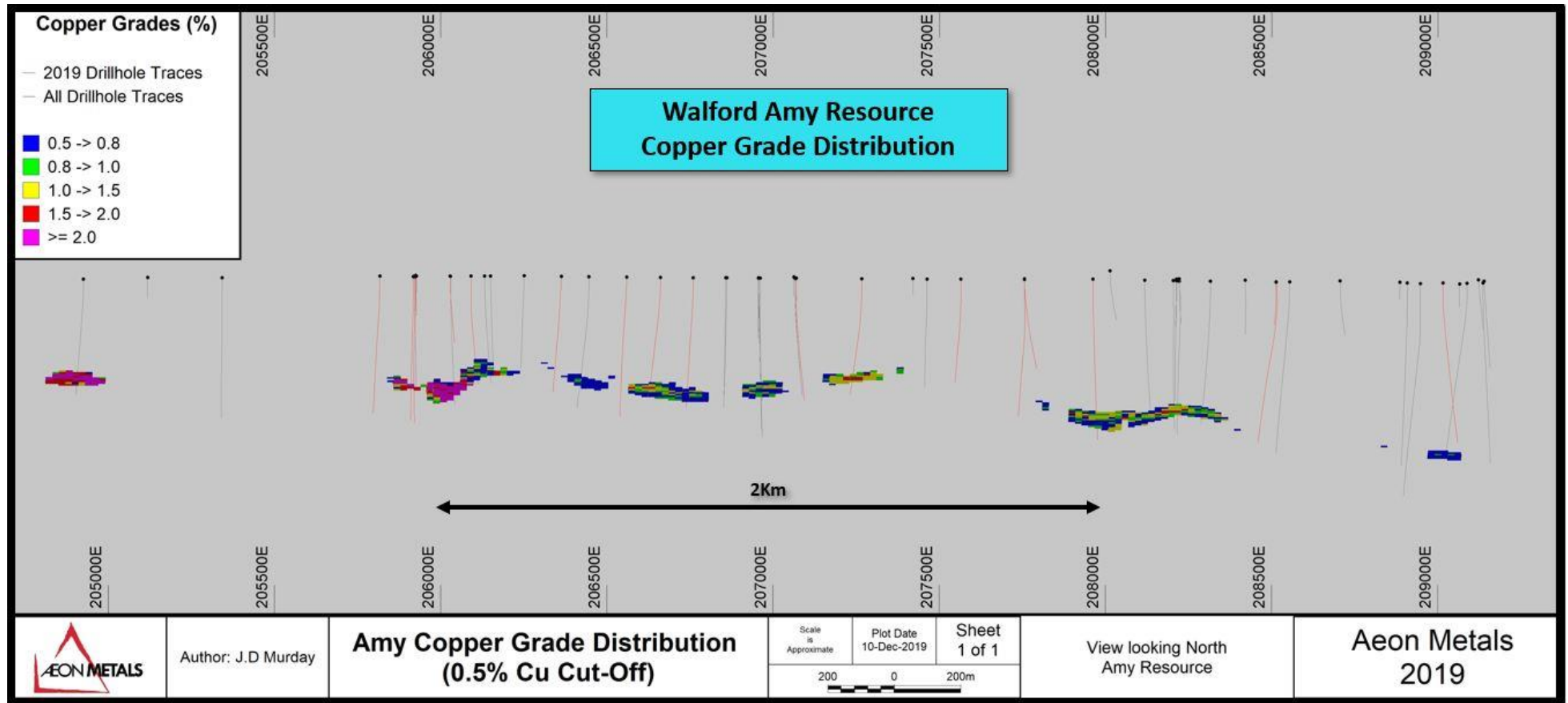


**Figure 6: Cobalt Peripheral in Vardy and Marley.**



**Figure 7: Amy Resource Classification showing Inferred Resource and Exploration Target.**





**Figure 8: Amy Copper Grade Distribution.**

## APPENDIX 2: COMPETENT PERSON'S STATEMENT

The information in this report that relates to Exploration Results for the Walford Creek Deposit is based on information compiled Mr Dan Johnson who is a Member of the Australian Institute of Geoscientists and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Dan Johnson is a full-time employee of AEON Metals Limited and consents to the inclusion in 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 and Exploration Targets is based on 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 Resource in the form and context in which they appear.

## APPENDIX 3: RELEVANT 2019 ASX RELEASES FOR EXPLORATION TARGET

Date of ASX Release	ASX Release heading
21/11/2019	<a href="#">Final 2019 Walford Drilling Results</a>
26/09/2019	<a href="#">Amy Exploration Update Amended</a>
24/09/2019	<a href="#">Amy Exploration Update</a>
29/07/2019	<a href="#">Amy Exploration Update</a>
18/07/2019	<a href="#">Further Step Out Success West of Amy</a>
13/06/2019	<a href="#">Mineralised PY3 Defined in Drilling West of Amy</a>
02/05/2019	<a href="#">Drilling Underway at Walford Creek</a>
21/12/2018	<a href="#">Final Walford Resource Drilling Results for 2018</a>
19/12/2018	<a href="#">Walford Creek Exploration Update</a>
12/12/2018	<a href="#">Further High Grade Copper-Cobalt Assay Results</a>
17/10/2018	<a href="#">High Grade Continues 5.7km West of Resource</a>
18/09/2018	<a href="#">Walford West Assay Result and Drilling Update</a>
30/08/2018	<a href="#">Hole 352 Assays 2.55% Cu and 0.29% Co</a>
26/07/2018	<a href="#">42m Chalcopryite Intercept 4.6km west of Resource</a>
26/07/2018	<a href="#">Assay Result 3.7km west of Resource</a>
18/07/2018	<a href="#">Walford West Exploration Update</a>
05/07/2018	<a href="#">Assay Results from Drill Hole WFPD292</a>

