



Aeon Metals Limited

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ASX Code - AML

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Market Announcements Office
Australian Securities Exchange
Level 4, Exchange Centre
20 Bridge Street
Sydney NSW 2000

Quarterly Activities Report For the three months ending 30 September 2016

HIGHLIGHTS

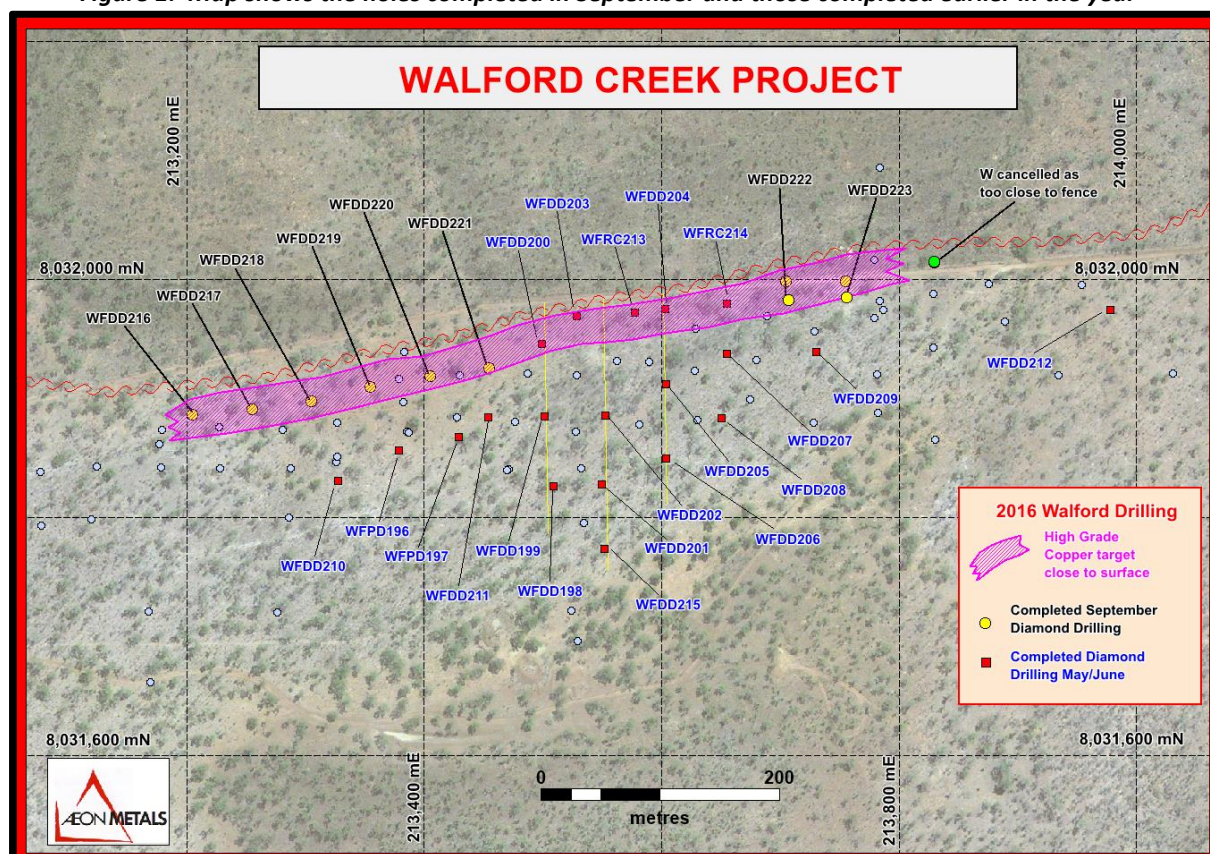
Drill results confirm discovery of a shallow, high-grade Cu-Co-Zn sulphide component within the Resource along 1km strike: New Vardy Resource of 6.1mt @ 2.35% Cu Equiv¹

- Walford Creek Project 2016 drill program was successfully completed on 24 June with all assay results received and announced during the quarter. A total of 20 diamond holes were completed for 3,452m (274m RC pre-collar and 3,178m DD).
 - Assay results confirmed continuity of a shallow (from 34m) high grade sulphide subset of the Resource close to the fault containing excellent grades of copper, zinc and cobalt.
 - Significant intercepts include:
 - WFPD196: 25m @ 1.53% copper & 0.2% cobalt from 178m; including 11m @ 2.5% copper and 0.22% cobalt from 189m.**
 - WFDD199: 12m @ 7.58% zinc & 0.11% cobalt from 64m.**
 - WFDD200: 31m @ 2.77% copper & 0.25% cobalt from 34m; including 18m @ 4.45% copper & 0.29% cobalt from 34m.**
 - WFDD204: 20m @ 3.8% copper & 0.29% cobalt from 34m.**
 - WFDD205: 20m @ 2.0% copper & 0.22% cobalt from 123m**
 - WFRC213: 16m @ 2.98% copper & 0.09% cobalt from 39m; including 10m @ 4.52% copper and 0.13% cobalt from 41m.**
- New high-grade Resource announced on 25 October 2016 of 6.1mt @ 1.26% Cu, 0.16% Co, 0.77% Zn, 0.78% Pb, and 25ppm Ag.

¹ CuEquiv based on 25 October 2016 prices. See Appendix 4 regarding metal equivalents.

- An additional Walford Creek drill program of shallow, along strike, near fault, diamond holes was successfully completed (17 September to 8 October). The program consisted of 8 diamond drill holes for 586m.
 - Visual geological logging of the core indicates that the high-grade copper intersected in the June program in shallow holes extends both to the east and west at shallow depths close to the fault.

