

WALFORD CREEK EXPLORATION STRATEGY

Aeon Metals Limited (ASX: AML) (**Aeon** or the **Company**) is pleased to provide an update on the planned 2023 exploration activities at its Walford Creek Copper-Cobalt Project (**Walford Creek Project** or **Walford**) in north-west Queensland.

Highlights:

- Fieldwork commenced at Walford Creek focussed on combined geophysical and geochemical anomalies with work including:
 - LAG sampling supported by onsite portable XRF analysis; and
 - Detailed geological mapping.
- Drilling contractor retained and drilling expected to commence during June.
- 20,000m drilling program in 2023 to focus on:
 - Infill drilling of the Amy Mineral Resource area, following up on the success of last year's program; and
 - Regional scout drilling to test 52 km of prospective strike potential at Walford Creek, with exceptional targets identified such as:
 - Amy North – First instance of significant 'Only Copper' style of mineralisation north of the Fish River Fault (FRF);
 - Walford North – Numerous zones of highly anomalous Cu-Pb-Zn in LAG up to 500 m north of the FRF;
 - West Walford - EM survey & surface geochemical response supports at least 4 km of potentially additional strike;
 - Walford Southwest/Amy Splay - high resolution gravity survey delineated a structural target interpreted to represent a splay off the Fish River Fault;
 - Walford Far West – 4 km² of anomalous Cu-Pb-Zn in soils, to date only sporadically tested;
 - Walford South – 14 km long EM conductor with no previous exploration.

Figure 1 highlights the extensive testing undertaken adjacent to the approximate 10 km length of the Fish River Fault to date. The 2022 drilling campaign was focused exclusively on the Le Mans and Amy zones leading to confirmation that mineralisation is continuous along the entire 10 km of strike. This in turn underpinned a substantial increase in the Mineral Resource Estimates for Walford Creek, such that it is now one of the largest primary cobalt sulphide resources in Australia. In addition, the Copper-Rich component of the Mineral Resource is now arguably one of Australia's highest grade substantial cobalt resources.

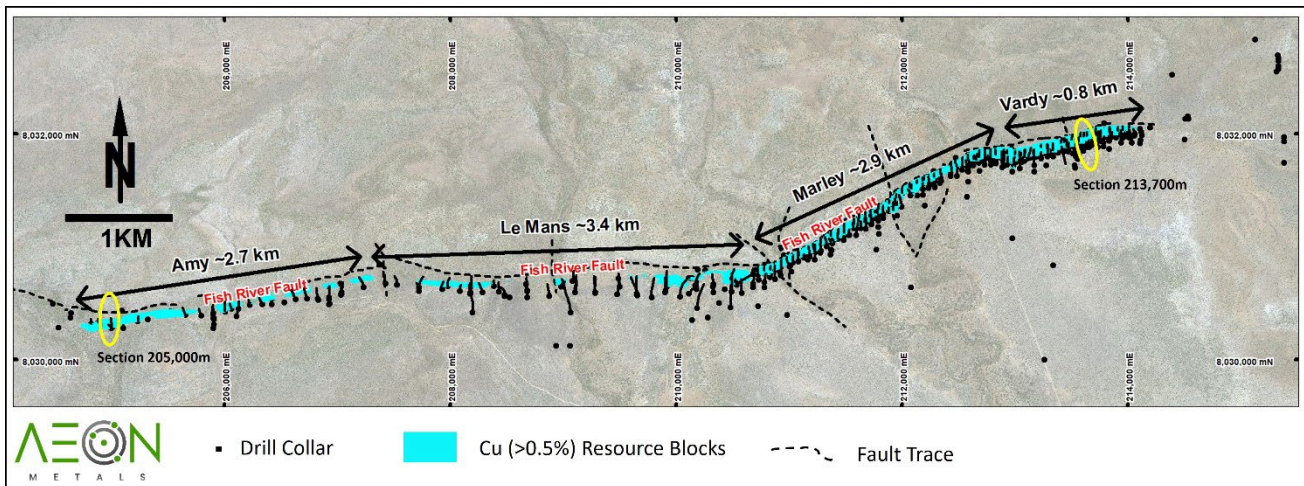


Figure 1: Map showing location of Vardy, Marley, Le Mans and Amy Deposits, and featured drill sections

Despite delayed access to the region due to the extended wet season, reopening of the Walford Creek Camp has commenced. In addition, surface sampling and mapping are underway on regional prospects identified from the recent geophysical surveys. Surface sampling will be supported by onsite pXRF analysis to provide more immediate indications of anomalous results. Anomalous samples with significant results will be submitted for laboratory analysis.

Aeon has contracted the services of two drill rigs. One is a specialised RC drill rig to complete deep RC in some areas. The other is a multi-purpose drill rig capable of both RC and diamond drilling. They are both expected to commence work on a planned 20,000 metre program in June 2023.

The Amy zone drilling plan is threefold:

- To in-fill the high grade and deeper PY3 mineralisation with more holes targeting the higher-grade copper rich zones immediately adjacent to the fault.
- To test the shallower PY1 zone which was not the focus of the 2022 campaign.
- To test the promising potential for extensions of the newly identified high grade copper-only zone on the northern side of the fault.

Complementing the Amy focussed campaign will be a program of greenfields/scout exploration drilling of high-priority regional targets, covering some 52 km of prospective structures and untested geochemical anomalies, that were highlighted in a recent comprehensive project review. These include Walford North, Walford West, Walford South, Walford Southwest and Walford Far West (see Figure 2).