27/06/2018	<a href="#">High Grade Assays 2.5km along strike from Resource</a>
05/06/2018	<a href="#">First Assays West of Resource</a>
17/05/2018	<a href="#">20m Chalcopyrite Intercept 2.5km from Existing Resource</a>
03/05/2018	<a href="#">Drilling Intercepts PY3 7.4km along strike from Resource</a>
24/04/2018	<a href="#">Mineralisation hit 4.6 km from Resource</a>

## APPENDIX 4: JORC TABLES

## Appendix 4 - JORC Code, 2012 Edition – Table 1 Walford Creek

### Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>WMC: 1986-1994 completed diamond core and RC drilling on nominal 400 x 40m grid spacing. The holes were generally drilled vertically to appropriately target the stratabound Pb-Zn mineralisation. Sampling procedures were in line with industry standards of the day (as documented in historic reports); all RC drilling was sampled at 1m intervals and drill core was split/sawn into approximately 1m half-core samples. All samples were analysed in-house by Atomic Absorption Spectrometry.</li> <li>Copper Strike: 2004-2005 RC drilling was completed to infill the existing grid by WMC. RC drilling was used to obtain continuous 1m samples. Dry samples were split at the rig and wet samples speared. Approximately 2kg samples were weighed, dried, crushed and pulverised at a commercial laboratory for analysis by four-acid digest with an ICP finish.</li> <li>Aston to Aeon: 2010-2018 infill and extension diamond drilling with some RC precollars; good quality predominantly HQ core was obtained from which 1m sawn half-core samples were collected and weighed, dried, crushed and pulverised at a commercial laboratory for analysis by four-acid digest with an ICP finish. Drill core and RC sample recoveries were recorded in the database. All above grade (termed Ore Grade) were assayed as such via OG62 four-acid digest by ALS. Drill core sample recoveries were recorded in the database. 2016 saw metallurgical samples taken using quarter cut HQ core and limited PQ.</li> <li>Aeon 2018: Genalysis Laboratory was used. Technique employed 4-acid digest with ICP finish and ore grade via four-acid digest (termed 4AH/OE by Intertek Genalysis).</li> <li>Aeon 2019: ALS used and is employing a 4-acid digest with</li> </ul>

		<p>ICP finish and ore grade via four-acid digest. Check analysis in 2019 is being conducted by Genalysis.</p> <ul style="list-style-type: none"> <li>Where RC sampling has been undertaken, mostly for pre-collars, Aeon has utilised riffle splitting of 1m bagged sample passed through a cyclone. Where RC sampling was undertaken through ore zones, the bags were dried and weighed for recoveries.</li> <li>Where half HQ core is taken for metallurgical analysis, the half core is quarter cut for assaying.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>1986 to 1994 WMC: 45 Diamond holes 12,735m &amp; 49 RC holes 3,678m; NQ &amp; minor BQ Diamond drilling and RC, no mention of core orientation in any historic WMC report.</li> <li>2004 to 2005 Copper Strike: 30 Reverse Circulation (“RC”) holes 3,162m; RC drilling bit type/size not reported by CSE.</li> <li>2010 to 2012 Aston Metals: 92 Diamond holes 14,929m; HQ Triple Tube Diamond drilling with some RC pre-collars. Core oriented, where possible, by Reflex ACT tool and structural data recorded in the database.</li> <li>2014 Aeon Metals Limited: 19 RC, RCDD and DD (Diamond) holes completed for 9021m. HQ Triple Tube Diamond drilling with some RC pre-collars. Core oriented, where possible, by Reflex ACT 111 tool and structural data recorded in the database.</li> <li>2016 to 2019 Aeon Metals Limited; Reverse Circulation (5.5-inch hammer bit) and Diamond Drilling (minor PQ and HQ Triple tube). Core oriented, where possible, by Reflex ACT 111 tool and structural data recorded in the database. 2016 = 4030m - 28 holes 2017 = 6865.65m - 48 holes 2018 = 36032m – 147 holes 2019 = 13481.15m – 60 holes</li> </ul>



<p>Drill sample recovery</p>	<ul style="list-style-type: none"> <li>• Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>• Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>• Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul> <ul style="list-style-type: none"> <li>• WMC: No known written record (however, any core loss intervals were recorded graphically in geological logs).</li> <li>• Copper Strike: No written record. Copper strike have noted some areas of poor sample recovery through mineralised zones due to high water pressure, but noted that grades were comparable to WMC diamond drilling and therefore assumed any bias based on drilling technique and / or sample type was low.</li> <li>• Aston and Aeon Metals: HQ Triple Tube drilling to improve recovery. Generally, &gt;90%; lower recoveries can in some cases be associated with higher mineral grades attributed to hydrothermal brecciation &amp; dissolution in the Dolomite Unit rather than drilling or sampling practice.</li> <li>• 2014 recoveries are considered to be better than 2012 recoveries.</li> <li>• 2016 recoveries are considered the same or better than 2014. Shallow holes close to the fault generally have poorer recoveries.</li> <li>• Recoveries of samples in the 2017, 2018 and 2019 have been similar and are considered good with greater than 90% in 90% of all drilling. There is a minor inverse relationship between sample recovery and grade, this however is due to brecciation and dissolution rather than sample bias.</li> </ul>
<p>Logging</p>	<ul style="list-style-type: none"> <li>• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>• The total length and percentage of the relevant intersections logged.</li> </ul> <ul style="list-style-type: none"> <li>• WMC: Detailed hard-copy lithological logging of all holes transcribed by AML into an Access Database with a full set of logging codes acquired from BHP Billiton. Core photographs were taken but could not be recovered from the data archives. A few core photographs were made available to AML as scans.</li> <li>• Copper Strike: Digital logging of all holes loaded into AML's Access database with a full set of logging codes acquired from Copper Strike. No chip tray photographs were made available.</li> <li>• Aston and Aeon: Detailed digital geological and geotechnical logging of all holes with a full set of logging codes transcribed into an Access database; full set of core photographs.</li> <li>• All logging has been converted to quantitative codes in the Access database.</li> </ul>

