



YARINGA

EPM 15212

PARTIAL RELINQUISHMENT REPORT

FOR THE AREA RELINQUISHED

12th August 2013

(Approved by the Department of Natural Resources and Mines on 23rd July 2014)

BY

AEON METALS LIMITED FOR
AEON WALFORD CREEK LIMITED (***Formerly Aston Metals (Qld) Limited***)
IN JOINT VENTURE WITH SUMMIT RESOURCES (AUST) PTY LTD

Author: Dan Johnson, Aeon Metals Limited
Submitted by: Aeon Metals Limited for Aeon Walford Creek Limited, (***Formerly Aston Metals (Qld) Ltd***) in Joint Venture with Summit Resources (Aust) Pty Ltd
Date: 11th August 2014

Contents

Contents.....	0
Summary	1
Introduction	1
Location and access	1
Tenure	1
Exploration concepts and targets	5
Regional geology.....	5
Previous exploration	7
EXPLORATION BY AEON WALFORD CREEK LIMITED AND JV PARTNERS BETWEEN 2007 AND AUGUST 12, 2013	8
Previous work undertaken.....	9
DISCUSSION AND CONCLUSION.....	10
References	10

Figures

Figure 1. EPM 15212 showing both the retained in red and the relinquished sub-blocks in blue. Shown over Mount Isa 1:250,000 topographic	2
Figure 2: Shows current tenure 2014 and the 26 sub-block relinquishment.....	4
Figure 3: Regional Geology (after Blake, 1987)	6
Figure 4: stratigraphic Column of regional geology (Neuman, 2005)	7
Figure 5: Location of soils and rock chip samples together with drill holes within the relinquished area.	9

Tables

Table 1: Block identification Map – Cloncurry EPM 15212; Relinquished sub-blocks.....	3
Table 2: Block identification Map – Cloncurry EPM 15212; Retained sub-blocks	3
Table 3: Previous Exploration Summary	8

Annexure A

Authority Letter

Appendices

Appendices 1. Data for rock chips completed within the tenement

Appendices 2. Data for soils

Appendices 3. Data for Phosphate Drilling, Collars, Assays, Metadata and Survey information

Summary

EPM 15212, Yaringa is located approximately 40km west of Mount Isa as shown in Figure 1. The tenement is being explored for structurally controlled base metal mineralisation.

Aeon Walford Creek Limited, (formerly Aston Metals (QLD) Pty Ltd) (“Aston Metals”) is the primary holder of the EPM, following a transfer of title from Joint Venture Partner, Summit Resources (Aust) Pty Ltd (“Summit”). EPM 15212 straddles the boundary between the Western Succession of the Proterozoic Mount Isa Inlier and the Cambrian Georgina Basin.

The EPM was originally acquired on August 13th 2007 to explore for structurally controlled, middle Proterozoic base metal, gold and uranium mineralisation and middle Cambrian phosphate.

Exploration within the twenty six relinquished sub-blocks, has failed to identify any significant targets warranting follow up work.

Introduction

EPM 15212 covers parts of the Proterozoic Western Succession of the Mount Isa Inlier and the eastern margin of the Cambrian Georgina Basin. The tenement occupies a largely north-south trending structural belt centred approximately 40 kilometres southwest of Mount Isa. The EPM was taken out to explore for middle Cambrian phosphatic deposits within the Beetle Creek Formation and for structurally controlled gold, base metal and uranium mineralisation in favourable stratigraphy proximal to the regional May Downs Fault.

Location and Access

EPM 15212, Yaringa, is situated 40km west of Mount Isa and is located on the Mount Isa (6756) 1:100,000 and Mount Isa (SF-5401) 1:250,000 map sheets. Access to the north of the tenement is via Monaghan’s Bore on the New May Downs Road directly west of Mount Isa. Access to the south is via a turn-off to the Carters Bore homestead on Ardmore Station approximately 25km south of Mount Isa along the sealed Diamantina Developmental Road. Numerous station tracks bisect the tenement providing good 4WD access. Refer to Figure 1.

Tenure

EPM 15212 was initially granted to Summit Resources (Aust) Pty Ltd (“Summit”) on 13th August 2007 and originally consisted of 289 sub-blocks. The current tenement consists of 50 sub-blocks following partial relinquishments in 2009, 2010, 2011 and 2013.