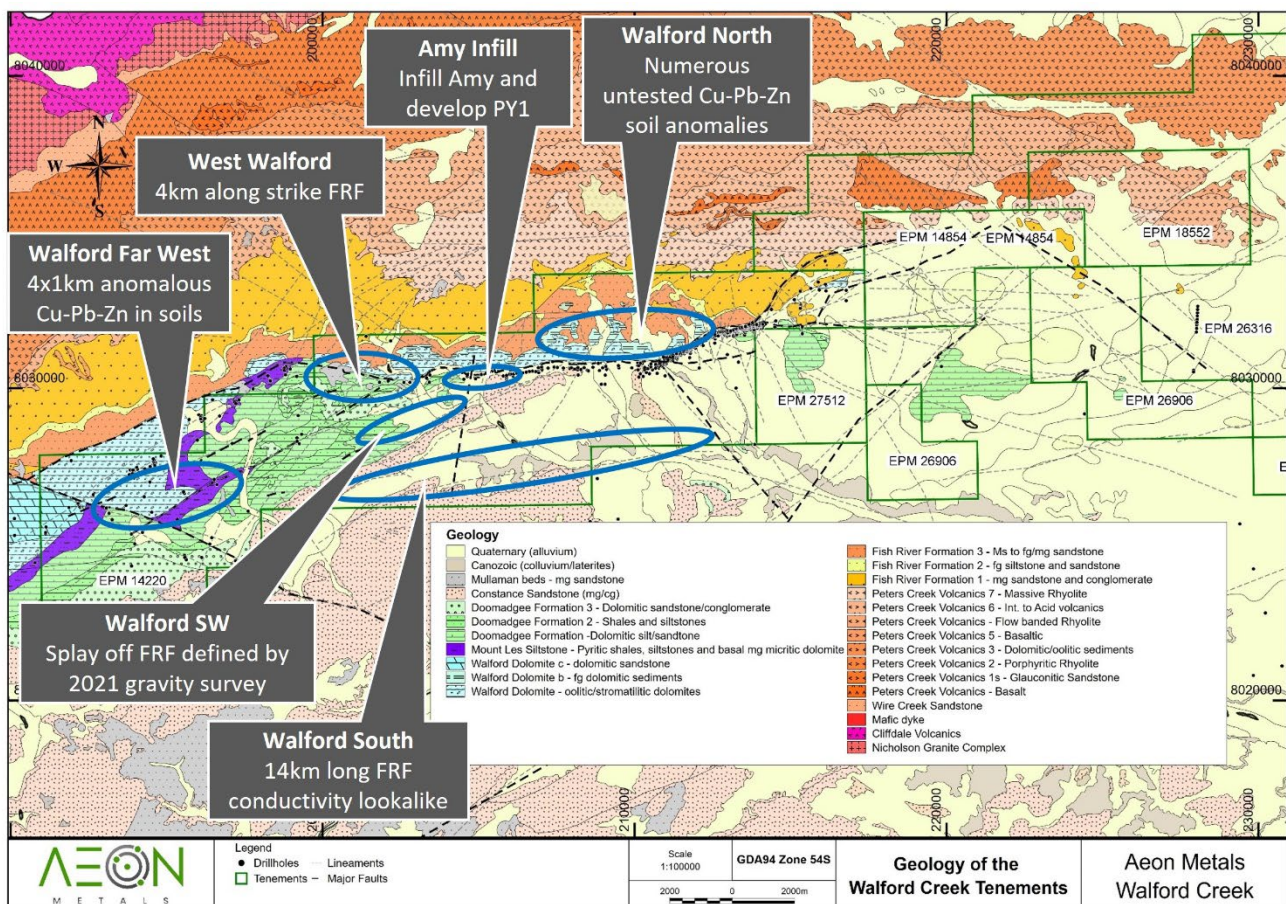


Figure 2: Map showing location of 2023 regional targets at Walford Creek

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

“An extended wet season has been used to accommodate a pre-emptive field program that will gather additional valuable targeting information via sampling and mapping ahead of our two-pronged drilling program in Amy and the new prospect areas.

The specific choice of drilling rigs is intended to address the drilling challenges of previous programs associated with the desire to achieve accurate directional drilling within at times an often highly fractured rock facies.

Last year’s exploration program resulted in a substantial increase in the global Walford Creek Mineral Resources. Aeon intends building on that success with what might be viewed as an each-way strategy. On the one hand we are targeting within regions of known high grade mineralisation at Amy. At the same time, we are scout drilling for a major new discovery amongst the 52 km of prospective structures revealed from our extensive geophysical and geochemical data gathering of recent years.

A larger resource is a key enabler to unlocking the significant underlying value of the Walford deposit. An increased scale, complemented by the potential for further high-grade mineralisation at Amy, strengthens the economic rationale for future project development. It also enhances the attractiveness of Walford as an opportunity for the predicted surge in renewables focussed investment.

The potential to add significantly to the already impressive Mineral Resources at Walford Creek is very real. Success this year has the clear potential to be transformational to any future development pathway for the Walford Project. It would also likely accelerate the pace of ‘nearology’ focussed exploration endeavours by other participants in the region, also likely serving to further enhance the value of our massive Basin Edge land package to the east.”

