

9 May 2022

SUCCESSFUL A\$7.2M PLACEMENT AND LAUNCH OF RIGHTS ISSUE OFFER

- Aeon receives commitments to raise A\$7.2 million (before costs) at an issue price of 4.0c.
- Major shareholder, OCP Group, investing approximately A\$4 million. Placement participation by OCP will be subject to shareholder approval at a general meeting to be held in mid-late June 2022.
- Directors to participate in the placement, subject to shareholder approval.
- Launch of a 1 for 3 non-renounceable pro-rata entitlement offer to raise up to a further A\$12.5 million (before costs).
- All new fully paid ordinary shares issued in the Placement and the Rights Offer will attract a 1 for 2 unlisted Loyalty Option with an exercise price of 8.0c per option and an expiry date of 31 December 2023. The issue of Loyalty Options under the Placement is subject to shareholder approval.

Aeon Metals Limited (ASX: AML) (**Aeon** or the **Company**) is pleased to advise that it has successfully secured commitments from sophisticated and professional investors via a two-tranche share placement to raise A\$7.2 million (**Placement**).

The Placement was well supported by new and existing shareholders, including participation by the Company's major shareholder, OCP Asia (**OCP Group**).

OCP Group has reaffirmed its commitment to the Company by participating in the Placement up to a holding of 45% at the close of the Placement and will participate in the Rights Offer up to a cap of A\$1.2m. The issue of OCP's Shares under the Placement will be conditional on shareholder approval at a general meeting to be held in mid-late June 2022.

Aeon is also pleased to announce a 1 for 3 non-renounceable entitlement offer to existing shareholders on the same terms as the Placement (**Rights Offer**).

All shares issued in the Placement and the Rights Offer will attract a 1 for 2 unlisted Loyalty Option with an exercise price of 8.0c per option and an expiry date of 31 December 2023 (**Loyalty Options**). In order to exercise a Loyalty Option, the holder will need to hold at least the number of shares subscribed by them in the Placement or (as the case may be) Rights Offer. The issuance of the Loyalty Options pursuant to the Placement will be conditional on shareholder approval at an upcoming general meeting of shareholders expected to be held in June 2022.

All members of the Aeon Board will be participating in the Placement. The participation of OCP and Aeon Board members is subject to shareholder approval which will be sought at an upcoming general meeting of shareholders as noted above.

The proceeds from the Placement are to be used for:

- Supporting the two drill rigs mobilising to the Walford Creek Project;
- Associated drilling program at the Walford Creek Project;

- General working capital; and
- Costs of the capital raise.

All shares issued under the Placement will rank equally with existing fully paid ordinary shares in the Company as of the date of this announcement.

Bell Potter Securities acted as Lead Manager and Canaccord Genuity (Australia) Limited acted as Co-Lead Manager to the Placement.

Placement

The Placement will be undertaken in two tranches:

- The issue of 76,950,000 shares at 4.0c per share, raising a total of A\$3,078,000 (before costs), utilising Aeon's existing placement capacity with 76,950,000 shares to be issued under ASX Listing Rule 7.1 (**First Tranche**); and
- Subject to receipt of shareholder approval, the issue of 102,299,455 shares at 4.0c per share, raising a total of A\$4,091,978 (before costs) (**Second Tranche**).

Each tranche of the Placement will attract a Loyalty Option, subject to Shareholder approval.

The issue price of 4.0c per share under the Placement represents a:

- 11.1% discount to the last closing price of Aeon's shares on ASX on 4 May 2022 of 4.5c per share (the last day of trading before the announcement of the Placement and Rights Issue);
- 15.8% discount to the 5-day VWAP; and
- 28.1% discount to the 15-day VWAP.