On the August 12th 2013 twenty six sub-blocks were relinquished from EPM 15212 in accordance with the MRA. This reduced the tenements size from 76 to 50 sub-blocks. The retained sub-blocks are listed in Table 2 while the relinquished sub-blocks are detailed in Table 1. The sub-block relinquishment is also represented in Figure 2. Acknowledgement of this relinquishment was only received by the Aeon on the 23rd July 2014 following several follow up calls regarding its status.

Following a title transfer dated 12th September 2012, Aeon Walford Creek Limited (formerly Aston Metals Limited) is currently the operator and sole holder of the tenement. The agreement with Summit Resources remains unchanged.

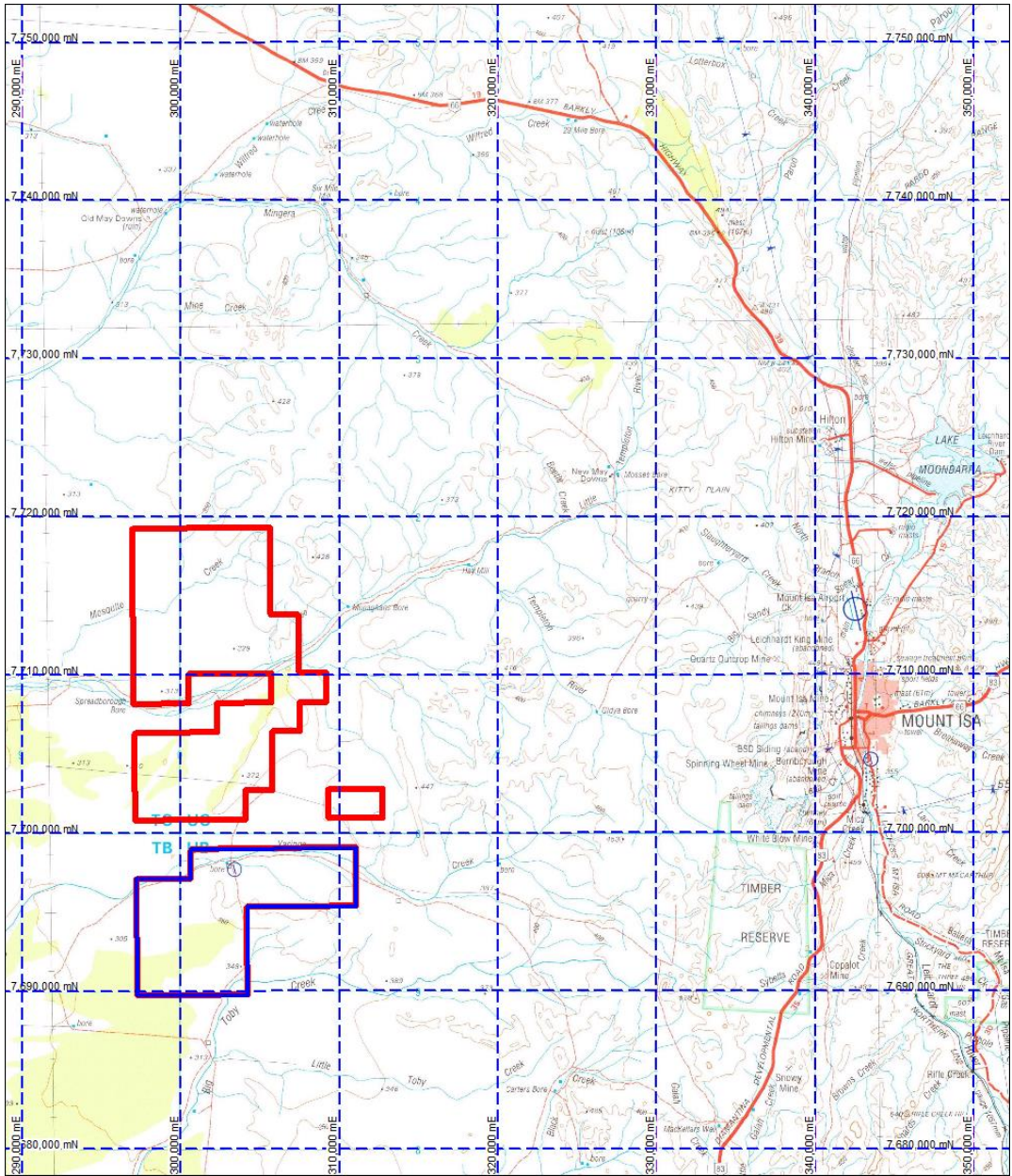


Figure 1. EPM 15212 showing both the retained in red and the relinquished sub-blocks in blue. Shown over Mount Isa 1:250,000 topographic