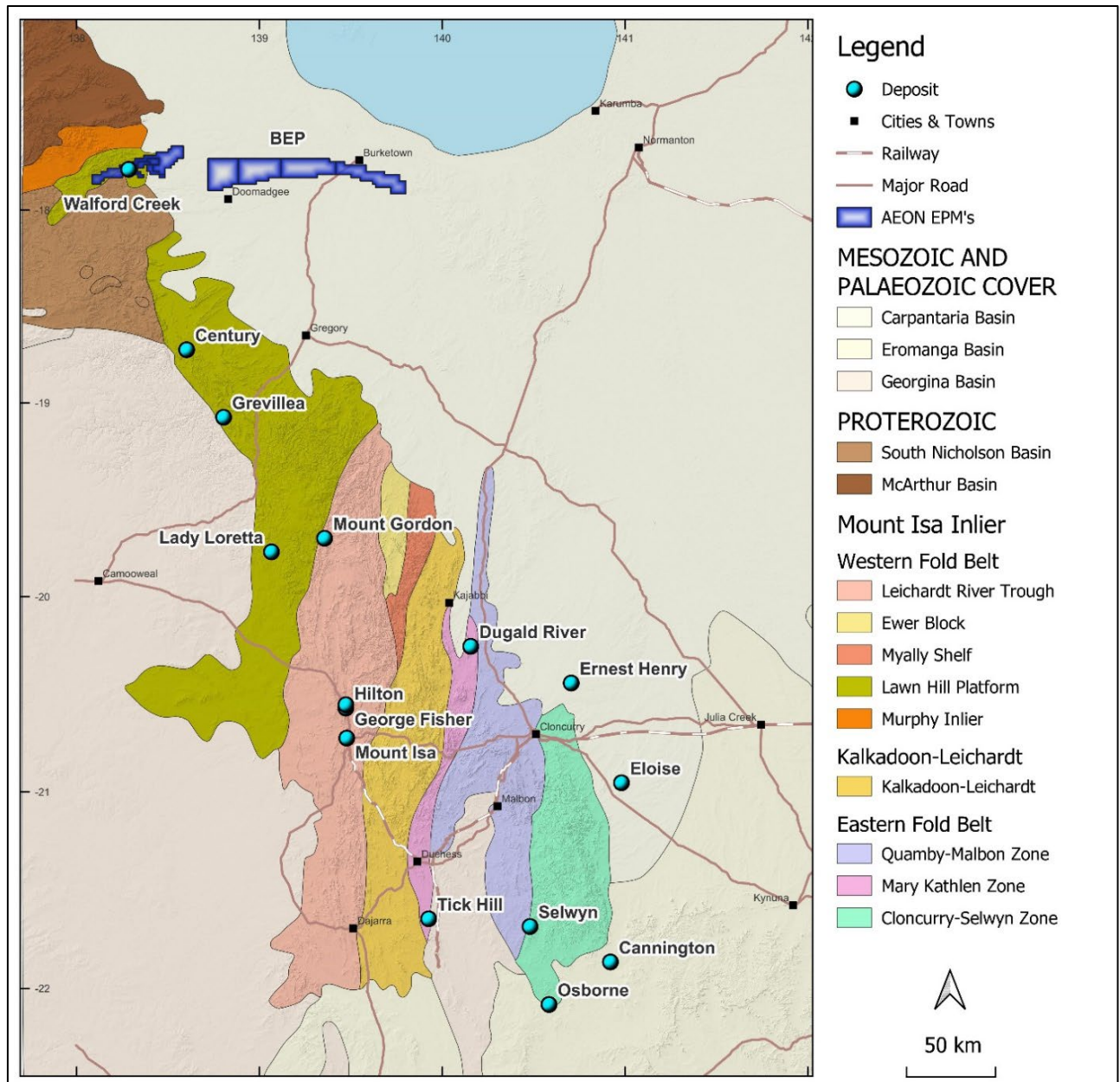


Figure 3: Mt Isa, Walford and BEP

Amy Infill

Drilling in the Amy zone in 2022 yielded some of the best ever intercepts at Walford Creek. Holes were targeting PY3 hosted mineralisation, leaving the Amy zone PY1 host largely untested. The 2023 program will aim to test the PY1 lode in addition to plugging some of the wider gaps left from the 2022 drilling. This infill drilling of the PY1 and PY3 hosted mineralisation at Amy will be the task of the dedicated deep RC rig that is being employed to improve drilling accuracy and productivity in the highly fractured ground so often encountered within the Amy zone. Pierce points for the 10 planned holes to date are shown in Figure 4 below.

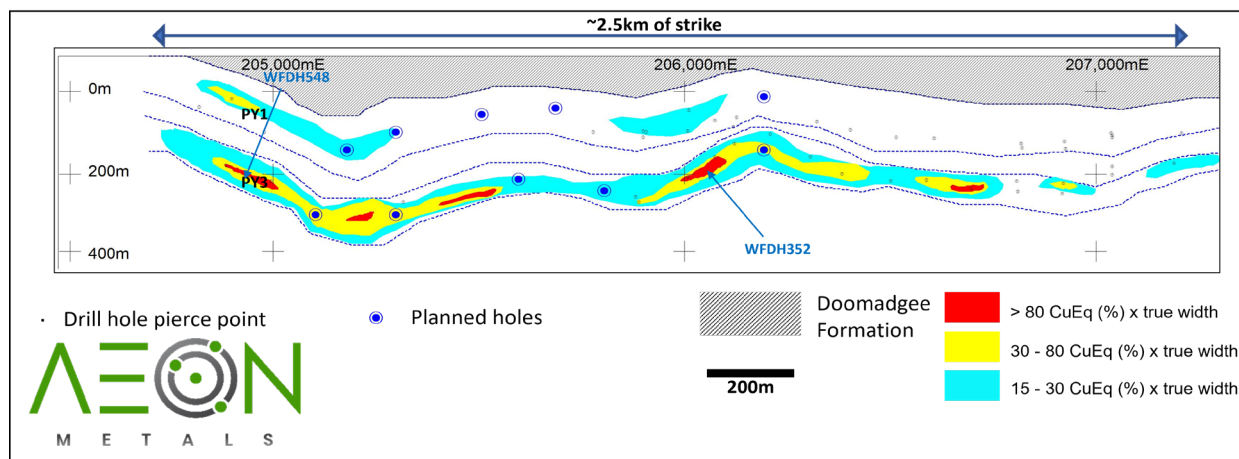


Figure 4: Stylised cross section of Vardy Deeps 2021 Drilling, demonstrating potential for copper mineralisation within the Walford Dolomite.

Amy North

As noted at the time of the initial announcement (dated 9th November 2022, Amy West Drilling delivers exceptional copper and cobalt results) for the outstanding intercept in hole WFDH548 (see location in figure 4) which yielded 98 m at 2.56% CuEq, the mineralisation actually occurs in two separate intervals. The two intervals, although separated by only a few metres of low grade material down hole, exhibit very different lithological and geochemical characteristics. Interestingly, the Fish River Fault seemingly serves as a boundary zone separating the two (see figure 5). The upper 48 metres, which resides to the southern side of the FRF, is characterised by polymetallic massive sulphides that are typical of much of the Walford Creek sequence (see figure 6a). However, the lower portion of the intercept, which lies on the northern side of the FRF, consists of 'clean copper', with negligible quantities of the usual suite of Walford metals (Co, Zn, Pb, Ag, Ni) present, and is hosted by polymict breccia and conglomerate (see in figure 6b).

The lower interval represents the first recorded occurrence of significant mineralisation north of the FRF. The presence of strong mineralisation to the north of the FRF has exciting implications for future exploration. Our geological model is now being expanded to accommodate this mineralisation and its possible further extent will be tested in our 2023 program. Of note, due to the chalcopyrite only nature of this mineralisation being clearly different to that of the usual Walford polymetallic mineralisation, this 43 m @ 1.44% Cu intercept was not included in any of the 2023 Walford Mineral Resource Estimates. Drilling adjacent to and along strike from WFDH548 to better define this new style of mineralisation will be a priority early in the 2023 program.

A further extension of the possibilities for mineralisation north of the FRF is found in the previously reported anomalous copper intersections encountered in the Walford dolomites south of the FRF in the Vardy/Marley zones. These southern intercepts have similar chalcopyrite only mineralisation consistent with the WFDH548 north of the FRF mineralisation. While these intersections were all recorded south of the FRF, it is clear that the potential now exists for repetitions north of the fault where the Walford dolomites have been uplifted and exposed at surface (see figure 5 and 12).