1 for 3 Non-Renounceable Pro-Rata Entitlement Offer and Shortfall

The Company is undertaking a 1 for 3 (1 new share for every 3 existing shares held on the Record Date) non-renounceable pro-rata entitlement offer to raise up to A\$12.5 million (before costs) via the issue of up to approximately 314,252,962 shares (**Offer Shares**) (subject to rounding) at an issue price of 4.0c per Offer Share, which is the same issue price as the shares offered under the Placement. For every 2 Offer Shares taken up in the Rights Offer, participants will be granted 1 free attaching Loyalty Option.

The Rights Offer will be made under a prospectus which is being lodged with ASX and ASIC today, 9 May 2022 (**Rights Offer Prospectus**).

The Rights Offer is not underwritten, however, as noted previously, OCP Group has reaffirmed its commitment to the Company and will participate in the Rights Offer by taking up its pro rata entitlement and participating in the Shortfall up to a cap of A\$1.2m. The proceeds from the Rights Offer are to be used for the same purposes as the Placement.

The Rights Offer will be open to those shareholders of the Company on the share register as of the Record Date (Thursday, 12 May 2022) and with a registered address in Australia, New Zealand or Hong Kong (**Eligible Shareholders**).

Eligible Shareholders wishing to participate in the Rights Offer should carefully read the Rights Offer Prospectus. The Rights Offer Prospectus (and personalised application forms) will be despatched to Eligible Shareholders on Tuesday, 17 May 2022.

The Rights Offer is currently scheduled to close on Thursday, 26 May 2022 however, the timetable is subject to change and therefore, Eligible Shareholders are encouraged to lodge their applications ahead of the advertised Closing Date.

If any Shareholders do not take up their full entitlement, Offer Shares that are not taken up will form the Shortfall. Eligible Shareholders may, in addition to applying for their entitlement, apply for Shortfall Shares (and free attaching Loyalty Options) under the Shortfall Offer. Aeon may also identify other investors who are not Shareholders of the Company, to issue shares under the Shortfall Offer. The Shortfall is a separate offer. The issue price of the Shortfall Shares is the same as those under the Offer (and the terms of the Loyalty Options are the same as under the Offer). There is no guarantee that Eligible Shareholders will receive any or all of the Shortfall Shares (and free attaching Loyalty Options) they apply for.

Shortfall Shares (and attaching Loyalty Options) will be issued at the same time as the Offer Shares. The Directors reserve the right to issue securities comprising the Shortfall at their absolute discretion, subject to the ASX Listing Rules and the Corporations Act.

Indicative Timetable*

Event	Date
Lodgement of Rights Offer Prospectus	Monday, 9 May 2022
Announcement of Placement and Rights Offer	Monday, 9 May 2022
"Ex" Date	Wednesday, 11 May 2022
Settlement of Placement under the First Tranche	Wednesday, 11 May 2022
Allotment date of First Tranche Placement Shares	Thursday, 12 May 2022
Record Date	7pm on Thursday, 12 May 2022
First Tranche Placement Shares commence trading	Friday, 13 May 2022
Dispatch of holding statements First Tranche Placement Shares	Monday, 16 May 2022
Announcement made that Rights Offer Prospectus (and personalised Application Form) despatched	Tuesday, 17 May 2022
Last day to extend Rights Offer	Monday, 23 May 2022
Rights Offer closes	Thursday, 26 May 2022
Allocation of Shortfall Shares	Monday, 30 May 2022
Announcement of results of Rights Offer	Tuesday, 31 May 2022
Allotment of Offer Shares	Wednesday, 1 June 2022
Normal trading commences	Thursday, 2 June 2022
Shareholders meeting to approve, amongst other items:	Mid-late June 2022

<ul style="list-style-type: none"> • OCP Group participation in Placement • Issue of Loyalty Options under Placement 	
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** Note: The dates set out in the timetable above are indicative only and are subject to change without notice. Any change in the timetable does not affect the rights or obligations an investor or shareholder has as a result of accepting an allocation in the Placement or the Rights Offer.*

This ASX release has been authorised by the Aeon Board:

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ABOUT AEON METALS

Aeon Metals Limited (**Aeon**) is an Australia 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.