

AEON AWARDED A\$0.3M IN CEI FUNDING

Highlights:

- Aeon successful in securing two Collaborative Exploration Incentive (**CEI**) grants totalling A\$296,800 to conduct geophysical surveys at Walford Creek and Mount Isa West:
 - A\$200,000 funding to conduct an airborne electro-magnetic survey (**AEM**) at Walford Creek to advance target definition of the broader Walford Creek Project area
 - A\$96,800 of funding to conduct a ground gravity survey at the North Sugarbag EPM within the Mount Isa West project area.

Aeon Metals Limited (ASX: AML) (**Aeon** or the **Company**) is pleased to advise that it was successful in its applications for funding from the Queensland Government's Collaborative Exploration Incentive (**CEI**).

Two grants were awarded to Aeon to advance target definition through completion of geophysical surveys at its Walford Creek Copper-Cobalt Project (**Walford Creek Project**) and Mount Isa West Project. A total of A\$296,800 was awarded and is expected to be expended in the early stages of the planned CY2022 field campaign.

Aeon Managing Director and CEO, Dr Fred Hess, commented:

"Aeon is delighted to be supported by the Queensland Government whose objective is to promote exploration for new economy minerals in North West Queensland."

"The CEI demonstrates the Queensland Government's commitment to supporting the mining and exploration sector. The grant of these two applications is recognition of the enormous potential on offer in the north-west region and specifically, the further prospectivity of the Walford Creek Project and the emerging Sugarbag prospect."

"The survey at Walford will provide additional target vectoring ahead of the CY2022 exploration drilling campaign. In August 2021¹, Aeon reported the results of its high resolution magnetic and gravity surveys at the Walford Creek Project, which highlighted a number of exciting and previously unrecognised target areas in close proximity to the existing mineralisation. The opportunity now exists to refine this targeting even further, thereby improving the aim for drilling."

"While the Isa West Project has previously sat in the shadow of Walford Creek, this grant is a timely reminder of its prospectivity, especially given its geological setting and proximity to world class deposits of the Mount Isa district."

Walford Creek Project AEM – "Mapping the South Nicholson Basin"

The mineral resources at Walford Creek are currently defined by four deposit areas located on the southern side of the regional Fish River Fault. Mineralisation occurs extensively within two distinct stratigraphic units (PY1 and PY3) and is recognised to occur in the under-explored Walford Dolomite. The higher tenor copper and cobalt mineralisation occurs directly adjacent to the fault and typically extends out a further 25 metres away from it. Base metal and lower grade copper and cobalt

¹ 09 Aug 21

Aeon ASX release: *New Drill Targets at Walford Creek*

mineralisation form a halo (periphery zone) around the higher tenor mineralisation and typically extends out over 100 metres from the fault.