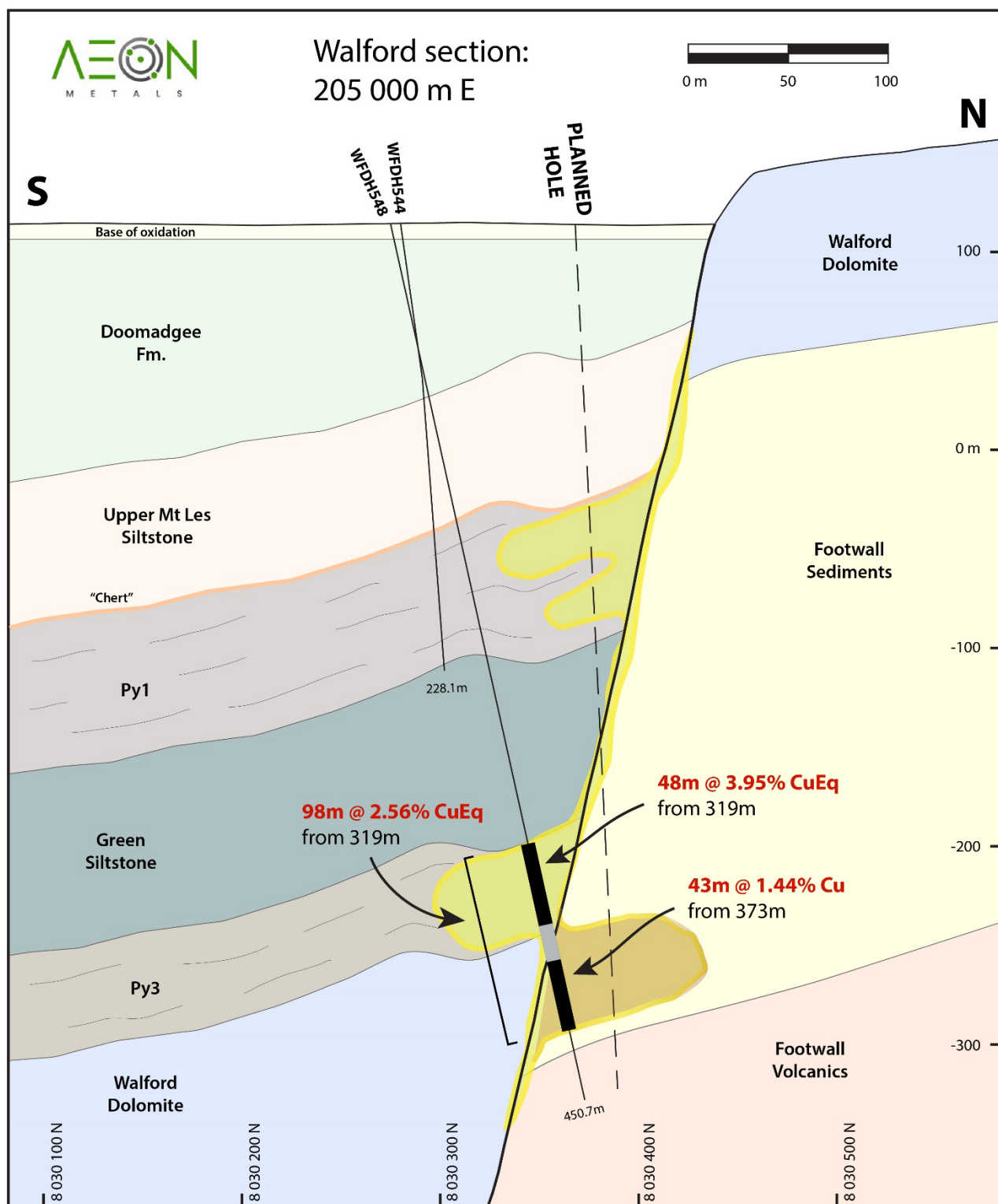


Figure 5: Schematic section through 205,000m showing location of high grade copper in 2022 hole WFDH548 north of the FRF

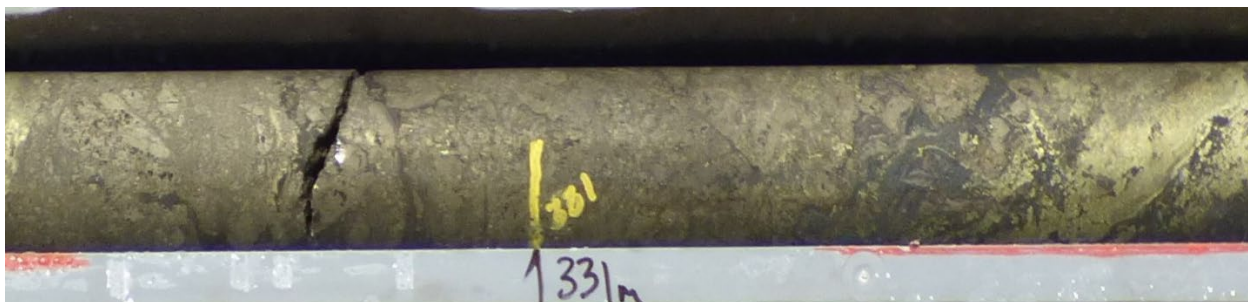


Figure 6a. Example of massive chalcopyrite – pyrite from 331m, typical of the upper 48m interval (from 319m) of 3.95% CuEq from hole WFDH548

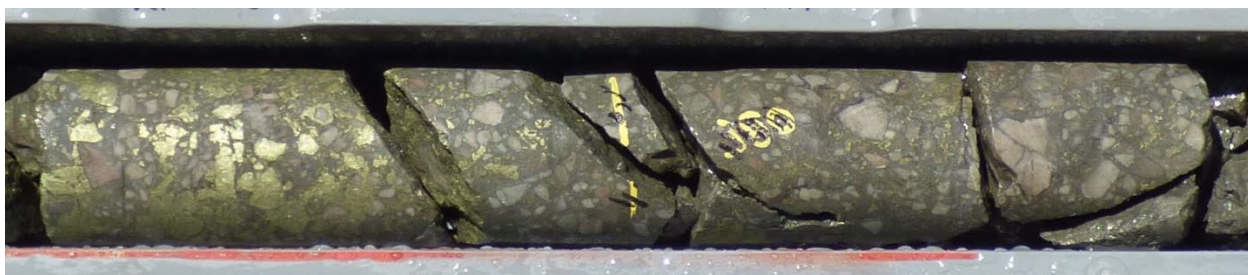


Figure 6b. Example of breccia/conglomerate hosted chalcopyrite – pyrite from 380m, typical of the lower 43m 'clean copper' interval (from 373m) of 1.44% Cu from hole WFDH548, interpreted to lie north of the Fish River Fault

Walford Project Regional Exploration Targets

A reinterpretation of new geophysical datasets from 2021 and 2022, together with a fresh approach to the Walford geological model has yielded a number of new and exciting drill targets for testing in 2023. These targets are shown in figure 2.