		<ul style="list-style-type: none"> <li>Some geotechnical logging of diamond drill core undertaken in both 2018 and again in 2019 for geotechnical assessment for integration into mining studies.</li> <li>All relevant intersections were logged.</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>WMC: Split/sawn half core under geological control and no record for RC; 1m RC samples and half core samples of typically 1m, but as small as 0.25m sent for in-house lab assay.</li> <li>Copper Strike: Dry RC samples were riffle split and wet samples speared; 1m samples (of approximately 2kg) sent to commercial laboratory with appropriate sample prep process.</li> <li>Aston and Aeon: Company procedures for core handling documented in a flow sheet; sawn half core under geological control; 1m samples sent to commercial laboratory with appropriate sample prep. Company procedure for RC sample handling documented in flow-sheet; bulk 1m samples in most cases rotary split from rig with only some riffle split; sample dried, crushed and pulverised to appropriate levels; use of field duplicates and quarter core checks were completed and indicated comparable results with the original samples.</li> <li>In 2016 PQ and HQ core were collected for metallurgical samples. Sawn half core was submitted for metallurgical testing, from mineralised intervals, with the remaining half core sawn and quarter section samples sent for multi-element analysis at ALS.</li> <li>Ongoing gathering of metallurgical sample has continued in 2017, 2018 and 2019 where mineralised intercepts encountered.</li> <li>All sampling methods and sample sizes are deemed appropriate.</li> <li>Sampling in 2017, 2018 and 2019 conducted in the same manner as previous years.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors</li> </ul>	<ul style="list-style-type: none"> <li>WMC: In-house analysis by Atomic Absorption Spectrometry (digest recorded as PBKRS) as cited in annual reports of the day by WMC. The relevant QA/QC was not reported and the drill core is no longer available.</li> <li>Copper Strike: Appropriate analytical method using a 4-acid digest with ICP finish with ore grade analysis for Cu, Pb, Zn &amp; Ag. Assaying</li> </ul>

	<p>applied and their derivation, etc.</p> <ul style="list-style-type: none"> <li>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</li> </ul>	<p>was carried out by ALS, an accredited laboratory. CSE did not make use of any standards or run duplicate samples for QA/QC. Aston metals drilled 4 HQ Triple Tube diamond core twin holes with comparable results.</p> <ul style="list-style-type: none"> <li>Aston and Aeon pre-2017: analytical procedure documented as a flow-sheet; Appropriate analytical method using a 4-acid digest with ICP finish. Ore grade analysis for Cu, Pb, Zn &amp; Ag by OG62 method. Assaying was carried out by ALS, an accredited laboratory. Extensive QA/QC programme with standards, blanks, laboratory duplicates &amp; secondary lab checks. Acceptable outcomes.</li> <li>Aeon 2017 and 2018: analytical procedure documented as a flow-sheet; Appropriate analytical method using a 4-acid digest with ICP finish. Ore grade analysis, where appropriate, for Cu, Pb, Zn, Ag, S and As by 4AH/OE. Assaying was carried out by Intertek Genalysis in 2018, an accredited laboratory.</li> <li>2019 – ALS acting as main assaying laboratory. Genalysis doing checks.</li> <li>Extensive QA/QC as above.</li> <li>All assay methods for both Aston and Aeon were appropriate at the time of undertaking.</li> <li>Aeon has continued to undertake QA/QC including undertaking check analysis at a secondary laboratory.</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>WMC: Hardcopy sampling and assay data has been compared with recent drilling work by Aston and Aeon. Aeon considers the data reliability to be reasonable.</li> <li>Copper Strike: Aston twinned 4 CSE holes to assess grade repeatability and continuity; results are comparable. All samples were submitted to an accredited laboratory, ALS. 1 hole was removed from the database because the geological logging and assay results appeared significantly at odds with several surrounding holes.</li> <li>Aston: Site visit to review core confirms mineral intercepts; Twinned holes (4) to test RC drilling by Copper Strike; results are comparable. Aeon have core handling procedures as flow-sheets.</li> </ul>

	<ul style="list-style-type: none"> <li>• Aeon: Site visit by H&amp;SC to review core confirms mineral intercepts;</li> <li>• Aeon using same core handling procedures, including similar data entry and logging as previous with same codes.</li> <li>• Aeon database managed by Elemental Exploration Pty Ltd using GEOBANK with all final data stored off site.</li> <li>• The spacing of drill holes is considered appropriate with closer spacing and in some cases crossing holes undertaken in 2018 and 2019 confirming grades in previous holes.</li> </ul>
<p>Location of data points</p> <ul style="list-style-type: none"> <li>• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>• Specification of the grid system used.</li> <li>• Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>• WMC: Survey pickup of collar locations by EDM in 1992 and tied to the datum grid point at drillhole WFDD1. The precision of pickups was <math>\pm 100\text{mm}</math> with respect to the datum on average. Downhole survey method not recorded; database contains azimuth and dip readings every 30-50m.</li> <li>• Copper Strike: Drill hole location and orientation data determined by CSE staff. Collars were buried and therefore validation by subsequent Companies was not possible. Downhole survey methods were not recorded; database contains azimuth and dip readings based on collar and end of hole measurement.</li> <li>• Aston: DGPS on all AML holes in MGA94 Zone 54 grid projection by MH Lodewyk Surveyors, Mount Isa. AML also had WMC drill hole collar locations validated by DGPS with good accuracy. Down hole surveys were taken every 30m by REFLEX, EZI-SHOT.</li> <li>• A detailed Digital Elevation Model (DEM) was generated by David McInnes, consulting geophysicist, as part of the process of developing the 2010 3D geological model. The DEM was generated using a combination of data from the drillhole collars (DGPS), the WMC Gravity survey (with a 3cm accuracy), with variable data point spacing of 100x100m – 500x500m, and high-resolution satellite data with an estimated 80m accuracy.</li> <li>• Aeon: DGPS on all previous Aeon drill holes in MGA94 Zone 54 grid projection by MH Lodewyk Surveyors, Mount Isa in September 2014.</li> <li>• 2016, 2017, 2018 and 2019 holes have been picked up by</li> </ul>