Figure 1: Map shows the holes completed in September and those completed earlier in the year



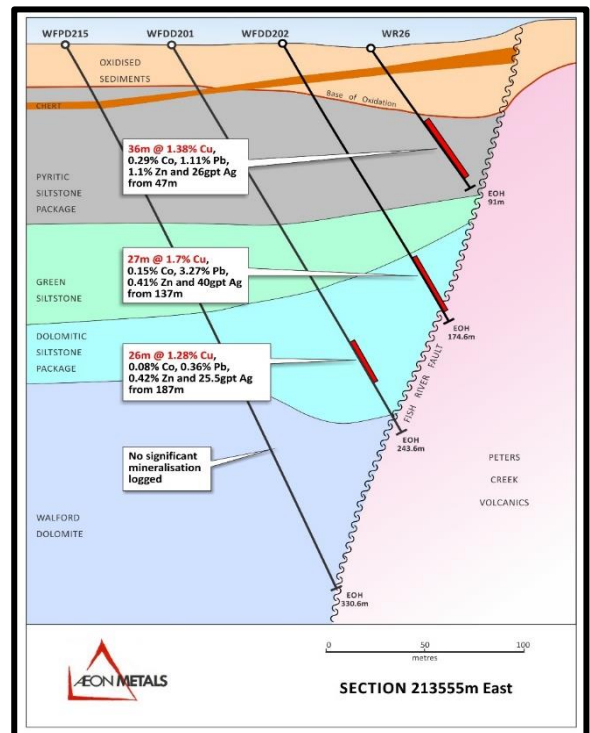
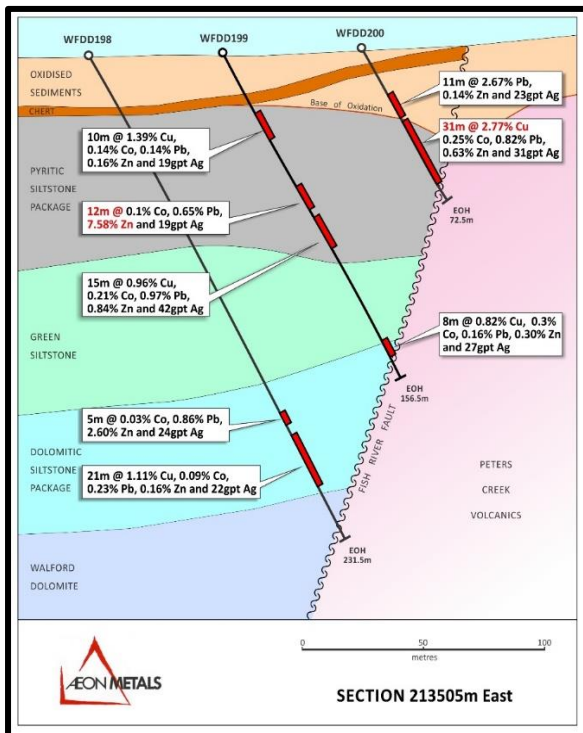
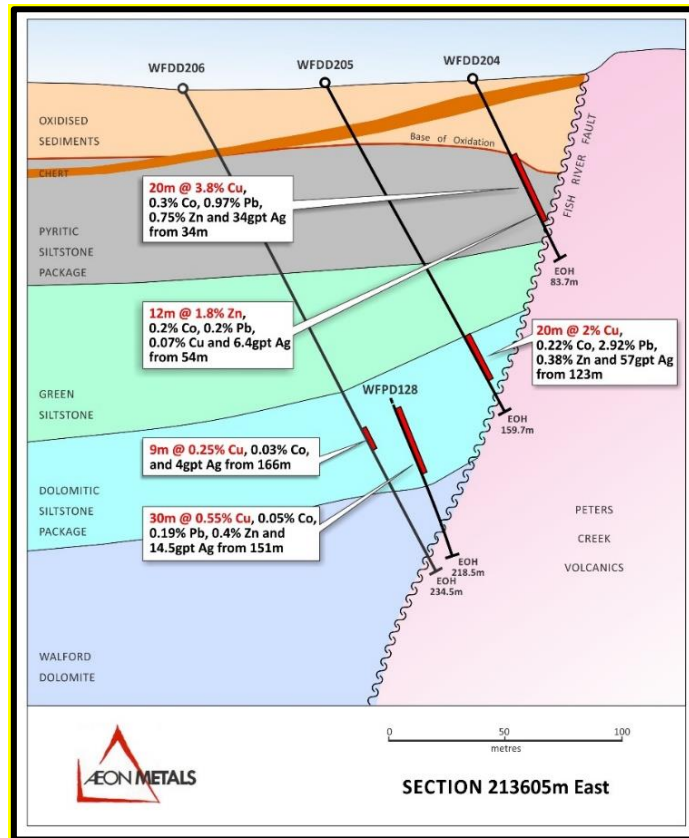
Walford Creek Project, North West Queensland

May/June Drill Program

The Walford Creek 2016 drill program commenced on 5 May with the principal aim being to obtain further bulk sample for metallurgical work as well as upgrade the confidence of the JORC Resource.

The drill program was successfully completed on 24 June with a total of 20 diamond holes drilled for 3,452m (274m RC pre-collar and 3,178m DD). It is noted that historical drilling has focused further back from the Fish River Fault with this program drilling closer to the fault.

Assay results for this program were received and announced during the quarter. These assay results confirm the shallow continuity of a high-grade sulphide component of the Resource close to the fault containing excellent grades of copper, zinc and cobalt. This continuity is shown in the following 3 cross-sections which show WFDD200, WR26 and WFDD204, on approximately 50m sections:



New Vardy Resource

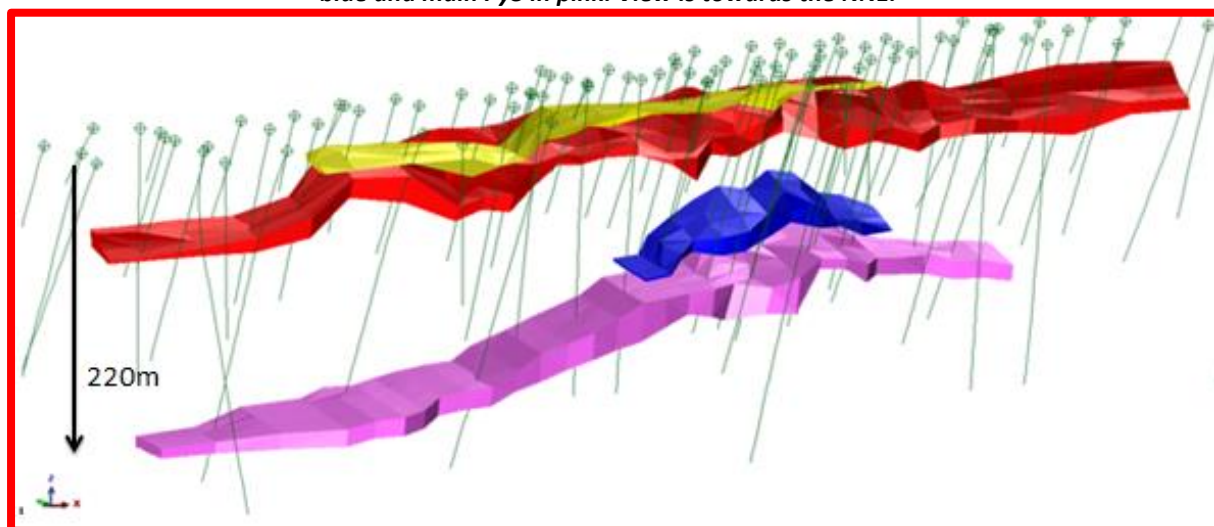
As a consequence of the May/June drill program, the geological model was updated by geological consultant H&S Consultants Pty Ltd ("H&S"), and on 25 October 2016, the Company announced an updated and increased Mineral Resource Estimate (reported in accordance with the 2012 JORC Code and Guideline) for a zone of Walford Creek.