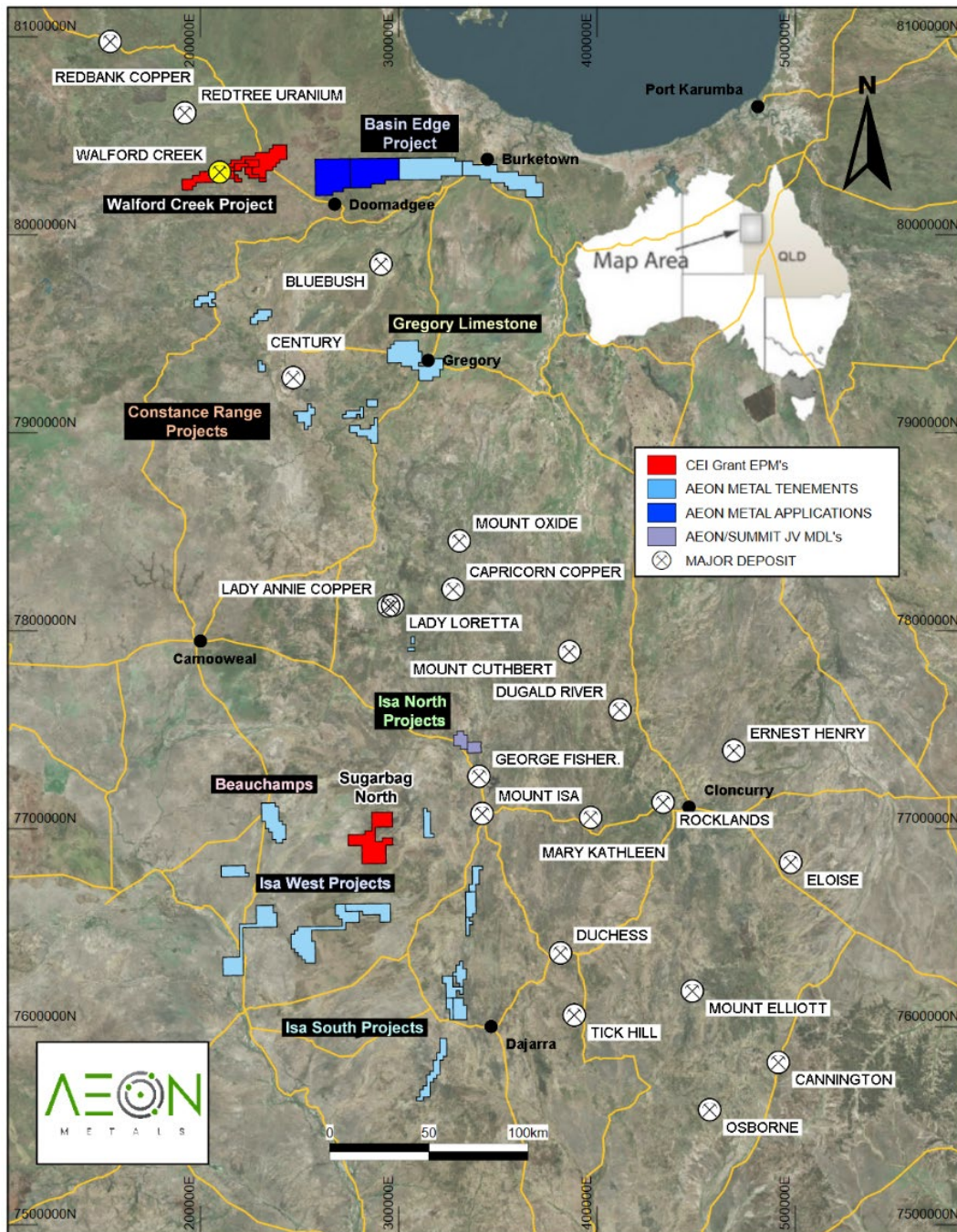


Figure 1: Location of Walford Creek Project and Subarbag North EPM

Aeon regional exploration targets were refined using this understanding as the key elements to a broader geological model. In CY2021, the results of an extensive project wide survey using high resolution magnetic and gravity was used to define new exploration targets. These were largely outlined in Aeon ASX release dated 9 August 2021, *New Drill Targets at Walford Creek*.

At the Walford Creek Project, airborne electro-magnetics is considered to be a primary tool for refining targets and maximising the chances of drilling success. Wide spaced AEM data was previously collected by CSIRO in 1998 at the Walford Creek Project location during greenfield exploration. These AEM results identified a broadly flat-lying, strong conductor that clearly delineates the mineralisation

within the upper PY1 unit, even at depth. The survey will allow Aeon to accurately map the horizon and potential mineralising structures throughout the basin. The AEM survey data is of additional utility since it also facilitates refinement of the location of the Fish River Fault and its associated splays that are masked by sediments to the East of Walford Creek. The current geological model emphasises the importance of these structures to the targeting of high-grade mineralisation.