		<p>DGPS by D Ericson at Diverse Surveyors, Mt Isa.</p> <ul style="list-style-type: none"> <li>• Down hole surveys were generally taken every 30m by REFLEX (ACT 111) EZI-SHOT or as ground conditions permitted.</li> <li>• 2018, Aeon commissioned ANC to carry out a Digital Terrain Model (DTM) over the Vardy and Marley deposits.</li> <li>• 2018 Seismic Survey, shot points and geophone locations were surveyed by RPS using GDA 94, MGA Zone 55.</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>• Data spacing for reporting of Exploration Results.</li> <li>• Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>• Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>• Drillhole section spacing is 25m to 50m in the eastern section of the deposit becoming 100m or greater in the west. On section spacing is approximately between 20m to 80m. 100m spacing is appropriate for geological continuity, 50m spacing allows for reasonable assessment of grade continuity. 25m by 20m can lead to measured status depending on continuity of both geology and grade.</li> <li>• Some holes have encroached closer than the nominal 25m by 20m due to hole deviation and also the necessity to relocate holes around geographical and or cultural features and or vegetation.</li> <li>• Very limited sample compositing undertaken.</li> <li>• 2018 Seismic, shot point and receiver spacing of 8m on a 160-channel nominal spread were the selected parameters based on geological variables.</li> </ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>• If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>• Drilling generally achieved a high angle of intercept with the stratabound mineralisation but local variation due to folding has been logged.</li> <li>• Any mineralisation related directly to structures with the same strike and dip of the Fish River Fault, has been intersected at a moderate angle.</li> <li>• A broad alteration zone (with variable mineralisation) associated with both the stratabound mineral and the mineral proximal to the Fish River Fault has been intersected at reasonable angles.</li> <li>• Drilling orientations are considered appropriate with no obvious bias. Holes have been steepened recent drilling of the</li> </ul>

		<p>deeper Py3 but the angle of intercept is still considered appropriate.</p> <ul style="list-style-type: none"> <li>• 2018 Seismic, 5 lines were orientated north-south (perpendicular to structure) and 1 line east-west (along strike).</li> </ul>
Sample security	<ul style="list-style-type: none"> <li>• The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>• WMC: All assaying in-house. No documentation available on sample security.</li> <li>• Copper Strike: All assaying completed by ALS Townsville. No documentation available on sample security.</li> <li>• Aston and Aeon: RC chip samples in calico bags are sealed in polyweave bags. Drillcore is contained in lidded core trays, strapped down and transported by a dedicated truck to Mount Isa. The core is cut and sampled by company employees in the Mount Isa core yard and sent directly to ALS Mount Isa where assaying is completed. After analysis all samples are returned to Isa, stored in a lock up shed and digitally archived. Core is stored in Mount Isa in a lock up shed. Previously sections of massive sulphide were kept in secure cool storage. Aeon – recent core crush of -9mm has been kept in cryovac bags with a nitrogen flush prior to sealing. This is aimed at eliminating the requirement to use cold storage for the core. The remaining core is stacked on pallets and then plastic wrapped prior to storage in a covered shed out of the weather. Visual inspection of drill core continues to show that assay grades match mineral assay distribution.</li> <li>• 2016, 2017 and 2018 Metallurgical samples comprised sawn quarter/half core completed at an appropriate facility in Mt Isa by Aeon personnel. Core was then bagged and cryovac using nitrogen to expel oxygen and then protected in Mt Isa prior to use in test work at other secure sites including at ALS.</li> <li>• All drillcore in core trays is wrapped in plastic and strapped to pallets on site at Walford and before transport to Mt Isa by either Aeon personnel in appropriate vehicles or via the local transport company from Doomadgee. This transport of core is considered satisfactory.</li> </ul>



Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> <li>WMC: Data transcribed from historic reports and subsequently validated by Aston with no material inconsistencies evident.</li> <li>Copper Strike: Supplied digital database checked by Aston against hard copy with no material discrepancies found.</li> <li>Aston: All data checked and validated prior to loading into the internal database by Aston geologists and external database managers. As part of the process of developing the geological model Aston reviewed all of the recent and historic data and consider it suitable for the purposes of resource estimation. A QA/QC audit by ALS found no major discrepancies in the assay data.</li> <li>Aeon – all data now being received has undergone the same validation as used previously by Aston.</li> <li>A substantial QA/QC review has been completed by H&amp;S Consultants as part of the resource estimate undertaken previously.</li> <li>QA/QC work continues to be undertaken as previous with check analysis undertaken a different laboratory.</li> </ul>
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## Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>Walford Creek is located wholly within EPM 14220. The EPM is located 65km west-northwest of Doomadgee township and 340km north-northwest of Mount Isa.</li> <li>Following a transfer of title (dated 12 March 2013) EPM 14220 is held 100% by Aeon Walford Creek Limited formerly Aston Metals (Qld) Limited and the previous Joint Venture Agreements no longer apply. The tenement currently consists of 41 sub-blocks. The tenement is a granted Exploration Permit for Minerals and no known impediments exist.</li> <li>As it currently stands, no Native Title claim is in existence over EPM 14220, however AML continue to operate under the</li> </ul>