The new estimate is for a 1km eastern zone now referred to as Vardy and is as follows:

Category	Mt	Cu %	Co %	Pb %	Zn %	Ag gt
Measured	0.6	1.34	0.17	0.77	0.71	26.7
Indicated	2.5	1.29	0.17	0.83	0.84	25.8
Inferred	3.1	1.22	0.16	0.75	0.72	24.8
Total	6.1	1.26	0.16	0.78	0.77	25.4

The following figure illustrates the location of the mineral deposits up against the Fish River Fault and the distribution of the copper grades within the Resource blocks. The detailed breakdown of Vardy Resource estimates is shown in Appendix 4.

Figure 1: Vardy Zone showing copper mineral deposits with Py1 in yellow, dolomite unit in red, Upper Py3 in blue and main Py3 in pink. View is towards the NNE.



The new Resource opens the possibility of an initial mining development focused on the Vardy Resource which would benefit significantly from the high grade and shallowness of the mineralisation.

September/October Drill Program

During the quarter a drill rig was remobilised to site on 17 September with the purpose of drilling both sides of this high value zone confirmed by the June drilling assay results.

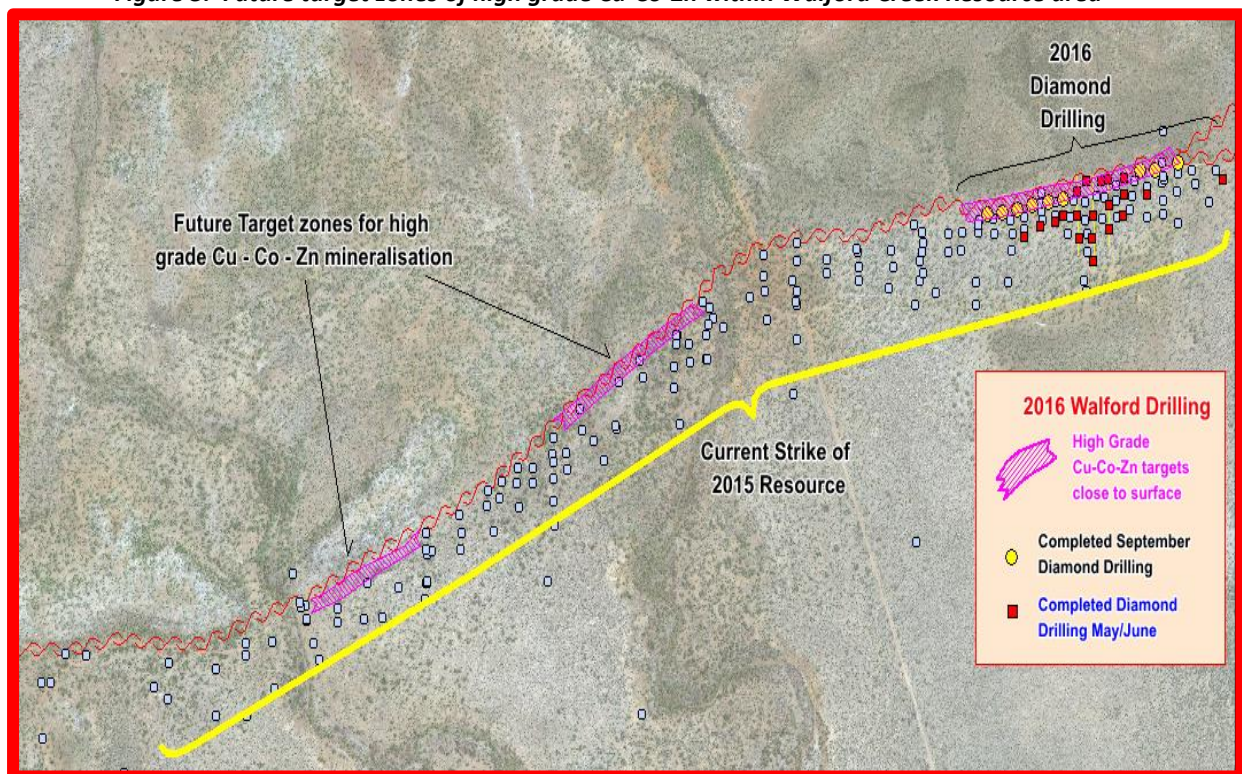
The program consisted of 8 diamond drill holes for 586 m. All holes have been drilled at 60 degrees towards the north. Locations of these holes, which are all within the Vardy zone, are shown in Figure 1.

Visual geological logging of the core indicates that the high-grade copper intersected previously in shallow holes WFDD200, WFDD203 and WFDD204 (see the Company's announcements of 16 & 30 August and 14 & 20 September) extends both to the east and west at shallow depths close to the fault. Copper mineralisation in these holes exists as both chalcopyrite, chalcocite and native copper.

The continuity of both the geology and the high-grade copper mineralisation intersected in earlier drilling appears now to extend several hundred metres further, based only on visual estimates of copper grades. This will be confirmed through assay results expected in November.

As noted, historical drilling has been broadly spaced and generally not close up against the fault west of the high grade 2016 drilling programs. The shallow high grade Cu-Co-Zn close to the Fish River Fault appears with elevated silver in soils and this can now be utilised to help target several zones (See Figure 3) along the 4.5km strike of the Resource where the Upper Pyrite lens is shallow.

Figure 3: Future target zones of high grade Cu-Co-Zn within Walford Creek Resource area



Corporate

On 1 July 2016, Mr Ivan Wong was appointed to the Board as a non-executive Director. Additionally, on 7 September 2016, Mr John Goody retired as a Director and Mr Stephen Lonergan was appointed as a non-executive Director.

Finalisation of the Company's Preliminary Economic Analysis (PEA) on Walford was deferred pending the determination of what is now known as the Vardy Resource (details as above) and it is likely that the PEA will now be completed before year end.

The Company's 2016 AGM was held on 21 October 2016 and all Resolutions before the meeting were approved.

Exploration Expenditure

During the quarter, the Company expended approximately \$1,100,000 on exploration activities.

As at 30 September 2016, the Company had available cash of approximately \$5m.