1. Walford North

To date, the exploration model used to target mineralisation at Walford Creek has focused on mineralisation south of the Fish River Fault. While a number of coherent, anomalous Cu-Pb-Zn (values up to 970 ppm copper) in LAG zones up to 500 m north of the FRF were previously recorded, these were never incorporated into the conceptual geological model. As a result, no serious exploration has focussed on the potential for mineralisation north of the FRF. This is about to change. This rediscovery, combined with the intersection of a wide interval of breccia hosted, high grade copper north of the FRF intersected in 2022 hole WFDH548, suggests that further investigation is now warranted. A program of 15 short RC holes is planned to test these targets.

The geological explanation for this mineralisation's occurrence is that it represents a separate phase of mineralisation that either pre or post dates the known Walford Creek polymetallic mineralisation event.

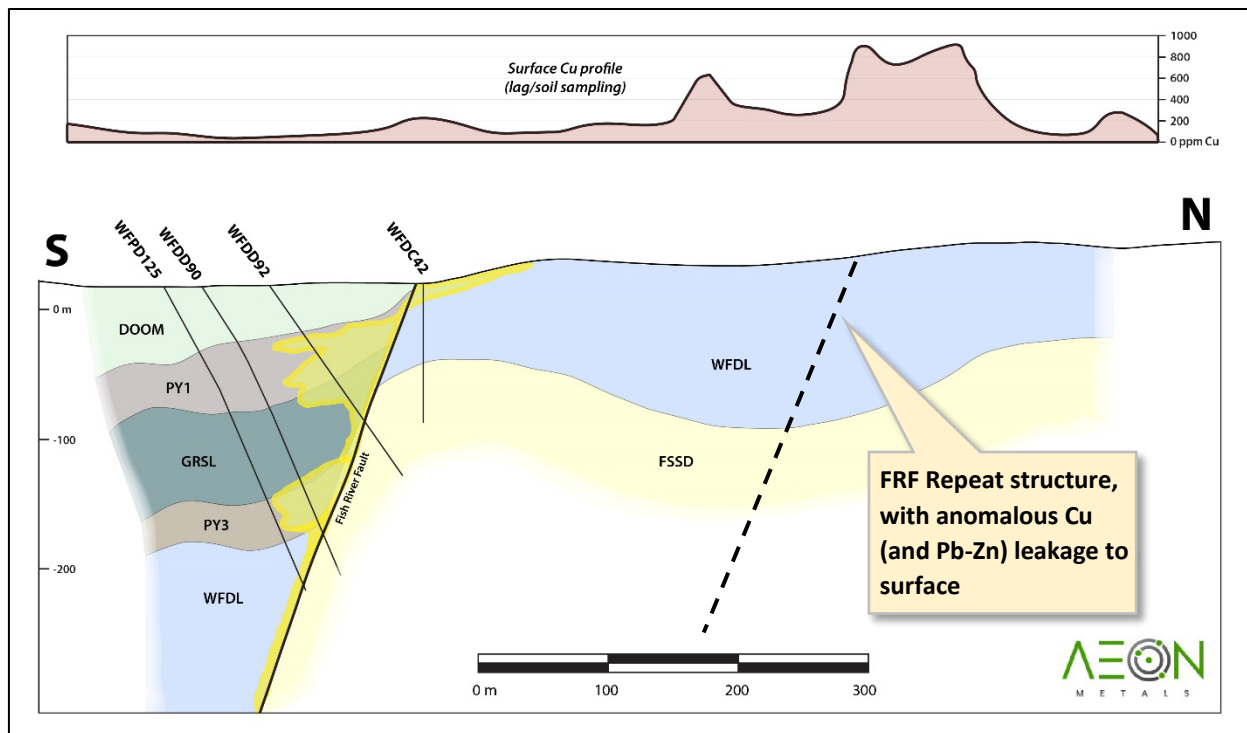


Figure 7: Schematic section through Vardy hole, section 213,700m showing location of anomalous Cu (and Pb-Zn) in historical LAG sampling north of the FRF

2. West Walford

Although the prospective Fish River Fault can be traced for a considerable distance west of the Amy prospect, it has only been very lightly drilled beyond this point. The EM survey conducted last year highlighted the Walford West areas strikingly similar conductivity signature to Amy (see figure 8 below), as well as its anomalous Cu-Pb-Zn surface geochemical response, supporting at least 4 km of potentially additional strike. A 14 hole program of combined RC and diamond drilling to test the area's potential is planned.