Table 1: Block identification Map – Cloncurry EPM 15212; Relinquished sub-blocks

BIM	Block	Sub-blocks	
CLON	661	Y, Z	2
CLON	662	Q, R, S, T, U, V, W, X, Y, Z	10
CLON	663	Q, V	2
CLON	733	D, E, J, K, O, P	6
CLON	734	A, B, F, G, L, M	6
		TOTAL SUB BLOCKS	26

Table 2: Block identification Map – Cloncurry EPM 15212; Retained sub-blocks

BIM	Block	Sub-blocks	
CLON	517	O, P, T, U, Y, Z	6
CLON	518	L, M, N, Q, R, S, V, W, X	9
CLON	589	D, E, J, K, O, P, Y, Z	8
CLON	590	A, B, C, D, F, G, H, J, O, P, R, S, T, V, W, X	16
CLON	661	D, E, J, K	4
CLON	662	A, B, C, F, G	5
CLON	663	F, G	2
		TOTAL SUB BLOCKS	50

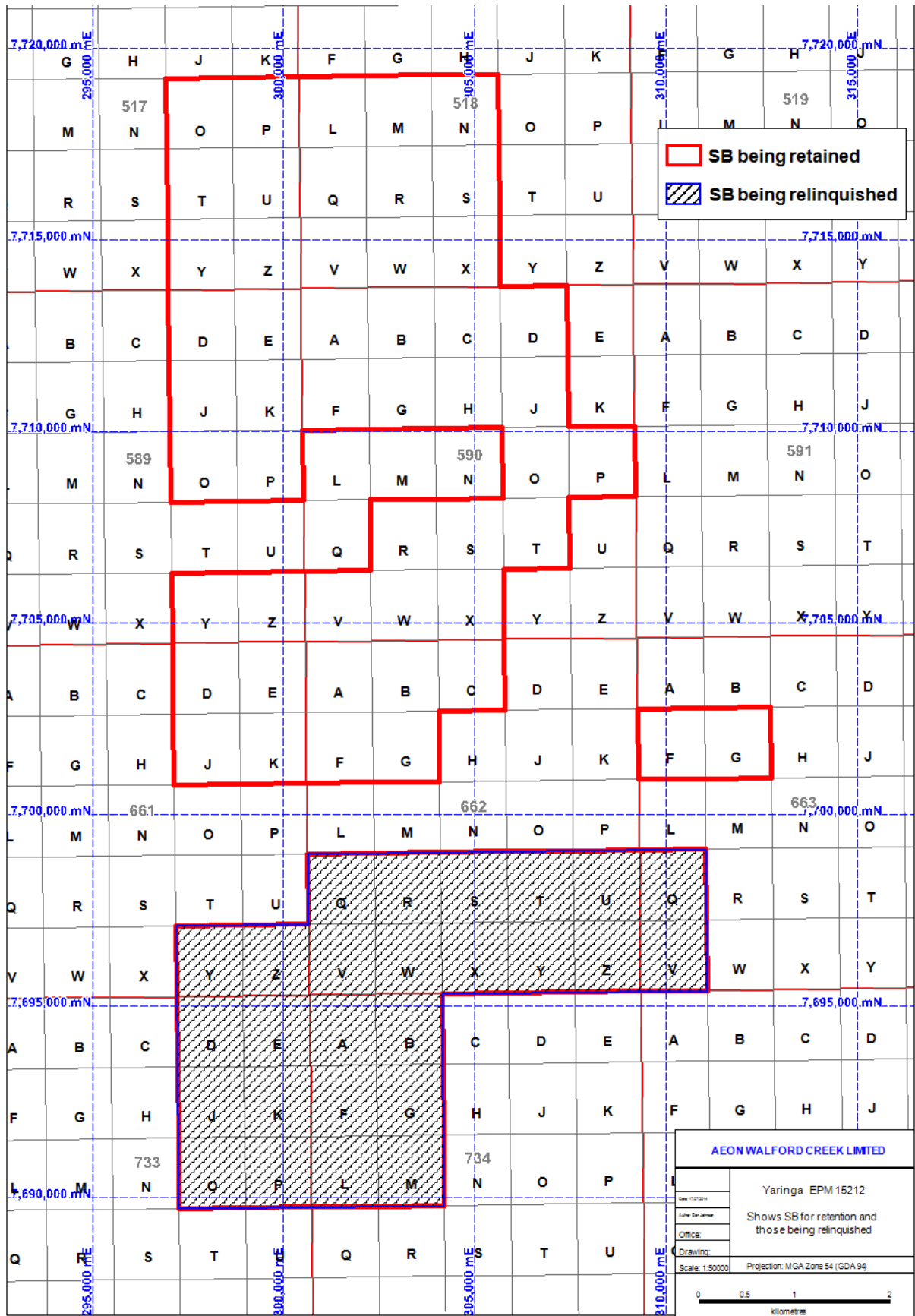


Figure 2: Shows current tenure 2014 and the 26 sub-block relinquishment

Exploration Concepts and Targets

Aeon Walford Creek Limited, as a Joint Venture partner with Summit Resources, is exploring primarily for structurally controlled, copper, lead, zinc and gold deposits associated with major regional faults, thrusts and discontinuities within the North West Minerals Province.

Exploration has been largely focused along the Mount Isa and Paroo Fault corridors, host to the world class Mount Isa copper ore bodies, and the Mount Isa-George Fisher and Hilton Pb-Zn-Ag ore bodies. Work is also being concentrated along major splays and extensions of these Fault Systems which act as controls on other deposits such as the Gunpowder copper deposit, and on the Valhalla and Skal Na-metasomatic uranium deposits.

Regional Geology

The Yaringa EPM covers parts of the eastern margin of the Cambrian Georgina Basin and the bounding Western Succession of the Proterozoic Mount Isa Inlier to the east. The regional geology (Blake, 1987) is shown in Figure 3. The tenement area is covered by the Mt Isa and Oban 1:100,000 geological map sheets. A stratigraphic column is shown in Figure 4 (Neumann, 2005).

West of the Sybella Suite, which is dominated by felsic intrusives, is the regional, north-west trending May Downs Fault, the next major fault west of the Mount Isa Fault. The fault separates the intrusive felsic rocks of the Sybella Suite to the east from the following Proterozoic units which have been mapped to the west of the fault:

- McNamara Group – Gunpowder and Paradise Creek Formations
- Haslingden Group – Bortala Formation, Alsace Quartzite, Whitworth Quartzite and Eastern Creek Volcanics
- Carters Bore Rhyolite
- Yaringa Metamophics
- Big Toby Granite

West of the Proterozoic units, which form part of the Western Succession of the Mount Isa Inlier, is the eastern margin of the Cambrian Georgina Basin. The basin is dominated by marine dolomites and limestones. The contact between the Cambrian and the basement Proterozoic is a major unconformity.