Appendix 5B

The Company's Appendix 5B cash report is attached.

A handwritten signature in black ink, appearing to read 'H. Collins', is positioned above the printed name and title.

Hamish Collins
Managing Director
Aeon Metals Limited

APPENDIX 1 - TENEMENT HOLDINGS AS AT 30 SEPTEMBER 2016

TENEMENT HOLDER	TENEMENT I.D.	LOCATION	INTEREST HELD
Aeon Metals Limited	EPM 14628	Northwest of Monto, Qld	100%
Aeon Metals Limited	EPM 15921	Northwest of Monto, Qld	100%
Aeon Metals Limited	EPM 17001	Northwest of Monto, Qld	100%
Aeon Metals Limited	EPM 17002	Northwest of Monto, Qld	100%
Aeon Metals Limited	EPM 17060	West of Monto, Qld	100%
Aeon Metals Limited	MDL 462	Northwest of Monto, Qld	100%
Aussie NQ Resources Pty Ltd	EPM 18359	South of Georgetown, Qld	100%
SLW Queensland Pty Ltd	EPM 14627	Southwest of Monto, Qld	Surrender lodged
SLW Queensland Pty Ltd	EPM 19029	West of Monto, Qld	60%
Aeon Walford Creek Limited	EPM 11897	Mount Isa West	80%
Aeon Walford Creek Limited	EPM 11898	Mount Isa West	80%
Summit Resources (Aust) Pty Ltd	EPM 13412	Mount Isa South	80%
Summit Resources (Aust) Pty Ltd	EPM 13413	Mount Isa South	80%
Summit Resources (Aust) Pty Ltd	EPM 13682	Mount Isa South	20%
Aeon Walford Creek Limited	EPM 14040	Mount Isa South	80%
Aeon Walford Creek Limited	EPM 14220	Walford Creek	100%
Aeon Walford Creek Limited	EPM 14233	Mount Isa South	72%
Aeon Walford Creek Limited	EPM 14694	Mount Isa North	80%
Aeon Walford Creek Limited	EPM 14712	Constance Range	80%
Aeon Walford Creek Limited	EPM 14713	Constance Range	80%
Aeon Walford Creek Limited	EPM 14821	Mount Isa South	80%
Aeon Walford Creek Limited	EPM 14854	Walford Creek	100%
Aeon Walford Creek Limited	EPM 14935	Constance Range	80%
Aeon Walford Creek Limited	EPM 15156	Mount Isa South	80%
Aeon Walford Creek Limited	EPM 15186	Constance Range	80%
Aeon Walford Creek Limited	EPM15212	Mount Isa West	Surrender lodged
Mount Isa Mines Limited	EPM15911	Mount Isa South	100% *
Aeon Walford Creek Limited	EPM 16921	Mount Isa North	20%
Mount Isa Mines Limited	EPM 17297	Mount Isa South	100% *
Aeon Walford Creek Limited	EPM 17300	Mount Isa North	100%
Summit Resources (Aust) Pty Ltd	EPM 17511	Mount Isa North	20%
Summit Resources (Aust) Pty Ltd	EPM 17513	Mount Isa North	20%
Summit Resources (Aust) Pty Ltd	EPM 17514	Mount Isa North	20%
Summit Resources (Aust) Pty Ltd	EPM 17519	Mount Isa North	20%
Aeon Walford Creek Limited	EPM 18395	Mount Isa west	100%
Aeon Walford Creek Limited	EPM 18552	Walford Creek	100%
Aeon Walford Creek Limited	EPM 18769	Mount Isa West	100%

*Transfer of title pending

APPENDIX 2 – COMPETENT PERSON STATEMENTS

The data in this report that relates to Mineral Resource Estimates for the Walford Creek Deposit including the Vardy Zone 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 presentation of the Mineral Resources in the form and context in which they appear.

The information in this report that relates to Aeon Metals Limited’s exploration results is based on information compiled by 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 results in the form and context in which they appear.

APPENDIX 3 – 2016 DRILL RESULTS

Hole No.	Easting	Northing	Azimuth degrees	Dips degrees	Intersect m	From m	To m	Cu %	Co %	Pb %	Zn %	Ag g/t
WFPD196	213379.0	8031856.7	355	-80	17	40	57	0.05	0.03	0.5	0.49	17.4
					also 5	164	169	0.01	0.02	0.68	3.17	10
					also 3	175	178	0.02	0.03	4.16	1.48	36.9
					also 25	178	203	1.53	0.2	0.18	0.2	27.5
					Incl 11	189	200	2.5	0.22	0.23	0.23	33
WFPD197	213429.6	8031867.8	355	-80	10	147	157	0	0.02	2.2	1.8	29
					and 5	163	169	3.13	0.19	4	0.24	70
					and 12	182	194	1.5	0.1	0.1	0.22	24
WFDD198	213508.8	8031826.0	355	-60	5	172	177	0	0.03	0.86	2.6	24
					and 21	183	204	1.11	0.09	0.23	0.16	22
					and 2	204	206	0.23	0.05	3.5	2.75	45
WFDD199	213501.4	8031885.0	355	-60	10	28	38	1.39	0.14	0.14	0.16	18.9
					and 4	38	42	0	0.04	2.18	0.38	18
					and 12	64	76	0	0.1	0.65	7.58	19
					and 15	79	94	0.96	0.21	0.97	0.84	42
					and 8	140	148	0.82	0.3	0.16	0.3	27
WFDD200	213499.2	8031946.2	355	-60	11	22	33	0.07	0	2.67	0.14	22.5
					32	34	66	2.7	0.25	0.8	0.62	32.1
					Incl 18	34	52	4.45	0.29	1.2	0.26	30
					Incl 11	52	63	0.44	0.22	0.27	1.3	25.4
WFDD201	213549.5	8031827.7	355	-60	26	187	213	1.28	0.08	0.36	0.42	25.5
WFDD202	213552.5	8031885.4	355	-60	27	137	164	1.7	0.15	3.27	0.41	40
WFDD203	213528.3	8031968.9	355	-60	4	35	39	4.7	0.07	0.32	0.02	29.6
WFDD204	213603.2	8031975.3	355	-60	20	34	54	3.8	0.3	0.97	0.75	34
					and 12	54	66	0.07	0.2	0.2	1.82	6.4
WFDD205	213603.7	8031912.3	355	-60	20	123	143	2	0.22	2.92	0.38	57
WFDD206	213603.6	8031849.7	355	-60	No significant base metal mineralisation							
WFDD207	213654.9	8031937.4	355	-60	19	69	88	0.65	0.24	0.09	1.54	17.9
					Incl 7	73	80	1.24	0.23	0.12	0.35	22.5
					also 10	79	89	0.32	0.27	0.08	2.93	14.7
					and 11	136	147	0.61	0.07	1	1.09	25.2

