



ASX Announcement — 30 April 2018

## Quarterly Report For the three months ending 31 March 2018

### Aeon Metals Limited

ABN 91 121 964 725

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NSW 2000, Australia

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Qld 9726, Australia

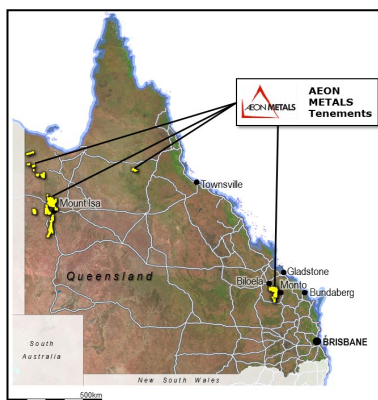
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#### ASX Code - AML

Shares on Issue: 586m  
Share Price: \$0.32  
Market Capitalisation: \$187.5m  
Cash (31 March 2018): \$15.8m

All mineral resources projects  
located in Queensland:



During the quarter the Company announced the results of an updated independent Resource estimation (see 24 January announcement) at Aeon Metal Ltd's ("Aeon" and/or the "Company") 100% owned Walford Creek Project. The updated Resource estimates have two components, namely a Copper Lode Resource and a Cobalt Peripheral Resource. The Copper Lode Resource is over double the size of the previous Vardy Resource (6.6mt @ 1.25% Cu and 0.16% Co) announced in December 2016 (See Appendix 3). **This, combined with the additional Cobalt Peripheral Resource, shows Walford Creek has one of the highest grade and largest tonnages of cobalt metal content among the cobalt sulphide deposits in Australia.**

Preparations for the 2018 30,000m drill program at the Walford Creek Project were completed during the quarter and drilling commenced in early April as planned. With the application of the Zambian Copperbelt style model announced in late July 2017, the focus of the 2018 30,000m diamond core and RC drilling program is to target the continuous high-grade copper-cobalt Py3 zone (from ~120m depth) both within the current Resources and along the significant strike (See Figure 1).

A tenement wide seismic survey is planned in May with a 2D line aimed at exposing structure and stratigraphy along the entire strike (East to West) of the Fish River Fault ("FRF") and additional 2D lines perpendicular to the FRF. This seismic survey, part funded by the Queensland Government, will use the signatures of known mineralisation to locate new drill targets for testing along the approximately 20km of the FRF.

2 of the 3 rigs have arrived on site with drilling to continue on a 24/7 basis for approximately 6 months. Assay results will be announced as soon as they become available.

The Company is also progressing a Feasibility Study for the mining and processing of both the Copper Lode and Cobalt Peripheral Resources. The Study is refining metallurgical process parameters set out in the 18 April 2017 Cobalt Roasting Scoping Study, which includes a concentrator to produce separate copper and lead concentrates, and a roaster to produce a cobalt rich calcine, sulphuric acid and possibly zinc and silver.

This testwork program has been designed by engineering consultant Wood PLC and commenced in February 2018 with the delivery of 1.6 tonnes of material derived from the 2017 drilling program to ALS in Burnie. The roasting and cobalt calcine leaching phases are being conducted by Outotec at facilities in Germany and Finland respectively.

With the improved grades and tonnages of mineralisation in the high-grade Copper Lode Resource and the Cobalt Peripheral Resource, feasibility work is proceeding on the basis of a mining rate of 1.25mtpa over a minimum 15-year period.

The Company is confident that additional discoveries along strike will add significant Resources. To accommodate future expansion of the facilities, the plant and infrastructure are being designed for modular expansion.

## Corporate

On 5 January the Company announced a Share Purchase Plan ("SPP") to enable shareholders with registered addresses in Australia or New Zealand the opportunity to subscribe for up to \$5,000 of shares in the Company at 28 cents per share. 243 shareholders subscribed to the SPP with 3,851,372 shares issued for an aggregate of \$1,078,335. The proceeds of the SPP were used to further paydown debt owed to the OCP Asia Group.

## Exploration & Evaluation Expenditure

During the quarter, the Company expended approximately \$263k on exploration and evaluation activities.

As at 31 March 2018, the Company had available cash of approximately \$15.854m.