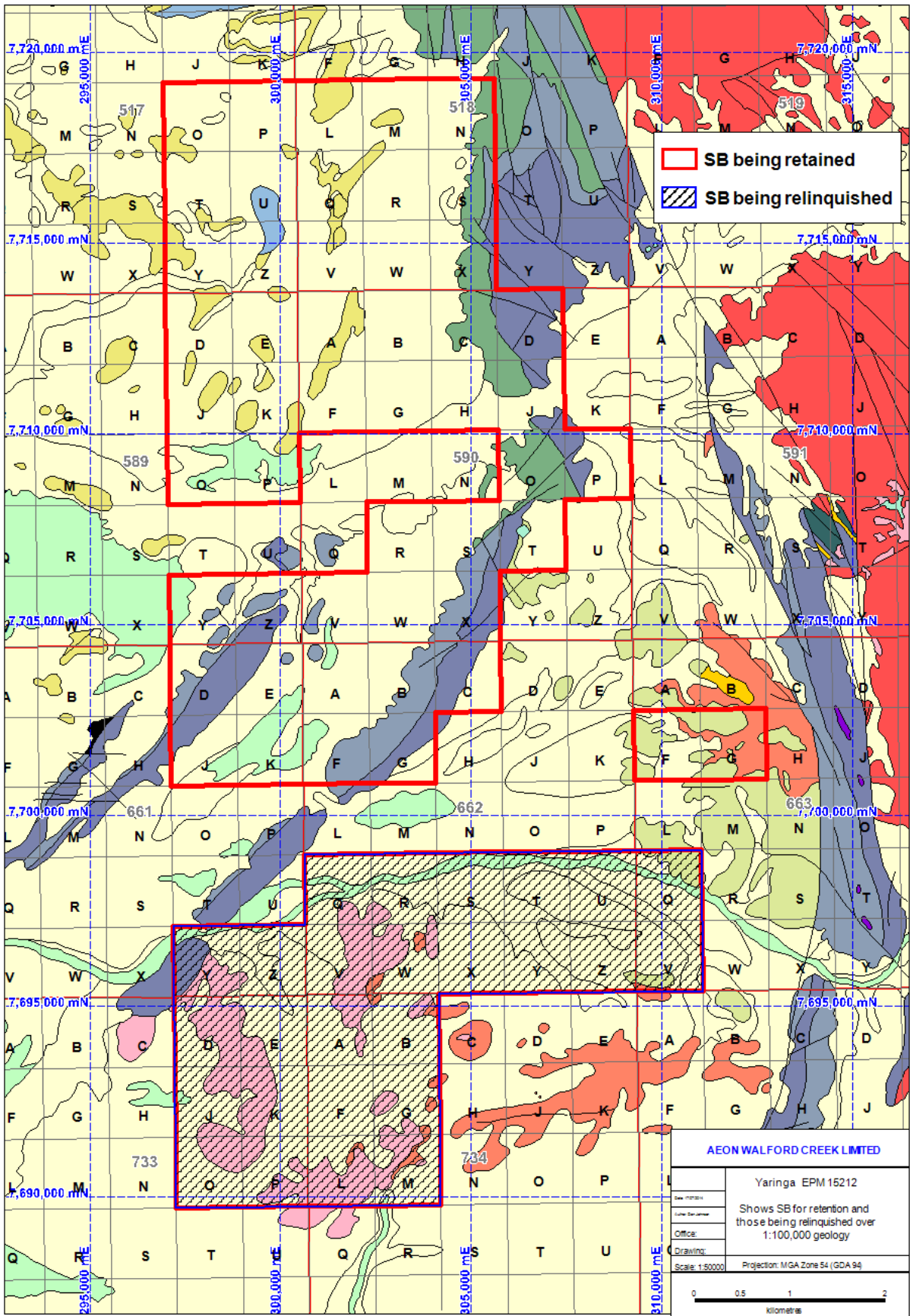


Figure 3: Regional Geology (after Blake, 1987)