WFDD208	213650.7	8031883.1	355	-60	8		175	183	1.63	0.1	0.14	0.35	25.5
					Incl	5	175	180	2.34	0.14	0.17	0.52	28.6
					and	4	188	192	1.84	0.12	1.27	0.74	50.3
					Incl	2	188	190	3.13	0.18	1.35	0.39	70.35
WFDD209	213730.0	8031938.8	355	-68	5		31	36	1.15	0	0.15	0.02	4.6
					also	10	166	176	0.22	0.05	2.29	2.4	44.3
					also	10	180	190	1.02	0.07	0.05	0.07	14.5
WFDD210	213327.3	8031830.8	355	-75	8		53	61	0.03	0.06	4.13	0.88	22.4
					also	14	178	192	0.05	0.02	1.23	1.55	27.9
					also	31.7	192	EOH	1.34	0.16	0.83	0.3	19.9
					Incl	22	192	214	1.84	0.21	1.08	0.38	24.7
WFDD211	213453.9	8031884.4	355	-55	13		28	41	1.39	0.2	0.06	0.14	31.6
					also	25	51	76	0.28	0.14	2.11	3.54	26
					Incl	7	57	64	0.04	0.98	1.23	10	34.4
WFDD212	213977.9	8031974.5	355	-65	12		130	142	0.47	0.09	0.29	1.12	12.3
					also	6	148	154	0.01	0.13	0	2.26	1
WFRC213	213577.7	8031972.2	355	-60	16		39	EOH	2.98	0.09	0.2	0.57	42.8
					Incl	10	41	51	4.52	0.13	0.29	0.68	62.4
WFRC214	213654.7	8031979.6	355	-60	20		37	EOH	0.72	0.07	0.2	0.04	30.5
					Incl	10	46	56	1	0.1	0.23	0.04	36
WFPD215	213552.0	8031773.2	355	-60	6		40	46	0.02	0.02	0.06	0.3	11.4
					also	10	159	169	0	0	0.14	0.58	2

APPENDIX 4 – VARDY DETAILED RESOURCE ESTIMATE

Lode	Category	Volume	Tonnes	Cu %	Pb %	Zn %	Ag ppm	Co ppm	Pyrite %
PY1	Measured	35,438	136,190	0.81	0.23	0.27	22.7	1297	73.49
	Indicated	65,813	250,193	0.85	0.27	0.31	21.5	1175	71.61
	Inferred	44,438	171,558	0.85	0.20	0.41	17.8	1164	70.45
Sub Total		145,688	557,941	0.84	0.24	0.33	20.7	1201	71.71
DOL	Measured	76,875	267,109	1.59	0.85	1.18	27.8	2299	45.29
	Indicated	412,125	1,426,521	1.36	1.00	1.21	27.4	2026	44.74
	Inferred	378,000	1,276,604	1.06	0.83	1.35	25.6	1920	47.65
Sub Total		867,000	2,970,234	1.25	0.91	1.27	26.6	2005	46.04
PY3 Upper	Measured	18,188	61,714	1.53	2.61	0.65	42.6	1661	34.38
	Indicated	42,563	139,723	1.51	2.38	0.58	37.8	1686	33.32
	Inferred	46,500	153,872	1.47	1.59	0.59	34.8	1704	37.38
Sub Total		107,250	355,308	1.50	2.08	0.60	37.3	1689	35.26
PY3 Main	Measured	44,813	144,836	1.32	0.34	0.26	21.8	952	26.34
	Indicated	196,313	634,648	1.25	0.35	0.27	21.2	1032	25.45
	Inferred	450,000	1,480,632	1.38	0.65	0.24	23.9	1290	27.64
Sub Total		691,125	2,260,116	1.34	0.55	0.25	23.0	1196	26.94
Total		1,811,063	6,143,599	1.26	0.78	0.77	25.4	1616	40.72

Copper equivalent calculation:

	Price ¹	Recovery	Value	Equiv factor	Grade	Cu Equiv
Copper	US\$4,600/t	92.7%	US\$4,264/t	1	1.26%	1.26%
Zinc	US\$2,300/t	75.0%	US\$1,725/t	0.40	0.77%	0.31%
Lead	US\$2,000/t	40.0%	US\$800/t	0.19	0.78%	0.15%
Cobalt	US\$28,250/t	50.0%	US\$14,125/t	3.31	0.16%	0.54%
Silver	\$17.7/ounce	25.0%	\$4.4/ounce		25.4ppm	
Silver	US\$624,350/t	25.0%	US\$156,087/t	36.60	0.0025%	0.09%
Total Equivalent						2.35%

¹Prices as per 25 October 2016

It is the Company's opinion that all the elements included in the metal equivalents table above, have a reasonable potential to be recovered.

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"> Nature and quality of sampling (eg 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. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘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 (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> 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. 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 4 acid digest with an ICP finish. Aston: 2010-2012 infill and extension diamond drilling with some RC precollars; good quality 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 4 acid digest with an ICP finish. Drill core sample recoveries were recorded in the database. Aeon: 2014 Infill diamond drilling with some RC pre-collars; good quality 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 4 acid digest with an ICP finish. All above grade (termed Ore Grade) were assayed as such via OG62 Four Acid Digest at extra cost. Drill core sample recoveries were recorded in the database Aeon: 2016 diamond drilling for metallurgical test samples with some RC pre-collars; good quality HQ core was obtained from which 1m sawn quarter-core samples were collected and weighed, dried, crushed and pulverised at a commercial laboratory for analysis by 4 acid digest with an

Criteria	JORC Code explanation	Commentary
		ICP finish. All above grade (termed Ore Grade) were assayed as such via OG62 Four Acid Digest at extra cost. Drill core sample recoveries were recorded in the database
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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). 	<ul style="list-style-type: none"> 1986 to 1994 WMC: 45 Diamond holes 12,735m & 49 RC holes 3,678m; NQ & minor BQ Diamond drilling and RC, no mention of core orientation in any historic WMC report. 2004 to 2005 Copper Strike: 30 Reverse Circulation ("RC") holes 3,162m; RC drilling bit type/size not reported by CSE. 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. 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. 2016 Aeon Metals Limited; Full program was 20 holes of which 2 were RC only. Total metres were 3451.1m comprising 273.6m RC and 3177.5m DD. 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.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. 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. 	<ul style="list-style-type: none"> WMC: No known written record (however, any core loss intervals were recorded graphically in geological logs). 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. Aston and Aeon Metals: HQ Triple Tube drilling to improve recovery. Generally >90%; lower recoveries can in some cases be associated with higher mineral grades attributed to hydrothermal brecciation & dissolution in the Dolomite Unit rather than drilling or sampling practice. 2014 recoveries are considered to be better than 2012 recoveries. 2016 recoveries are considered the same or better than 2014.