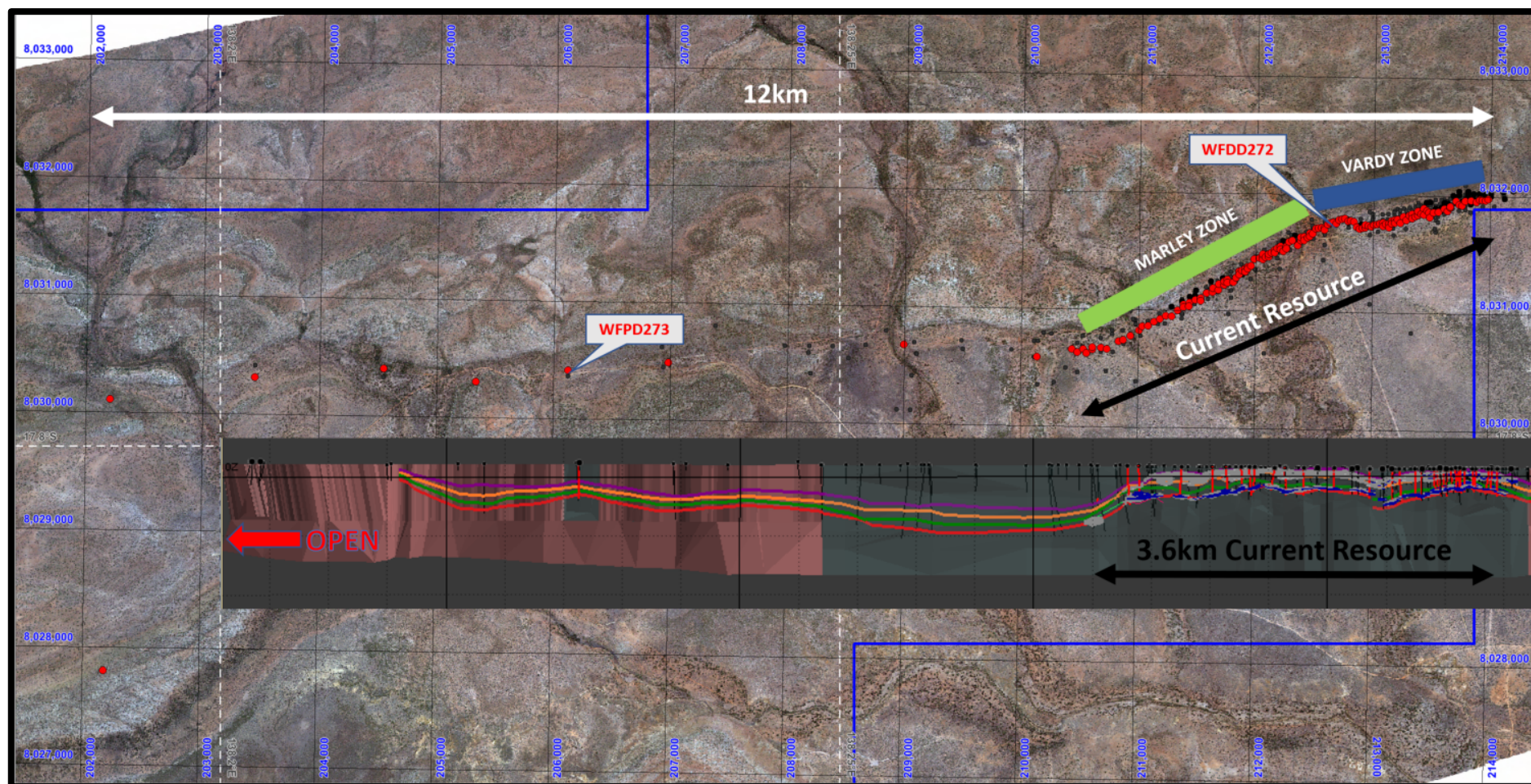
## Appendix 5B

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

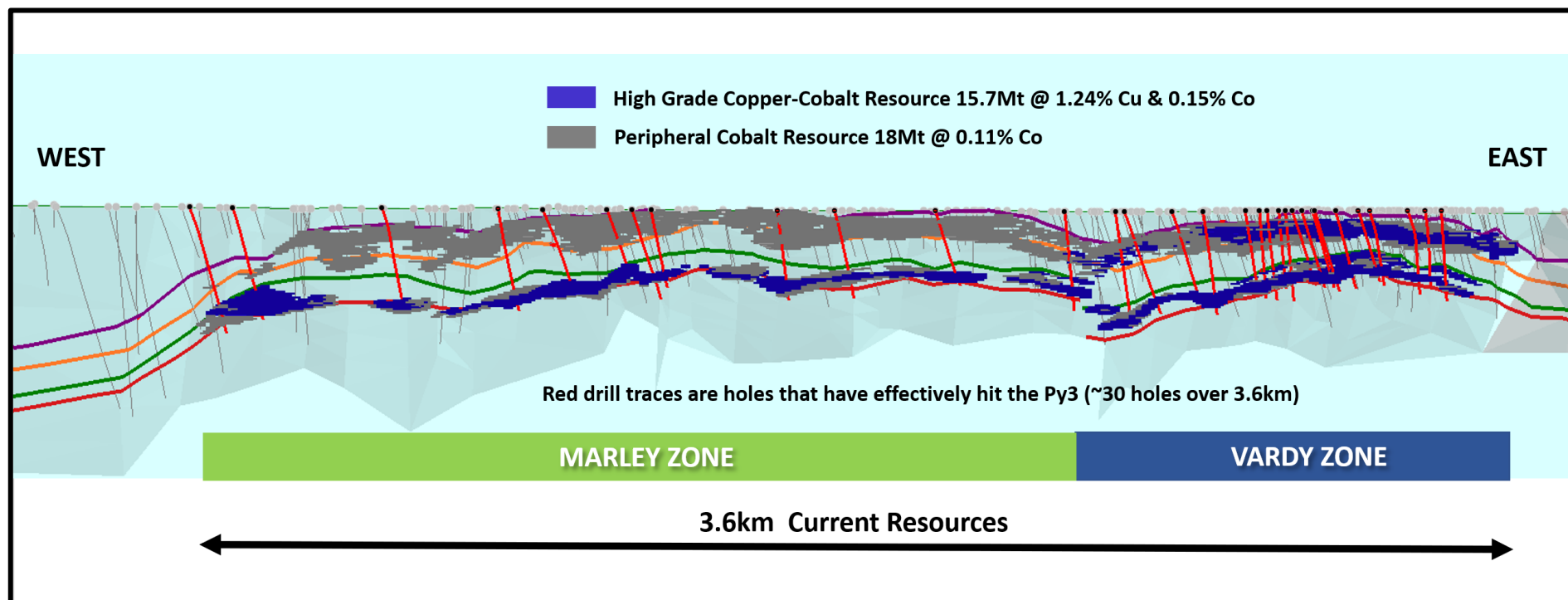
For more information, please contact:

Hamish Collins  
**Managing Director**

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**Figure 1: Walford Creek Project. Plan and scaled long section showing current resource, interpreted stratigraphy along the strike of the Fish River Fault and indicative planned initial holes**



*Figure 2: Current Walford Creek Project Resources over 3.6km*

## APPENDIX 1 - TENEMENT HOLDINGS AS AT 31 MARCH 2018

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 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%
Aeon Walford Creek Limited	EPM 13412	Mount Isa South	80%
Aeon Walford Creek Limited	EPM 13413	Mount Isa South	80%
Aeon Walford Creek Limited	EPM 13682	Mount Isa South	80%
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	EPM 15911	Mount Isa South	100%
Aeon Walford Creek Limited	EPM 16921	Mount Isa North	100%
Aeon Walford Creek 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%

## APPENDIX 2 - COMPETENT PERSONS STATEMENT

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 Competent Persons 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 – INDEPENDENT RESOURCE ESTIMATION<sup>1</sup>

### Copper Lode Resource:

Category	Mt	Cu %	Pb %	Zn %	Ag g/t	Co %	Pyrite %
Measured	1.2	1.25	0.89	0.81	26.3	0.16	44.4
Indicated	3.8	1.19	0.69	0.88	23.6	0.14	41.4
Inferred	10.7	1.25	1.09	0.81	37.8	0.16	40.9
<b>Total</b>	<b>15.7</b>	<b>1.24</b>	<b>0.98</b>	<b>0.82</b>	<b>33.5</b>	<b>0.15</b>	<b>41.3</b>