	<p>premises of the previous agreements negotiated with the Carpentaria Land Council Aboriginal Corporation "CLCAC" representing the Waanyi and Gangalidda-Garawa peoples and signed prior to commencement of exploration.</p>
<p>Exploration done by other parties</p> <ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Numerous companies have explored within the tenement area, largely concentrating on the discovery of a significant stratabound lead-zinc system.</li> <li>More recently, companies have been focused on targeting copper mineralisation in the hanging wall of the Fish River Fault.</li> <li>All exploration is considered to have been completed to a reasonable standard by experienced companies in a professional manner. Most exploration work has been appropriate but there are minor issues on historic documentation.</li> <li>Previous exploration of the Walford Creek Prospect is summarised below:</li> </ul> <p><b>1984-1996 WMC</b></p> <p>Re-evaluation of the Walford Creek area resulting in a major exploration program targeting Pb-Zn mineralisation near the Fish River Fault:</p> <ul style="list-style-type: none"> <li>Systematic grid-based mapping, rock chip and soil sampling.</li> <li>Detailed Tempest EM and aeromagnetic survey; gravity survey, 600-line km of SIROTEM.</li> <li>45 diamond and 49 percussion holes totalling approximately 16,500m of drilling on 400 and 800 m spaced drill hole fences.</li> <li>Isolated higher grade Pb-Zn-Cu-Ag intersections but no coherent economic Pb-Zn resource.</li> <li>Brief JV with MIMEX from 1995-1996. MIMEX completed CSAMT, EM and IP over 9 conceptual targets but no drilling.</li> </ul> <p><b>2004-2006 Copper Strike</b></p> <p>Exploration program targeting copper mineralisation at the Walford Creek Prospect in and along the Fish River Fault:</p>

	<ul style="list-style-type: none"> <li>• A small RC drilling program was commenced in 2004 but curtailed prematurely due to the 2004-2005 wet season.</li> <li>• A significant RC drill program was completed during 2005.</li> <li>• 30 holes were drilled for a total of 3,162m, of which 60.7m was diamond cored.</li> <li>• Estimation of an Inferred Mineral Resource for the Walford Creek Project of 6.5 million tonnes at 0.6% Cu, 1.6% Pb, 2.1% Zn, 25 g/t Ag and 0.07% Co.</li> </ul> <p><b>2010 to 2012 Aston Metals Limited</b></p> <ul style="list-style-type: none"> <li>• Exploration undertaken by Aston followed on from the targeting approach adopted by Copper Strike in drilling along the Fish River Fault to test both the SEDEX lens and the associated copper/cobalt mineralisation close to the fault.</li> <li>• Aston Metals drilled a total of 92 Diamond holes 14,929m; HQ Triple Tube Diamond drilling with some RC pre-collars.</li> <li>• The 2012 Indicated and Inferred Resources of 48.3 million tonnes at 0.39% Cu, 0.83% Pb, 0.88% Zn, 20.4 g/t Ag and 731 ppm Co.</li> </ul> <p>All subsequent work since June 2014 has been undertaken by Aeon Metals.</p>
<p>Geology</p> <ul style="list-style-type: none"> <li>• Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>• At the Walford Creek Prospect structurally controlled, vein/breccia hosted or replacement Cu <math>\pm</math> Co mineralisation, with minor Pb-Zn-Ag and stratabound, diagenetic Pb-Zn-Ag <math>\pm</math> Cu mineralisation, are hosted in dolomitic and argillaceous sediments of the Paleoproterozoic Fickling Group, forming part of the Lawn Hill Platform stratigraphic sequence, along the east-west to east-northeast trending, steeply south-dipping Fish River Fault.</li> <li>• The mineralisation typically occurs as early diagenetic sphalerite-galena-(chalcopryrite) to late epigenetic chalcopryrite-(galena-sphalerite) associated with three stacked massive pyrite lenses and</li> </ul>

		<p>talus, hydrothermal and tectonic breccias in the hanging wall of the Fish River Fault.</p> <ul style="list-style-type: none"> <li>• Mineralisation shows affinities to both early sediment-hosted SEDEX-type and late Mississippi Valley-type mineralisation styles.</li> <li>• The wide diversity of mineralisation styles reflects multiple events in a long-lived re-activated structural setting that originated as a growth fault.</li> <li>• Further interpretation of the geological model is ongoing and views will reflect the geological teams assessment as both the database grows in size and as the results are interpreted.</li> <li>• Recent re-interpretation also shows strong analogies to some Zambian style sediment hosted copper deposits where elevated copper in association with high cobalt values is often a characteristic.</li> </ul>
Drill hole Information	<ul style="list-style-type: none"> <li>• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>○ easting and northing of the drill hole collar</li> <li>○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>○ dip and azimuth of the hole</li> <li>○ down hole length and interception depth</li> <li>○ hole length.</li> </ul> </li> <li>• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>• Exploration results have not previously been reported in the public domain as Aston Metals, the previous company, was privately listed.</li> <li>• Information on the pre-2016 drill holes is included in the 2015 Resource Estimate Report.</li> <li>• Summary Information pertaining to the completed 2018 drilling holes is contained in previous ASX releases.</li> <li>• Summary Information pertaining to the completed 2019 drilling is contained in the body of the relevant 2019 ASX releases.</li> </ul>
Data aggregation methods	<ul style="list-style-type: none"> <li>• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>• Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the</li> </ul>	<ul style="list-style-type: none"> <li>• Exploration results have not previously been reported in the public domain as Aston Metals, the previous company, was privately listed.</li> <li>• Aeon has not undertaken any cutting of grades as it currently believes that all the grades received are an accurate reflection of the sampled interval.</li> </ul>