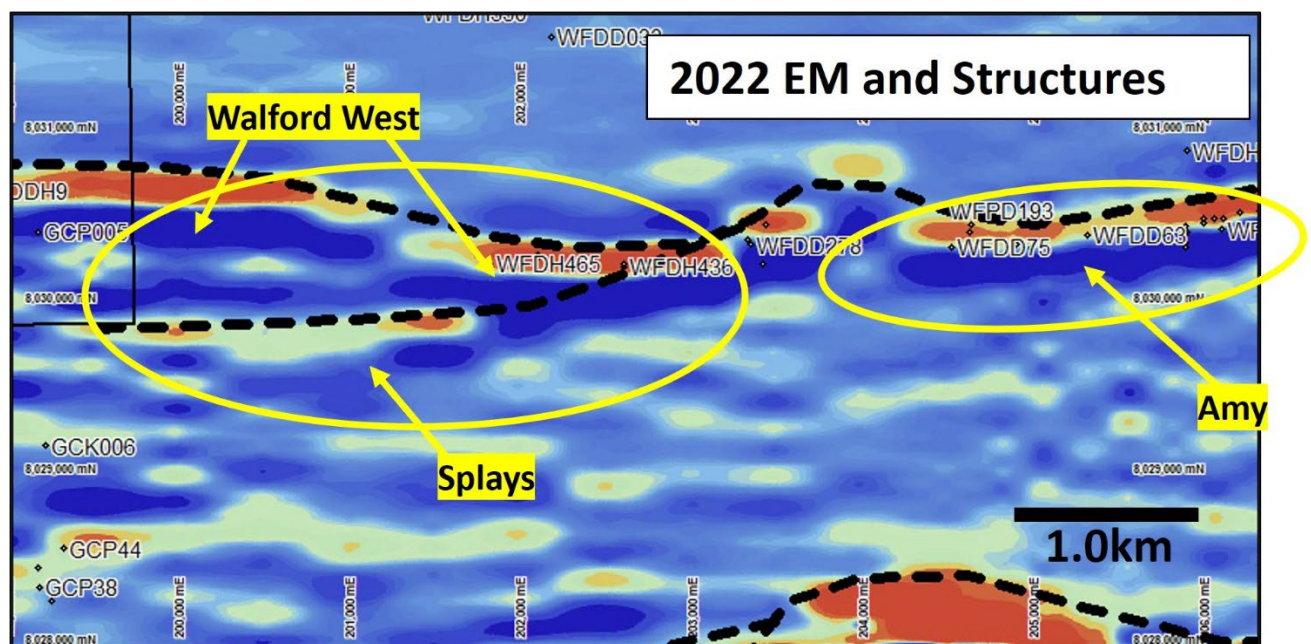


Figure 8: AEM coverage over the Amy/Walford West area showing strikingly similar conductivity signature with approximate surface traces of major structures (including the FRF) in bold black dashed lines

3. Walford Southwest/Amy Splay

A high resolution gravity survey completed in 2021 delineated a structural target interpreted to represent a splay off the Fish River Fault. Although circumstances prevented testing this target in 2022, 4 holes are planned to test 'Amys Splay' in 2023.

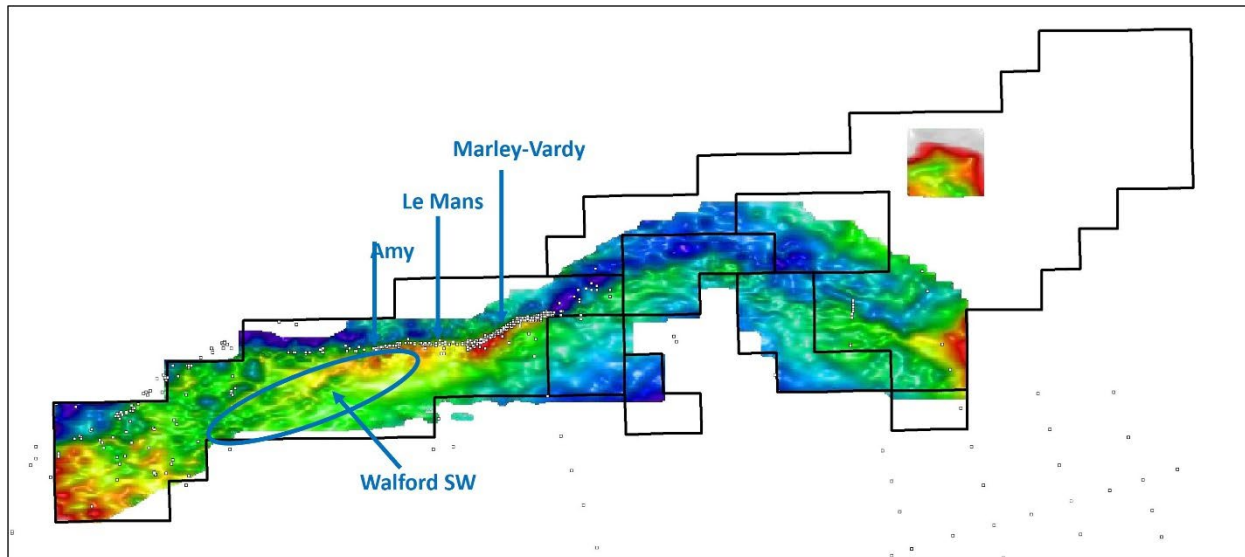


Figure 9: Detailed gravity data coverage showing the Walford Southwest (Amy Splay) gravity signature

4. Walford Far West

Walford Far West is located approximately 11 km WSW of Amy West, and is characterised by a 4 * 1 km zone of anomalous Cu-Pb-Zn in soils from a survey taken in the 1980's (see figure 10 below). It represents an east-west trending splay off the Fish River Fault, parallel to, or perhaps connected to, Amy's Splay. The area has received only sparse and shallow drilling (by previous explorers MIM and Pasminco) since the period 1970 – 80's.

An initial program of detailed geological mapping and regolith review will be followed by additional sampling and follow up drilling. A program of 10 RC holes is planned as an early stage test of the area's potential.