Category	Cu Kt	Pb Kt	Zn Kt	Ag Mozs	Co Kt	Pyrite Kt	Density t/m <sup>3</sup>
Measured	14	10	9	1.0	1.8	509	3.40
Indicated	45	26	34	2.9	5.4	1,575	3.40
Inferred	134	118	86	13.1	16.8	4,396	3.35
<b>Total</b>	<b>194</b>	<b>154</b>	<b>129</b>	<b>16.9</b>	<b>24.0</b>	<b>6,480</b>	<b>3.37</b>

(minor rounding errors)

AND

### Cobalt Peripheral Resource:

Category	Mt	Cu %	Pb %	Zn %	Ag g/t	Co %	Pyrite %
Measured	1.8	0.13	0.54	1.16	17.4	0.12	47.4
Indicated	6.5	0.17	0.66	1.13	17.8	0.10	39.5
Inferred	9.7	0.16	1.03	0.95	25.2	0.12	37.6
<b>Total</b>	<b>18.0</b>	<b>0.16</b>	<b>0.85</b>	<b>1.03</b>	<b>21.8</b>	<b>0.11</b>	<b>39.2</b>

Category	Cu Kt	Pb Kt	Zn Kt	Ag Mozs	Co Kt	Pyrite Kt	Density t/m <sup>3</sup>
Measured	2	10	21	1.0	2.1	853	3.37
Indicated	11	43	73	3.7	6.2	2,548	3.27
Inferred	16	100	92	7.9	11.2	3,645	3.21
<b>Total</b>	<b>30</b>	<b>152</b>	<b>186</b>	<b>12.6</b>	<b>19.5</b>	<b>7,046</b>	<b>3.25</b>

(minor rounding errors)

1. See 24 January 2018 announcement for further details.

## 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	Quarter ended ("current quarter")	
91 121 964 725	31 March 2018	
Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(263)	(2,297)
(b) development	-	-
(c) production	-	-
(d) staff costs	(380)	(992)
(e) administration and corporate costs	(340)	(992)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	70	115
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	137	60
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(776)</b>	<b>(4,106)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(185)	(185)
(b) tenements (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(d) other non-current assets	-	-
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	<b>Net cash from / (used in) investing activities</b>	<b>(185)</b>	<b>(185)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	1,078	36,594
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	6,825
3.4	Transaction costs related to issues of shares, convertible notes or options	(21)	(1,808)
3.5	Proceeds from borrowings	-	2
3.6	Repayment of borrowings	(1,057)	(23,382)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>18,231</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	16,815	1,914
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(776)	(4,106)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(185)	(185)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	18,231
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>15,854</b>	<b>15,854</b>

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	15,854	16,815
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>15,854</b>	<b>16,815</b>

6.	<b>Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to these parties included in item 1.2	241
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	

*Included are the payment of Superannuation and Directors fees to the directors H. Collins, P. Harris, and I Wong. Additionally, the fees paid to S. Lonergan for secretarial services are included.*

7.	<b>Payments to related entities of the entity and their associates</b>	<b>Current quarter \$A'000</b>
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	

8.	Financing facilities available	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
	<i>Add notes as necessary for an understanding of the position</i>		
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 totalling \$30,000, with a rate of 17.74%PA on purchases. This facility is split evenly across two separate cards, and the full \$30,000 is undrawn.*

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Exploration and evaluation	4,700
9.2	Development	-
9.3	Production	-
9.4	Staff costs	280
9.5	Administration and corporate costs	200
9.6	Other (provide details if material)	60
9.7	<b>Total estimated cash outflows</b>	<b>5,240</b>

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 17001 EPM 17002 EPM 17513 EPM 17514 EPM 17519	Relinquished 8 Sub-blocks Relinquished 13 Sub-blocks Relinquished 31 Sub-blocks Relinquished 24 Sub-blocks Relinquished 50 Sub-blocks	100 100 100 100 100	100 100 100 100 100
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: 30 April 2018.

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.