	<p>procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</p> <ul style="list-style-type: none"> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>Aeon has maintained realistic intervals of dilution when stating mineralised intercepts, however further refinement of what are considered realistic mining widths will be understood following further resource calculations.</li> </ul>
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>Exploration results have not previously been reported in the public domain as Aston Metals, the previous company, was privately listed.</li> <li>Drill hole angle relative to mineralisation has been a compromise to accommodate the flat-lying stratabound massive sulphide bodies with associated replacement breccias and the steeper dipping epigenetic mineralisation proximal to the Fish River Fault. Generally, the stratabound intercepts are closer to true width whereas epigenetic and/or overprinting mineralisation intercepts can be apparent widths depending on drill angle. This is modelled in the wireframes for the resource work.</li> </ul>
Diagrams	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>Appropriate maps showing the nature and extent of the mineralisation are included in the 2013 Resource Estimation report by H&amp;SC for all work prior to 2014.</li> <li>Appropriate maps and sections have been provided for the 2016 and 2017 work to date.</li> <li>Appropriate sections have been included for some of the significant intercepts recorded from the 2016, 2017, 2018 and 2019 drilling.</li> <li>2019 holes have been drawn on sections and provided in the relevant ASX releases</li> </ul>
Balanced reporting	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>Exploration results have not previously been reported in the public domain by Aston as the previous company was privately listed.</li> <li>All results reported on by Aeon are considered to be accurate and reflective of the mineralised system being drill tested.</li> </ul>

Other substantive exploration data	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>Aeon believes that the results and data provided give a meaning and material reflection of the geological lithologies and structure being tested at Walford Creek.</li> <li>Metallurgical test work both undertaken continues to show that acceptable levels of mineralisation for all the important elements can be satisfactorily extracted from Walford Creek mineralisation.</li> <li>More definitive metallurgical test work is ongoing.</li> </ul>
Further work	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Aeon's future exploration will focus on upgrading and expanding upon the current Inferred and Indicated Resource Estimates at the Walford Creek Prospect, through further drilling within and immediately outside the resource area.</li> </ul>

### Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	<ul style="list-style-type: none"> <li>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</li> <li>Data validation procedures used.</li> </ul>	<ul style="list-style-type: none"> <li>All relevant data were entered into an Access database where various validation checks were performed including duplicate entries, sample overlap, unusual assay values and missing data.</li> <li>Data linked to Surpac for wireframing, block model creation and resource reporting.</li> <li>Visual reviews of data were conducted to confirm consistency with topography and hole collars, logging and drillhole trajectories.</li> <li>Assessment of the data confirms that it is suitable for resource</li> </ul>



		estimation.
Site visits	<ul style="list-style-type: none"> <li>• Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</li> <li>• If no site visits have been undertaken indicate why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>• Simon Tear of H&amp;SC completed a site visit to the property and Mt Isa core handling facility during the May 2016 drilling. Visit included review of core for 6 holes.</li> <li>• Simon Tear H&amp;SC visited in 2012 the project's core handling facility in Mt Isa and reviewed 5 diamond drillholes from the AML 2012 drilling.</li> </ul>
Geological interpretation	<ul style="list-style-type: none"> <li>• Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</li> <li>• Nature of the data used and of any assumptions made.</li> <li>• The effect, if any, of alternative interpretations on Mineral Resource estimation.</li> <li>• The use of geology in guiding and controlling Mineral Resource estimation.</li> <li>• The factors affecting continuity both of grade and geology.</li> </ul>	<ul style="list-style-type: none"> <li>• The Walford Creek Deposit is characterised by several different mineralisation styles dependent on the host rock and stratigraphic position.</li> <li>• Primary base metal mineralisation is hosted in relatively flat lying sedimentary units. Sulphide mineralisation is dominant. The new resource estimates are primarily focussed on distinct, higher grade copper and cobalt mineralisation related to specific stratigraphic hosts and proximity to the Fish River Fault</li> <li>• A detailed stratigraphic reconstruction has been completed noting minor structures as splays and parallel faults to the main Fish River Fault.</li> <li>• Some oxidation of mineralisation has occurred with possible supergene enrichment noted for the PY1 and Dolomite ("DOL") unit zones.</li> <li>• Mineralisation wireframes were designed on a nominal 150ppm Co cut-off grade (+/- silver support) and geological criteria including host lithology and stratigraphical relationship, structural position, lithogeochemical data, oxidation and geological sense.</li> <li>• 3D wireframes and surfaces constructed include: updated cobalt mineral zones for a combined PY1 &amp; DOL Unit and the PY3 Unit, Fish River Fault, Chert Marker, BOPO and BOCO.</li> <li>• Wireframe extrapolation is 25m to 50m beyond the last drillhole; termination of wireframes is generally due to a lack of cobalt grades and/or drilling data.</li> <li>• The existing interpretation honours all the available data; an alternative interpretation is unlikely to have a significant impact</li> </ul>