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> There was no obvious evidence of bias in the samples.
Logging	<ul style="list-style-type: none"> 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. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> 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. 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. 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. All logging has been converted to quantitative codes in the Access database. All relevant intersections were logged.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. 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. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> 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. 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. 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. All sampling methods and sample sizes are deemed appropriate.
Quality of assay data and	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the 	<ul style="list-style-type: none"> 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.

Criteria	JORC Code explanation	Commentary
laboratory tests	<p>parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</p> <ul style="list-style-type: none"> Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> Copper Strike: Appropriate analytical method using a 4 acid digest with ICP finish with ore grade analysis for Cu, Pb, Zn & Ag. Assaying 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. Aston and Aeon: 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 & Ag by OG62 method. Assaying was carried out by ALS, an accredited laboratory. Extensive QA/QC programme with standards, blanks, laboratory duplicates & secondary lab checks. Acceptable outcomes. All assay methods for both Aston and Aeon were appropriate at the time of undertaking.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> WMC: Hardcopy sampling and assay data has been compared with recent drilling work by AML. AML considers the data reliability to be reasonable. Copper Strike: AML 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. Aston: Site visit to review core confirms mineral intercepts; Twinned holes (4) to test RC drilling by Copper Strike; results are comparable. AML have core handling procedures as flow-sheets. Aeon: Site visit by H&SC to review core confirms mineral intercepts; Aeon using same core handling procedures, including data entry and logging, as AML and are documented as flow-sheets; Database managed by H&SC stored off site
Location of data points	<ul style="list-style-type: none"> 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. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> 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 $\pm 100\text{mm}$ with respect to the datum on average. Downhole survey method not recorded; database contains azimuth and dip readings every 30-50m. 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;

Criteria	JORC Code explanation	Commentary
		<p>database contains azimuth and dip readings based on collar and end of hole measurement.</p> <ul style="list-style-type: none"> • 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. • 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. • Aeon: DGPS on all previous Aeon drill holes in MGA94 Zone 54 grid projection by MH Lodewyk Surveyors, Mount Isa in September 2014. Current holes are yet to be picked up by DGPS. • Aeon:Down hole surveys were generally taken every 30m by REFLEX (ACT 111) EZI-SHOT or as ground conditions permitted.
Data spacing and distribution	<ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • 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. • Whether sample compositing has been applied. 	<ul style="list-style-type: none"> • Drillhole section spacing is 50m in the eastern section of the deposit becoming 100m or greater in the west. On section spacing is approximately 40 to 80m. 100m spacing is appropriate for geological continuity, 50m spacing allows for reasonable assessment of grade continuity. • Latest drilling at 25m section spacing and 35 to 50m on section spacing. • No sample compositing.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • 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. 	<ul style="list-style-type: none"> • Drilling generally achieved a high angle of intercept with the stratabound mineralisation. • Any mineralisation related directly to structures with the same strike and dip of the Fish River Fault, has been intersected at a moderate angle. • 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. • Drilling orientations are appropriate with no bias.

Criteria	JORC Code explanation	Commentary
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> WMC: All assaying in-house. No documentation available on sample security. Copper Strike: All assaying completed by ALS Townsville. No documentation available on sample security. 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 glad 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. Drillcore wrapped in plastic and strapped to pallets on site and transported to Mt Isa by Aeon personnel in appropriate vehicles. Metallurgical samples comprise sawn half core completed at an appropriate facility in Mt Isa by Aeon personnel. Core is then bagged and cryovac protected at ALS in Mt Isa.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> WMC: Data transcribed from historic reports and subsequently validated by Aston with no material inconsistencies evident. Copper Strike: Supplied digital database checked by Aston against hard copy with no material discrepancies found. 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. Aeon – all data now being received has undergone the same validation as used previously by Aston.

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> A substantial QA/QC review has been completed by H&S Consultants as part of the resource estimate undertaken previously. QAQC work continues to be undertaken as previous

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"> 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. 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. 	<ul style="list-style-type: none"> 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. 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. As it currently stands, no Native Title claim is in existence over EPM 14220, however AML continue to operate under the 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.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Numerous companies have explored within the tenement area, largely concentrating on the discovery of a significant stratabound lead-zinc system. More recently, companies have been focused on targeting copper mineralisation in the hanging wall of the Fish River Fault. 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. Previous exploration of the Walford Creek Prospect is summarised below: <p>1984-1996 WMC</p>

Criteria	JORC Code explanation	Commentary																
		<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">• Systematic grid-based mapping, rock chip and soil sampling.• Detailed Tempest EM and aeromagnetic survey; gravity survey, 600 line km of SIROTEM.• 45 diamond and 49 percussion holes totalling approximately 16,500m of drilling on 400 and 800 m spaced drill hole fences.• Isolated higher grade Pb-Zn-Cu-Ag intersections but no coherent economic Pb-Zn resource.• Brief JV with MIMEX from 1995-1996. MIMEX completed CSAMT, EM and IP over 9 conceptual targets but no drilling. <p>2004-2006 Copper Strike</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">• A small RC drilling program was commenced in 2004 but curtailed prematurely due to the 2004-2005 wet season.• A significant RC drill program was completed during 2005.• 30 holes were drilled for a total of 3,162m, of which 60.7m was diamond cored.• 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. <p>2010 to 2012 Aston Metals Limited</p> <p>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.</p> <ul style="list-style-type: none">• Aston Metals drilled a total of 92 Diamond holes 14,929m; HQ Triple Tube Diamond drilling with some RC pre-collars. <table><tr><th>Mineral</th><th>Category</th><th>MTonnes</th><th>Cu %</th><th>Pb %</th><th>Zn %</th><th>Ag g/t</th><th>Co ppm</th></tr><tr><td>Combined</td><td>Indicated</td><td>14.7</td><td>0.46</td><td>0.83</td><td>1.04</td><td>20.1</td><td>920</td></tr></table>	Mineral	Category	MTonnes	Cu %	Pb %	Zn %	Ag g/t	Co ppm	Combined	Indicated	14.7	0.46	0.83	1.04	20.1	920
Mineral	Category	MTonnes	Cu %	Pb %	Zn %	Ag g/t	Co ppm											
Combined	Indicated	14.7	0.46	0.83	1.04	20.1	920											