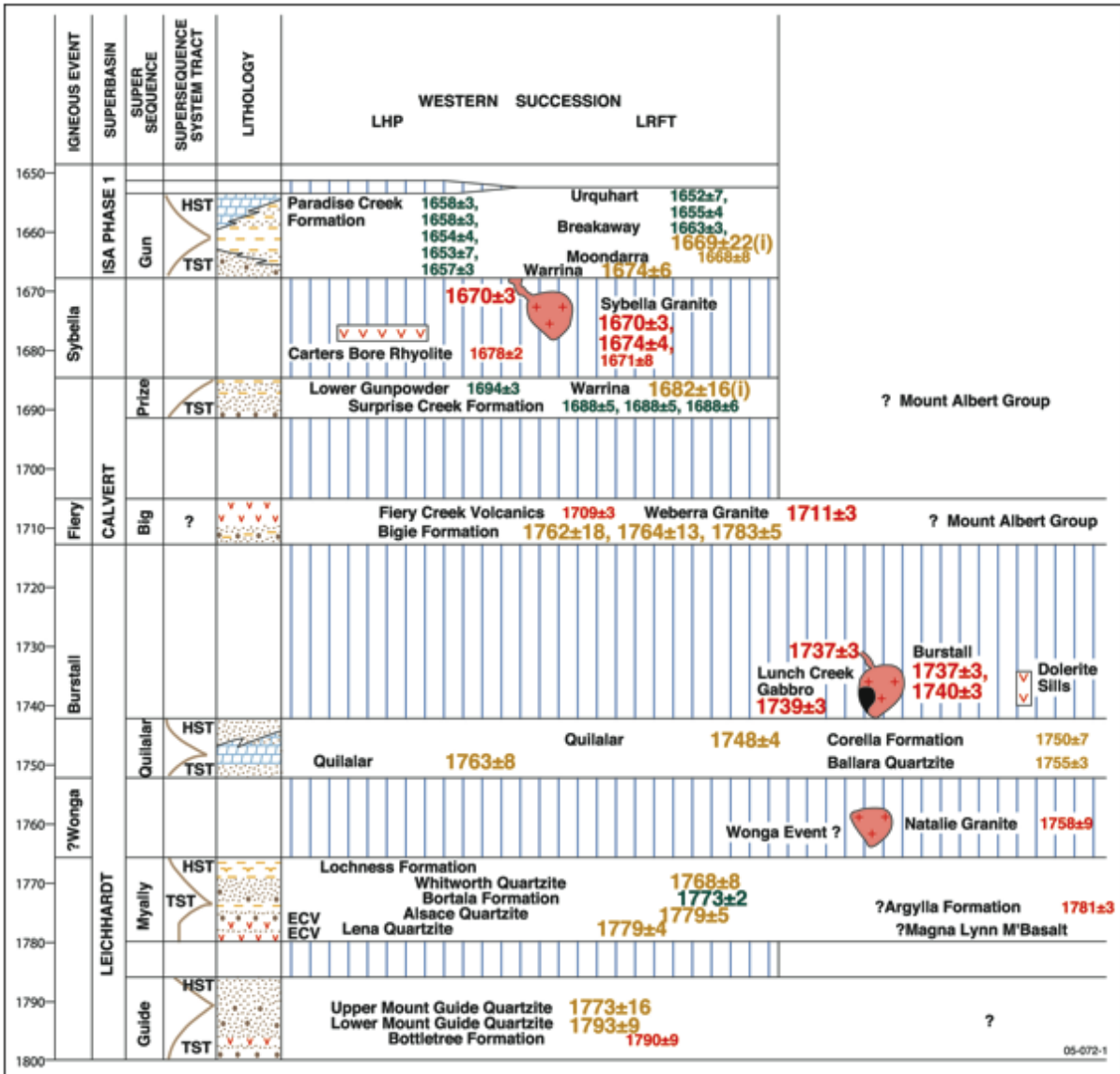


Figure 4: stratigraphic Column of regional geology (Neuman, 2005)

More than sixty percent of the tenement area is under a thin veneer of Quaternary cover, consisting of colluvial and alluvial sands, gravels, silts and clays. This obscures stratigraphic and structural relationships.

Previous Exploration

Previous exploration within the area has been carried out sporadically since the 1960's and has focussed on a number of commodities including phosphate, gold, base metals and uranium. This work is summarised in Table 3. The EPM 15212, itself, is relatively underexplored.

Table: Previous Exploration Summary

Company	Years	Work Completed	Commodity
Broken Hill South (WMC)	1967-1975	Geological mapping, percussion drilling	Phosphate
Queensland Phosphate Ltd	1971-1976	Geological mapping, percussion drilling	Phosphate
Aquitaine	1973	Rock chip sampling, auger drilling	Base Metals
MIM	1975	Soils, mapping, no anomalous results	Base Metals
ICI	1976	Drilling	Phosphate
Urangesellschaft	1977-1978	Stream sediment and soil sampling, drilling	Uranium
CEC	1982-1984	Ground magnetic survey, percussion drilling	Base Metals
CEGB	1984	Magnetometer and radiometric survey lines	Uranium
Stockdale	1988-1989	Stream sediment and rock chip sampling	Gold
BHP	1992-1998	Airborne EM survey, SIROTEM, percussion and diamond drilling	Base Metals
MIM	1994-1996	Stream sediment and rock chip sampling, mapping, RAB and percussion drilling, airborne EM, lag sampling, ground EM	Base Metals
Aeon and Summit	2007 - 2013	Soils, rock chips, drilling, desk top study, interpretation of regional datasets	Phosphate Base Metals

Exploration by Aeon Walford Creek Limited and JV Partners between 2007 and August 12, 2013

On 20th October 2008, Summit Resources and Aeon (formerly Aston Metals Ltd) entered into a Joint Venture with Dragon Energy for Dragon to earn an interest in the phosphate mineralisation within EPM 15212. This JV Agreement was terminated in October 2009.

Exploration undertaken by Aeon Walford Creek Limited and JV partners; Summit and Dragon Energy on EPM 15212 on the relinquished areas of EPM 15212 has included:

- Review of previous mineral exploration activities and report compilation;
- Field reconnaissance of the area together with a four rock chip samples and several soil samples collected by BHP in the norwest corner of the area being relinquished.
- Regional rock chip sampling and geochemistry. The rock chip locations are shown in Figure 5 and details reported in the 2007-2010 Annual Reports.