		on the resource estimates.
Dimensions	<ul style="list-style-type: none"> <li>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</li> </ul>	<ul style="list-style-type: none"> <li>Mineralisation for Vardy &amp; Marley can be modelled for 3.3km of strike length, with a range of down dip widths of 40 to 60m. The mineral lenses are part of a 160m thick, variably mineralised sedimentary sequence. The individual mineral lodes have thicknesses ranging from 2m to 60m.</li> <li>The depths below surface to the top of the mineralisation vary for the different lodes but an approximate overall range is from 25m to 35m for the uppermost PY1/DOL lode and 100 to 230m for the lowermost PY3 lode.</li> <li>The Amy deposit has a strike length of some 6km. Down dip extent ranges between 30 and 60m with thickness ranging between 5 and 40m averaging approximately 20m. Depth to the top of mineralisation is in the 350 to 550m range.</li> </ul>
Estimation and modelling techniques	<ul style="list-style-type: none"> <li>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</li> <li>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</li> <li>The assumptions made regarding recovery of by-products.</li> <li>Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).</li> <li>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</li> <li>Any assumptions behind modelling of selective mining units.</li> <li>Any assumptions about correlation between variables.</li> <li>Description of how the geological interpretation was used to control the resource estimates.</li> </ul>	<ul style="list-style-type: none"> <li>3D mineral wireframes and geological surfaces are based on interpretations completed on sections with strings snapped to drill holes.</li> <li>Surpac mining software was used for the interpretation and block model reporting. The Micromine mining software was used for block grade interpolation.</li> <li>Wireframes were used to control the composite selection and the loading of subsequently modelled data into the block model.</li> <li>A set of calculated pyrite content values was created from the base metal &amp; sulphur assays</li> <li>Geostatistics were performed for copper, lead, zinc, silver, cobalt, iron, sulphur, calculated pyrite, arsenic, nickel, thallium and molybdenum within individual PY1/DOL and PY3 mineral zones.</li> <li>Correlation between the main economic elements was weak indicating possible mineral zonation, which is not an uncommon feature with the type of mineralisation.</li> <li>Drillhole spacing for Vardy is generally 25m along strike and 30-80m on section, The Marley drillhole spacing is generally 50m along strike and 30-80m on section ranges along strike from 25 to</li> </ul>

- Discussion of basis for using or not using grade cutting or capping.
  - The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.
- 50m. For Amy the drilling ranges from 50 to 100m along strike and 30-80m on section.
- Parent block sizes for Vardy and Marley were 10m in the X (east) direction, 5m in the Y (north) direction and 5m in the Z (RL) direction with no sub-blocking. At Amy the block size was 20m by 5m by 5m with no sub-blocking
  - Ordinary Kriging with dynamic interpolation was the estimation method used.
  - 20,074 1m composites, 19,007 for Vardy and Marley and 976 for Amy, were extracted from the drillhole database constrained by the mineral wireframes; residuals of <0.5m were discarded.
  - No top cutting was applied; the coefficients of variation for the relevant composite datasets suggest that the data is not sufficiently skewed or unstructured to warrant top cutting.
  - 3 estimation search passes were used for all mineral zones with an increasing search radius and decreasing number of data points. A 4<sup>th</sup> pass was used to provide a measure of any exploration potential at Vardy/Marley, and Inferred Resources at Amy. A 5<sup>th</sup> pass at Amy was used to generate a measure of exploration potential.
  - Search size: 30 by 20 by 7.5m (Measured), 60 by 40 by 15m (Indicated) both with 12 minimum data and at least two holes and 60 by 40 by 15m (Inferred) with 6 minimum data and at least one hole. The 4<sup>th</sup> search pass was 90m by 60m by 20m with a minimum of 6 data.
  - Variography was modest in all zones mainly due to a lack of drilling, particularly in the down dip direction in combination with localised thinness of some of the mineral zones and subtle undulations in the host stratigraphy.
  - With dynamic interpolation, search ellipses were aligned to follow the strike, and dip of mineral-defined surfaces.
  - Model validation has consisted of visual comparison of block grades and composite values and indicated a reasonable match. Comparison of summary statistics for block grades and composite

		<p>values has indicated a small risk of overestimation of grade for certain elements for certain lodes usually in the Inferred category but with no consistent pattern.</p> <ul style="list-style-type: none"> <li>• There are relatively limited changes to the February 2019 H&amp;SC global resource estimates for the Vardy and Marley Zones and this provides a good level of confidence in the resource estimates and their classification.</li> <li>• For Amy the Inferred Resources have increased nearly threefold as a result of the infill drilling but in line with expectations.</li> </ul>															
Moisture	<ul style="list-style-type: none"> <li>• Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</li> </ul>	<ul style="list-style-type: none"> <li>• Tonnages are estimated on a dry weight basis.</li> </ul>															
Cut-off parameters	<ul style="list-style-type: none"> <li>• The basis of the adopted cut-off grade(s) or quality parameters applied.</li> </ul>	<ul style="list-style-type: none"> <li>• Resource estimates have been reported for the combined Vardy &amp; Marley areas using 0.5% Cu for the copper mineralisation and 600ppm for the peripheral cobalt mineralisation. For Amy just a 0.5% copper cut off has been used.</li> <li>• The Marley and Vardy resources are reported from inside the mineral wireframe which acts as a hard boundary. A western constraint is also applied at the 210675m easting. At Amy the resources are reported from inside the mineral wireframe which acts as a hard boundary with east and west limits dictated by the 4<sup>th</sup> pass search.</li> <li>• The cut-off grade at which the resource is quoted reflects the intended bulk-mining approach.</li> <li>• Block centroids within the mineral zones are reported above the relevant cut offs. For Vardy/Marley</li> <li>• The reported resource estimates have a copper equivalent value included. This is based on the following information</li> <li>• Exchange rate Aus\$/US\$ = 72.5</li> </ul> <table border="1"> <thead> <tr> <th>Metal</th><th>Price</th><th>Recovery (%)</th></tr> </thead> <tbody> <tr> <td>Cu</td><td>US\$6,812/ tonne</td><td>96</td></tr> <tr> <td>Pb</td><td>US\$2,381/ tonne</td><td>52</td></tr> <tr> <td>Zn</td><td>US\$2,712/ tonne</td><td>64</td></tr> <tr> <td>Ag</td><td>US\$12/ ounce</td><td>67</td></tr> </tbody> </table>	Metal	Price	Recovery (%)	Cu	US\$6,812/ tonne	96	Pb	US\$2,381/ tonne	52	Zn	US\$2,712/ tonne	64	Ag	US\$12/ ounce	67
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		<ul style="list-style-type: none"> <li>Copper equivalent formula = <math>(Cu\_pc) + (0.21 * Pb\_pc) + (0.29 * Zn\_pc) + (0.00432 * Ag\_ppm) + (6.2 * Co\_%)</math></li> </ul>		
Mining factors or assumptions	<ul style="list-style-type: none"> <li>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>H&amp;SC's understanding based on information supplied by Aeon is for a combination of open pit and underground mining scenarios including a heap leach operation.</li> <li>The proposed mining method will be a truck shovel operation for the upper mineralisation.</li> <li>Minimum mining dimensions are the parent block size of 10x5x5m.</li> <li>The current assumptions for the mining dilution (open pit and underground) and recovery for the open pit mine are 5% dilution and 95% recovery</li> <li>There is also the potential for an underground transverse retreat up hole bench stoping to target the lower PY3 mineral zone</li> <li>Geotechnical studies for both open pit mining and the selected underground mining method are currently at a PFS level.</li> <li>Pit hydrology has been investigated and incorporated into the mine design.</li> </ul>		
Metallurgical factors or assumptions	<ul style="list-style-type: none"> <li>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>Significant metallurgical testwork has been completed on the project. This includes floatation for Cu (with silver credits), Pb (with silver credits), Zn and a pyrite concentrate containing Cu, Ag, Co-Ni. The pyrite concentrate has successfully been leached by a Bio-leach process. This is followed by precipitation of the metals from leach solution to produce saleable Cu with silver credits, a small amount of Zn and Co-Ni as sulphides.</li> <li>This information was used to inform the Scoping Study published to the ASX in October 2019</li> <li>Testwork is now focused on Pb and Zn floatation variability, bio-leach pilot plant run and a second round of continuous precipitation testwork.</li> </ul>		