Criteria	JORC Code explanation	Commentary																
		<table><tr><td></td><td>Inferred</td><td>33.6</td><td>0.36</td><td>0.83</td><td>0.81</td><td>20.5</td><td>648</td></tr><tr><td></td><td>Total</td><td>48.3</td><td>0.39</td><td>0.83</td><td>0.88</td><td>20.4</td><td>731</td></tr></table> <ul style="list-style-type: none">2012 Indicated and Inferred Resources of 48Mt at 1.42% Cu Equiv.		Inferred	33.6	0.36	0.83	0.81	20.5	648		Total	48.3	0.39	0.83	0.88	20.4	731
	Inferred	33.6	0.36	0.83	0.81	20.5	648											
	Total	48.3	0.39	0.83	0.88	20.4	731											
Geology	<ul style="list-style-type: none">Deposit type, geological setting and style of mineralisation.	<ul style="list-style-type: none">At the Walford Creek Prospect structurally controlled, vein/breccia hosted or replacement Cu ± Co mineralisation, with minor Pb-Zn-Ag and stratabound, diagenetic Pb-Zn-Ag ± Cu mineralisation, are hosted in dolomitic and argillaceous sediments of the Palaeoproterozoic 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.The mineralisation typically occurs as early diagenetic sphalerite-galena-(chalcopryite) to late epigenetic chalcopryite-(galena-sphalerite) associated with three stacked massive pyrite lenses and talus, hydrothermal and tectonic breccias in the hanging wall of the Fish River Fault.Mineralisation shows affinities to both early sediment-hosted SEDEX-type and late Mississippi Valley-type mineralisation styles.The wide diversity of mineralisation styles reflects multiple events in a long-lived re-activated structural setting that originated as a growth fault.																
Drill hole Information	<ul style="list-style-type: none">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">easting and northing of the drill hole collarelevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collardip and azimuth of the holedown hole length and interception depthhole length.	<ul style="list-style-type: none">Exploration results have not previously been reported in the public domain by Aston as the previous company was privately listed.Information of the drillholes is included in the 2013 Resource Estimate Report.Information pertaining to the currently completed drilling is contained in Table xx. RL details are still to be ascertained when DGPS readings collected.																

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> 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. 	
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> Exploration results have not previously been reported in the public domain by Aston as the previous company was privately listed. 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. 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. Aeon has not taken to stating significant intercepts as metal equivalents.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> Exploration results have not previously been reported in the public domain by Aston as the previous company was privately listed. 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 close to true width whereas the epigenetic mineralisation intercepts are apparent widths.
Diagrams	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Appropriate maps showing the nature and extent of the mineralisation are included in the 2013 Resource Estimation report by H&SC for all work prior to 2014. An appropriate section has been included for the significant intercepts recorded from the 2016 drilling.
Balanced reporting	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Exploration results have not previously been reported in the public domain by Aston as the previous company was privately listed. All results reported on by Aeon are considered to be accurate and reflective of the mineralised system being drill tested.
Other substantive	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey 	<ul style="list-style-type: none"> Aeon believes that the results and data provided give a meaning and material reflection of the geological lithologies and structure being tested

Criteria	JORC Code explanation	Commentary
exploration data	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.	<p>at Walford Creek.</p> <ul style="list-style-type: none"> • Further metallurgical test work is currently being undertaken and results from that work will be announced once known. • It should also be noted that this metallurgical test work will be ongoing.
Further work	<ul style="list-style-type: none"> • The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> • 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.

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"> 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. Data validation procedures used. 	<ul style="list-style-type: none"> 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. Data linked to Surpac for wireframing and resource estimation. Visual reviews were conducted to confirm consistency in logging and drillhole trajectories. Assessment of the data confirms that it is suitable for resource estimation.
Site visits	<ul style="list-style-type: none"> Comment on any site visits undertaken by the Competent Person and the outcome of those visits. If no site visits have been undertaken indicate why this is the case. 	<ul style="list-style-type: none"> Aston - No site visit to the property was completed due to the remoteness of the area and the removal of the camp facilities post-drilling. However H&SC is familiar with the general area of NW Queensland. Satellite imagery of the project area was reviewed in 3D. H&SC visited AML's core handling facility in Mt Isa and reviewed 5 diamond drillholes from the AML 2011 drilling. A site visit was undertaken by H&SC during the 2016 drill campaign
Geological interpretation	<ul style="list-style-type: none"> Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. Nature of the data used and of any assumptions made. The effect, if any, of alternative interpretations on Mineral Resource estimation. The use of geology in guiding and controlling Mineral Resource estimation. The factors affecting continuity both of grade and geology. 	<ul style="list-style-type: none"> The Walford Creek Deposit is characterised by several different mineralisation styles dependent on the host rock and stratigraphic position. Primary base metal mineralisation is hosted in relatively flat lying stratigraphic units. Sulphide mineralisation is dominant. A detailed stratigraphic reconstruction has been completed noting minor structures as splays and parallel faults to the main Fish River Fault. Some oxidation of mineralisation has occurred with possible supergene enrichment noted for the PY1 and DOL unit zones. Mineralisation wireframes were designed on a nominal 0.5% Cu cut-off grade and geological criteria including host lithology and stratigraphical relationship, oxidation and geological sense. Wireframe extrapolation is 25m beyond the last drillhole; termination of wireframes is due to a lack of copper grades. The existing interpretation honours all the available data; an alternative interpretation is unlikely to have a significant impact on the resource

Criteria	JORC Code explanation	Commentary
		estimates.
Dimensions	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Mineralisation can be modelled for 1km of strike length, with a range of down dip widths of 40 to 60m. The mineral lenses are part of a 160m thick mineralised sequence. The individual mineral lodes have thicknesses ranging from 2m to 60m where the lodes coalesce. 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 lode and 130 to 230 for the lowermost lode.
Estimation and modelling techniques	<ul style="list-style-type: none"> 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. The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. The assumptions made regarding recovery of by-products. Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation). In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. Any assumptions behind modelling of selective mining units. Any assumptions about correlation between variables. Description of how the geological interpretation was used to control the resource estimates. 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. 	<ul style="list-style-type: none"> Mineral interpreted wireframes and geological surfaces are based on interpretations completed on sections with strings snapped to drill holes. Surpac mining software was used for the interpretation and block model reporting. GS3M was used for block grade interpolation. 3D wireframes and surfaces constructed include: higher grade Mineral zones for copper (PY1 Unit, Dolomite Unit and PY3 Upper and Main Unit), Fish River Fault, Chert Marker & HW Chromite Marker, BOPO and BOCO. Wireframes were used to control the composite selection and the loading of subsequently modelled data into the block model. Geostatistics were performed for copper, lead, zinc, silver and cobalt within individual mineralised lenses. A set of pyrite content values was created from the base metal, iron & sulphur assays. Correlation between the main economic elements was weak indicating possible mineral zonation, which is not an uncommon feature with the type of mineralisation. Drillhole spacing ranges along strike from 25 to 100m and 30-80m on section. Parent block sizes were 10m in the X (east) direction, 7.5m in the Y (north) direction and 2.5m in the Z (RL) direction with no sub-blocking. Ordinary Kriging estimation was used. 1,332 1m composites, for the 4 mineral units, were selected by wireframes; residuals <0.5m were discarded. No top cutting applied; the coefficients of variation for the relevant composite datasets suggest that the data is not sufficiently skewed or unstructured to warrant top cutting.