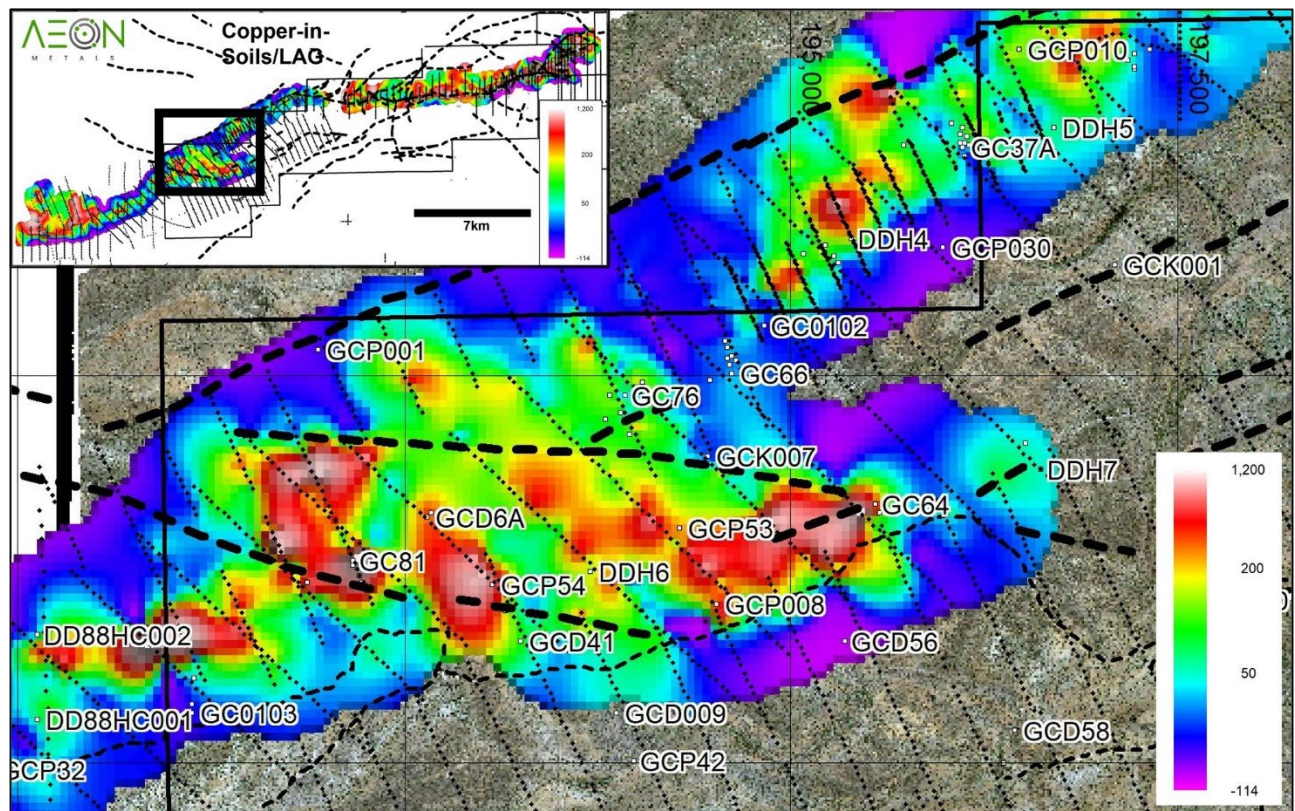


Figure 10: Map showing the extensive Copper-in-soils anomaly over Walford Far West, together with historical drill collar locations

5. Walford South

The Walford South prospect is located approximately 2 km south of Amy. Identified in 2022 as a result of the heli-EM survey flown that year, the well defined EM conductor can be followed for approximately 14 km east-west (although the strike direction, like the FRF, is highly variable, from 060° to 090°). Importantly, no previous drilling or systematic surface sampling has been undertaken in this area.

A program of detailed geological mapping and 200 * 40 m LAG sampling is underway at Walford South to provide improved targeting information prior to drill testing in the area. A nominal 6,000 m of RC drilling is planned, commensurate on results from mapping and surface geochemical sampling.

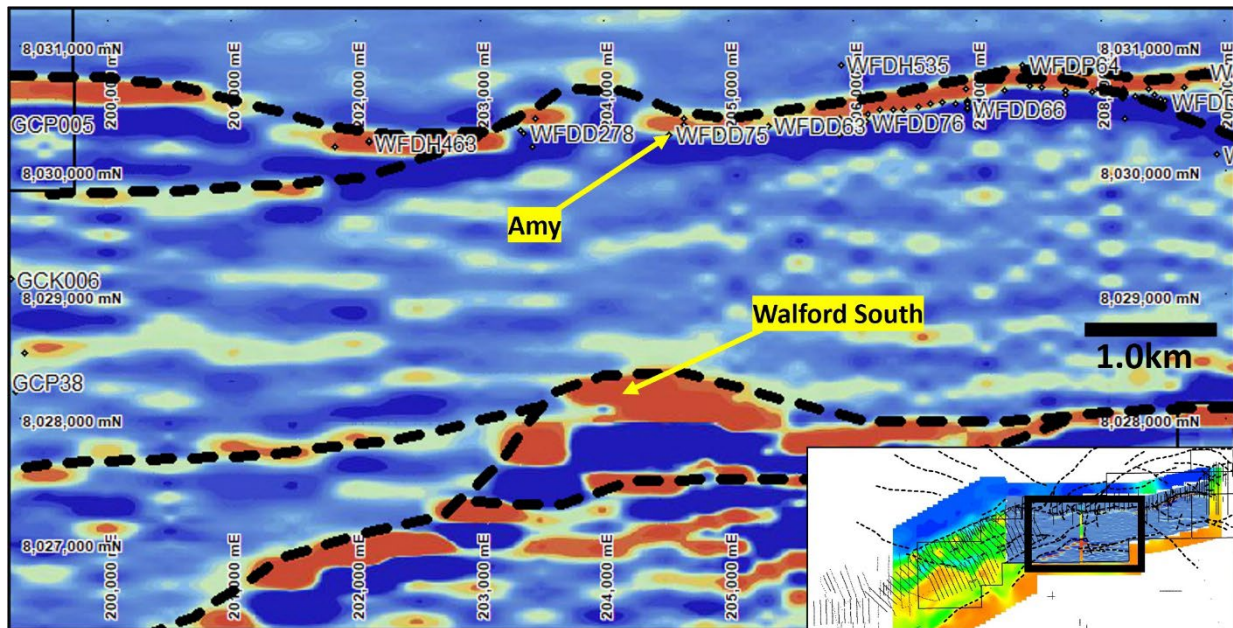


Figure 11: Map showing the proximity of the Walford South EM anomaly relative to Amy

Geology and Geological Interpretation

The Walford Creek deposit is hosted in Mid-Proterozoic sediments of the Fickling Group. The mineralisation is stratabound but also spatially related to the downthrow side of the steep south dipping Fish River Fault (“FRF”). Host sediments comprise massive bedded pyrite, black siltstones, micritic dolomite and dolomitic siltstones with varying amounts of both syn-sedimentary and hydrothermal brecciation. The Fish River Fault is a complex arrangement of normal faults with some step-down faulting, up to 30m of throw, to the south extending up to 30-40m into the hanging-wall of the main fault contact.

Three pyrite-rich stratigraphic units with base metal mineralisation have been delineated from geological interpretation, namely the PY1 Unit, the Dolomite (DOL) Unit and the PY3 Unit with the former two now combined into a single unit. There are strong indications of metal zonation within both mineral bodies. The Fish River Fault likely has a long and complex tectonic history, whose most recent movement manifests as a tectonically-derived clay shear zone that is seemingly unmineralized. Recent investigations suggest this structure may have acted as a fluid pathway for at least some of the metal budget.