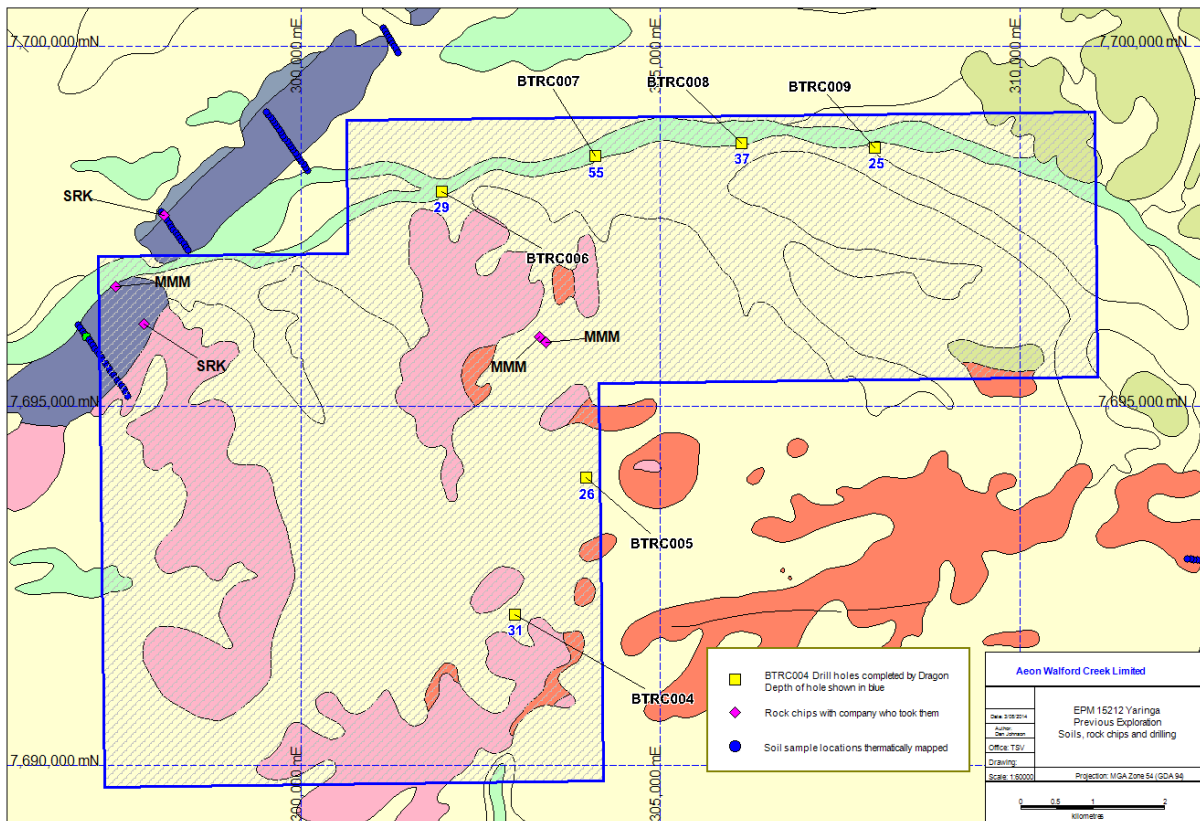


Figure 5: Location of soils and rock chip samples together with drill holes within the relinquished area.

Previous Work Undertaken

Reconnaissance

Geological prospecting, reconnaissance and subsequent data compilation were undertaken over the Big Toby Prospect in the southern portion of EPM 15212 to assess the phosphate potential.

All exposures mapped by the BMR as middle Cambrian Beetle Creek Formation were visited. These are usually identifiable by low rises and gum vegetation, distinct from the typically recessive landscape formed by the weathered Big Toby Granite which is often covered by scrubby vegetation. During reconnaissance it became apparent that a number of these exposures mapped by the BMR as Beetle Creek Formation are in fact mesas. This point has also been highlighted in reports by previous explorers.

Within the EPM, the Beetle Creek Formation, where exposed, is often limited to rare subcrop and residual soil. The only outcrop evident is in road cuts and these exposures are small. Exposures are dominated by banded siliceous siltstone and chert, potential correlatives of the lower Siltstone Member seen at Phosphate Hill. It is believed, at this stage, that significant portions of the Beetle Creek Formation may have been truncated by pre-Mesozoic erosion at a number of localities. This is thought to be the case and the probability of a significant phosphorite discovery is considered low.

Phosphate exploration has centred mostly south of the current EPM around Big Toby Creek. Some results were encouraging, such as a best intersection of 12m at 15.2% P₂O₅ from 103m in PDHMU43 by Queensland Phosphate. However, results within the area relinquished revealed the Beetle Creek Formation to be very poorly developed, thin, non-calcareous and only weakly phosphatic. Further drilling by Queensland Phosphate in 1972 failed to extend the intersection in PDHMU43.