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> • 6 estimation search passes with an increasing search radius and decreasing number of data points were run for all domains. • Search size: 30 by 20 by 7.5m (Measured), 60 by 60 by 15m (Indicated) to 120m by 120m by 30m (Inferred) with 12 minimum data decreasing to 6. An additional search comprised of 150m by 150m by 37.5m with a minimum number of 12 data (Inferred). • The first and second passes used an octant based search where at least 4 octants had to be estimated; the remaining passes used a 2 octant based search. • 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. • Search ellipses were orientated to follow the strike, dip and plunge trend of the individual units. 1 spatial domain was used for the PY1 unit whilst 4 search domains were used for the PY3 Main Unit. • 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 values has indicated a small risk of overestimation of grade for certain elements for certain lodes (no consistent pattern). • There are relatively limited changes from the 2014 H&SC global resource estimates for Walford Creek and this provides a good level of confidence in the resource estimates and their classification.
Moisture	<ul style="list-style-type: none"> • Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content. 	<ul style="list-style-type: none"> • Tonnages are estimated on a dry weight basis.
Cut-off parameters	<ul style="list-style-type: none"> • The basis of the adopted cut-off grade(s) or quality parameters applied. 	<ul style="list-style-type: none"> • Resource estimates have been reported at a 0% copper cut off within the relevant mineral wireframe. There is a limited amount of sub-grade material within the resource estimates (<10%) • The cut-off grade at which the resource is quoted reflects the intended bulk-mining approach.
Mining factors or assumptions	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • H&SC's understanding based on information supplied by AML is for an open pit mining scenario. Minimum mining dimensions is the parent block size of 10x7.5x2.5m.

Criteria	JORC Code explanation	Commentary
	<p>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.</p>	
Metallurgical factors or assumptions	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Metallurgical testwork was in progress during compilation of resource estimates. Initial metallurgical testwork suggests the recovery assumptions for various metals are reasonable. There is some evidence of metal zonation for Cu, Pb, Zn & Ag. The dominant minerals are chalcopyrite, galena & sphalerite for copper, lead and zinc respectively. Mineralogical testwork has identified that a majority of the cobalt resides within distinctive types of pyrite and is not necessarily linked to copper grades. The deposit type is similar to Mt Isa style.
Environmental factors or assumptions	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> No studies have been undertaken by Aeon The area contains large flat areas suitable for waste dumps and tailings facilities. No large river systems pass through the area. Water courses are generally restricted. There are abundant carbonate rocks, the Walford Dolomite, in the vicinity to provide material for control of any acid mine drainage.
Bulk density	<ul style="list-style-type: none"> 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. 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. Discuss assumptions for bulk density estimates used in the evaluation 	<ul style="list-style-type: none"> 4,998 single 10cm pieces of core had SG values determined using the "Archimedes Principle" on dry weight basis. Localised vuggy material may have an overstated density due to samples not sealed in wax prior to measuring the weight in water. Density was modelled using the Inverse Distance Squared modelling technique using 1m composites extracted for the individual mineral wireframes and waste rock.

Criteria	JORC Code explanation	Commentary
	process of the different materials.	
Classification	<ul style="list-style-type: none"> The basis for the classification of the Mineral Resources into varying confidence categories. Whether appropriate account has been taken of all relevant factors (ie 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). Whether the result appropriately reflects the Competent Person's view of the deposit. 	<ul style="list-style-type: none"> 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. The classification appropriately reflects the Competent Person's view of the deposit.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of Mineral Resource estimates. 	<ul style="list-style-type: none"> An internal peer review of the model has been completed by H&SC.
Discussion of relative accuracy/ confidence	<ul style="list-style-type: none"> 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. 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. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available. 	<ul style="list-style-type: none"> The Mineral Resources have been classified using a qualitative assessment of a number of factors including the complexity of mineralisation (including metal zonation), the drillhole spacing, QA/QC data, undocumented historical RC sampling methods, and missing cobalt grades from the historical drilling. 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. The geological understanding has been substantially improved with the AML drilling campaign No mining of the deposit has taken place so no production data is available for comparison.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

AEON METALS LIMITED

ABN

91 121 964 725

Quarter ended ("current quarter")

30 September 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(1,100)	(1,100)
(b) development	-	-
(c) production	-	-
(d) staff costs	(299)	(299)
(e) administration and corporate costs	(250)	(250)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	34	34
1.5 Interest and other costs of finance paid	(28)	(28)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	5	5
1.9 Net cash from / (used in) operating activities	(1,638)	(1,638)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	6,674	6,674
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,638)	(1,638)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	5,036	5,036

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	5,036	6,674
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,036	6,674

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

198

-

Included are the payment of Superannuation and Directors fees to the directors T. Mann, J. Goody (until date of resignation), P. Harris, I. Wong and H. Collins. Additionally, the fees paid to S. Lonergan for Company Secretary services are included, as well as the reimbursement of ordinary expenditure incurred by the Directors.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

-

-

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	Nil	Nil
8.2 Credit standby arrangements	30	30
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

The company maintains an ANZ Credit Card Facility with a limit of \$30,000 and a rate of 18.24%PA on purchases. This facility is split across four separate cards, and the full \$30,000 is undrawn.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	360
9.2 Development	-
9.3 Production	-
9.4 Staff costs	280
9.5 Administration and corporate costs	170
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	810

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	EPM 13412 (Isa South)	Relinquished 8 sub-blocks	80	80
	EPM 13413 (Isa South)	Relinquished 5 sub-blocks	80	80
	EPM 17300 (Isa South)	Relinquished 2 sub-blocks	100	100
10.2 Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:
(Director/~~Company secretary~~)

Date: 31 Oct 2016

Print name: Hamish Collins

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.