Base metal minerals comprise chalcopyrite, galena, sphalerite and cobaltiferous pyrite; there are some very minor amounts of chalcocite and native copper related to localised near surface oxidation.

Strike length of the Vardy and Marley deposits is over 3.8km with an additional 6.1km of strike associated with the contiguous Amy and Le Mans deposits. Down dip extensions are much more limited, generally between 30 and 150m depending on the extent of the stratigraphic host unit and penetrative capacity of the mineralisation. Higher grade copper zones with significant cobalt mineralisation have been recognised for the PY1 and DOL Units in the Vardy Zone whilst higher grade copper mineralisation in the PY3 Unit has been interpreted over the whole length of the deposit. A slightly lower grade copper zone has been interpreted in the Marley zone as an extension of the Vardy PY1/DOL unit. Thickness of the mineralisation varies from a few metres to tens of metres. Mineralogical studies indicate substantial tectonic brecciation and pyritic replacement of dolomite with some minor association with trace hydrocarbons.

The Walford Creek Deposit is characterised by several different mineralisation styles dependent on the host rock and stratigraphic inter-relationships. Primary base metal mineralisation is hosted in

relatively flat lying dolomitic and fine grained siliciclastic 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. The relationship between the different phases of mineralisation at Walford Creek is shown schematically in Figure 7. The massive pyrite hosted high-grade copper/cobalt core tends to be surrounded or encased by a substantial tonnage of massive pyrite mineralisation which hosts cobalt and lower grade chalcopyrite (Cu) mineralisation along with substantial accumulations of argentiferous galena (Pb) and sphalerite (Zn). The PY1 and the DOL units have been combined and modelled together in this Mineral Resource estimation work. There is strong multi-element evidence that a substantial amount of the massive sulphide mineral is carbonate replacement, particularly the PY3 unit, with perhaps a modest amount of clastic hosted (sedimentary exhalative style) mineralisation associated with the PY1 unit.

The geological interpretation for mineralisation at the Walford project has been built up over the past 11 years by H&SC. The 2022 drilling at Amy & Le Mans necessitated only minor changes to the 2019 geological interpretation for both the mineral wireframes and the various geological units e.g., Fish River Fault. Thus, there is high confidence in the geological interpretation.

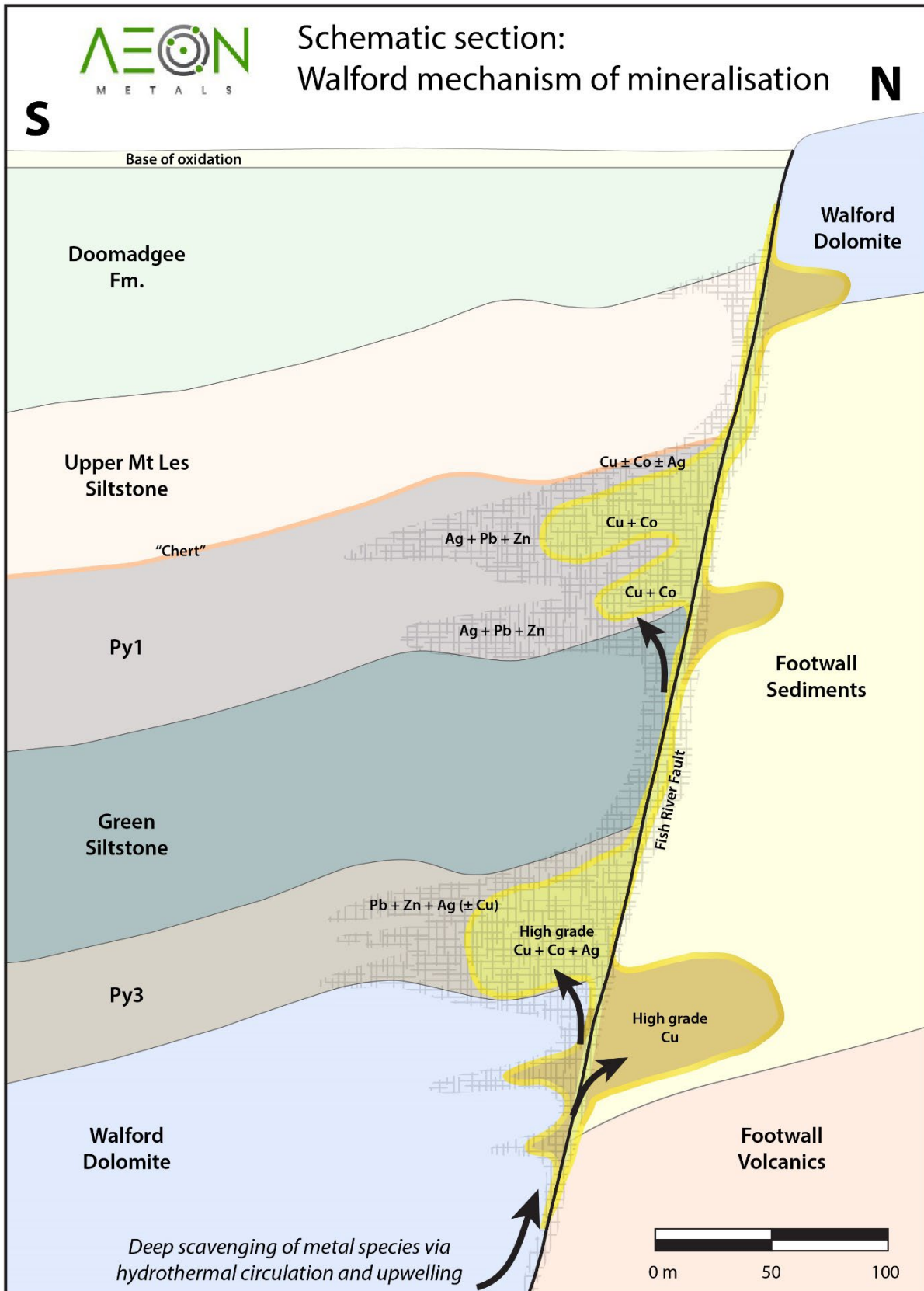


Figure 12: Schematic cross section showing the stylised relationship between the high-grade copper core and the surrounding peripheral cobalt mineralisation, with arrows showing possible direction of fluid flow.

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 340 km 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 Deposit is based on information compiled Mr Greg Collins 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 Greg Collins is a full-time employee of AEON Metals Limited and consents to the inclusion in the announcement of Exploration Results in the form and context in which they appear.