	<ul style="list-style-type: none"> <li>Mineralogical testwork has identified that a majority of the cobalt – Nickel solid solution resides within the lattice of a distinctive type of pyrite and is not necessarily linked to copper grades.</li> <li>A full suite of metal recoveries can be found in the Scoping Study, released to the ASX in October 2019.</li> <li>The deposit type is similar to Mt Isa style.</li> </ul>
Environmental factors or assumptions	<ul style="list-style-type: none"> <li>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</li> <li>Baseline studies by Aeon are currently in progress</li> <li>The area contains large flat areas suitable for waste dumps and tailings facilities.</li> <li>No large river systems pass through the area.</li> <li>Water courses are generally restricted.</li> <li>There are abundant carbonate rocks, the Walford Dolomite, in the vicinity to provide material for control of any acid mine drainage.</li> </ul>
Bulk density	<ul style="list-style-type: none"> <li>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</li> <li>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</li> <li>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</li> <li>9,770 samples were generated from single 10-15cm pieces of core that had SG values determined using the “Archimedes Principle” on a dry weight basis (weight in air/weight in water method).</li> <li>Some localised vuggy material may have an overstated density due to samples not sealed in wax prior to measuring the weight in water.</li> <li>Density grade interpolation for the sedimentary package was undertaken using the Inverse Distance Squared method on the 9,770 samples derived from the drillhole database.</li> <li>Five sub-divisions were created with hard boundaries, namely surface cover, complete oxidation, partial oxidation, fresh, Fish River Fault hangingwall and footwall. Several search passes were used with varying rotations, expanding search radii and decreasing number of data points in order to interpolate density grades for as much of the deposit as possible.</li> <li>Any remaining blocks with a metal grade within the mineral wireframes but no density value were allocated default values</li> </ul>

		derived from a density data analysis.
Classification	<ul style="list-style-type: none"> <li>The basis for the classification of the Mineral Resources into varying confidence categories.</li> <li>Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</li> <li>Whether the result appropriately reflects the Competent Person's view of the deposit.</li> </ul>	<ul style="list-style-type: none"> <li>Mineral resources have been classified on the estimation search pass category subject to assessment of other impacting factors such as drillhole spacing (variography), core handling and sampling procedures, QAQC outcomes, density measurements, geological model and previous resource estimates.</li> <li>The search pass category for the mineral zones was reviewed with the observation of a 'spotted dog' effect particularly at the margins of the mineralisation. To counteract this H&amp;SC used the search pass categories on the entire drill sample dataset to generate pass categories which were then used to allocate resource classification.</li> <li>The classification appropriately reflects the Competent Person's view of the deposit.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of Mineral Resource estimates.</li> </ul>	<ul style="list-style-type: none"> <li>A previous internal check model was completed by H&amp;SC for the cobalt mineralisation in the February 2019 estimates using dynamic interpolation of the composites, both constrained by the copper wireframes and unconstrained. A reported difference of &lt;5% was achieved. This outcome is used to justify the use of dynamic interpolation for the current resource model</li> </ul>
Discussion of relative accuracy/confidence	<ul style="list-style-type: none"> <li>Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</li> <li>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</li> </ul>	<ul style="list-style-type: none"> <li>The Mineral Resources have been classified for Vardy &amp; Marley using the search pass category with Pass 1 = Measured, Pass 2 = Indicated and Pass 3 = Inferred. For Amy search passes 1 to 4 were classed as Inferred.</li> <li>An additional qualitative assessment of a number of factors including the complexity of mineralisation (including metal zonation), variography (data point spacing), the drillhole spacing, QA/QC data has also been included.</li> <li>The Mineral Resource estimates are considered to be accurate globally, but there is some uncertainty in the local estimates due to the current drillhole spacing and local geological complexities.</li> <li>The geological understanding has been progressively improved with the Aeon drilling campaigns.</li> </ul>



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| <ul style="list-style-type: none"><li>• These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</li></ul> | <ul style="list-style-type: none"><li>• No mining of the deposit has taken place so no production data is available for comparison.</li></ul> |
|--|---|