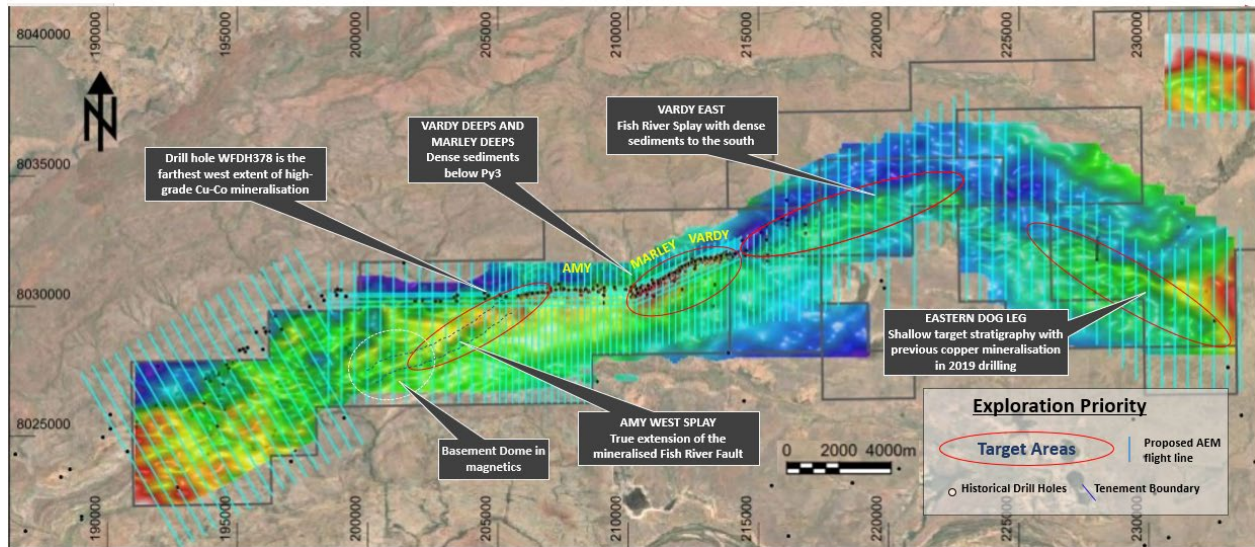


Figure 2: Walford Project priority target areas with proposed CEI funded AEM lines

The CEI grant is for a total of A\$200,000 towards helicopter flown electro-magnetics. This will allow approximately 1,000 line-kilometres of high-resolution data to be acquired. The footprint for this data acquisition will encompass coverage of the entire Fish River Fault and associated structures. The proposed survey lines, in relation to the existing regional targets at the Walford Creek Project, are shown in Figure 2.

Mount Isa West Project Gravity Survey – “Exploring undercover and understanding structure for IOCG deposits”

The Sugarbag EPM is part of Aeon’s Mount Isa West Project, and was identified as a priority, underexplored area proximal to the world-class mineral deposits of Mt Isa.

The tenement comprises prospective geological units of the McNamara group, specifically the Gunpowder formation as well as a completely undrilled basement. A regionally significant north-west striking basement feature (Moongoona) also transects the tenement along with numerous cross cutting faults.

Various coincident magnetic, gravity and electro-magnetic anomalies from regional and historic datasets have been delineated through modern reprocessing. The Aeon geological interpretation is that the shales of the Gunpowder formation are highly prospective host rocks for sediment hosted copper mineralisation similar to that encountered at Walford Creek.

The proposed program is for an extensive ground gravity survey to be undertaken over the regional gravitational highs and along major structures at Sugarbag North. It is expected that gravity will facilitate the identification of potential dense pyritic shales within the Gunpowder formation which might be prospective for base metal mineralisation. In addition, it will contribute to the development of an improved understanding of the basement sequences west of Mount Isa in the Western fold belt.

The proposed survey consists of approximately 2,000 ground gravity survey points on a grid pattern of 200 x 200 m spacing over the existing anomalies. This spacing resolution is considered sufficient to identify any massive pyrite apron like that seen at Walford Creek or other alteration zones along the prospect fault corridors. The indicative layout is shown in Figure 3.

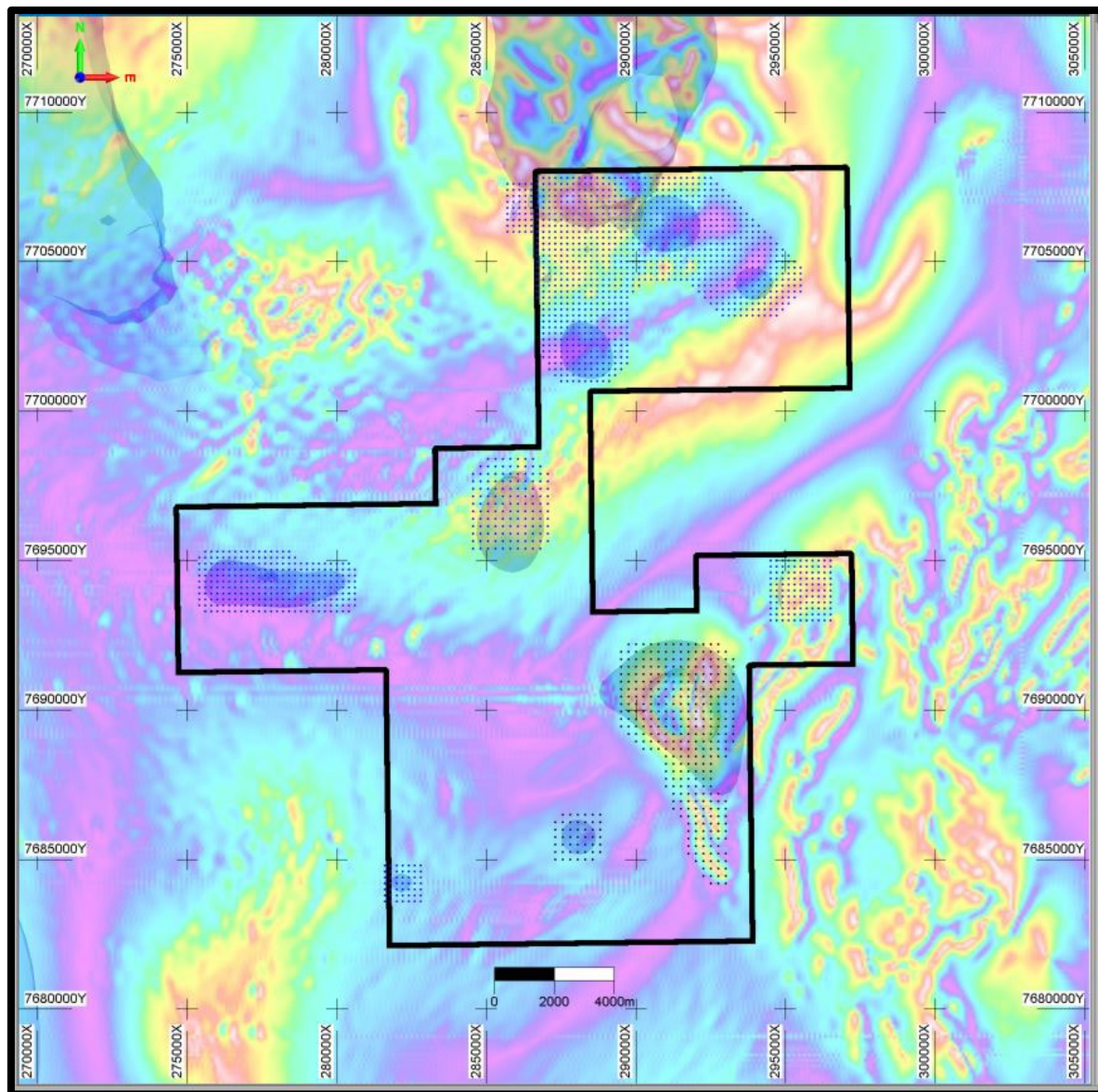


Figure 3: Proposed ground gravity survey points over regional 1mGal gravity anomaly isoshells and RTP magnetic data

This ASX release has been authorised by the Aeon Board.

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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's vision: making a difference – creating sustainable value by delivering key metals driving the low carbon future.

Appendix 1: Competent Person's Statement

The information in this report that relates to Exploration Results for the Walford Creek Project and Mount Isa West Project, and is based on information compiled Mr Andrew Moorhouse 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 Moorhouse 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.