All results for work undertaken in the relinquished area will be included in the appendices.

Aeon Walford Creek Limited have undertaken no field exploration on the relinquished sub-blocks during the period of tenure, 13th August 2013 to 12th August 2014.

Discussion and Conclusion

Aeon Walford Creek Limited is predominantly focussed on targeting structurally controlled base metal mineralisation, similar to the Mount Isa Cu-Pb-Zn deposits. The Carpentarian McNamara Group sediments, present under the Cambrian and more recent cover, within EPM 18769 have been considered prospective for this style of mineralisation and have been the focus of the work by Aeon (formerly Aston Metals Limited).

The work undertaken on the area relinquished has failed to identify areas considered prospective and worthy of further exploration expenditure; hence these sub-blocks have been relinquished. The sub-blocks that have been retained in EPM 15212 will be the focus of further base metal exploration 2014 and 2015.

References

- Blake, D.H. 1987. Geology of the Mount Isa Inlier and Environs, Queensland and Northern Territory – Bureau of Mineral Resources (AGSO) Bulletin 225.
- Cook, P.J. Shergold, J.H. 2005. Phosphate Deposits of the World, Volume 1, Proterozoic and Cambrian Phosphates.
- Ingram, J. 2009. Yaringa EPM 15212 Second Annual Report for the period ended 12th August 2009.
- Ridge, K. 2008. Yaringa EPM 15212 First Annual Report for the period ended 12th August 2008.
- Simpson, C. 2010. Yaringa EPM 15212 Third Annual Report for the period ended 12th August 2010.
- Simpson, C. 2011. Yaringa EPM 15212 Fourth Annual Report for the period ended 12th August 2011.
- Curtis, C. 2012. Yaringa EPM 15212 Fifth Annual Report for the period ended 12th August 2012.

ANNEXURE A

AUTHORISATION LETTER



Aeon Metals Limited

(formerly Aussie Q Resources Limited)
ABN 91 121 964 725

Level 3, 88 Pitt Street, Sydney, NSW 2000, Australia
P.O. Box 8155, Gold Coast MC. Qld 9726, Australia
P: 61 7 5574 3830 F: 61 7 5574 3568
W: aeonmetals.com.au
E: aqr1@bigpond.com

ASX Code - AQR

25 June 2014.

Department of Natural Resources and Mines
Attn: Exploration Management Unit
PO Box 15216
CITY EAST QLD 4002

Dear Sir/Madam

RE: LETTER OF AUTHORITY TO COMPLETE PERMIT TRANSACTIONS for EPMs 11897, 11898, 12653, 14040, 14220, 14233, 14694, 14712, 14713, 14821, 14854, 14935, 15156, 15186, 15212, 17300, 18395, 18552 and 18769

I authorise Clare Johnson, Tenement Manager of Aeon Metals Limited (A.C.N. 121 964 725) to undertake the responsibilities of the Authorised Holder Representative (AHR) described below, in relation to **EPMs 11897, 11898, 12653, 14040, 14220, 14233, 14694, 14712, 14713, 14821, 14854, 14935, 15156, 15186, 15212, 17300, 18395, 18552 and 18769** currently held by Aeon Walford Creek Limited.

I provide this authority for the duration of the permit. I agree that if there are changes to this authority, or in the ownership of the permit, I will complete a new Letter of Authority.

Authorised Holder Representative (AHR) Responsibilities

Clare Johnson (AHR) has my authority to undertake the following activities and transactions with the Queensland Department of Natural Resources and Mines ("the Department") in relation to **EPMs 11897, 11898, 12653, 14040, 14220, 14233, 14694, 14712, 14713, 14821, 14854, 14935, 15156, 15186, 15212, 17300, 18395, 18552 and 18769**.

1. Completing and lodging the permit related applications.
2. Responding to requests for information from the Department relating to the permit.
3. Being the registered point of contact for permit notices, letters or other interactions and transactions.
4. Completion and submission of notices, reports, letters and other information or communication required to be completed by the Department.
5. Completion and submission of transactions throughout the active life of the permit.
6. Granting access to the Department's MyMinesOnline computer system to other people to perform AHR responsibilities 1-5 listed above, but not the ability to grant additional access.

7. In addition, this authority allows Clare Johnson to do all things required under the Mineral Resources Act 1989 in relation to **EPMs 11897, 11898, 12653, 14040, 14220, 14233, 14694, 14712, 14713, 14821, 14854, 14935, 15156, 15186, 15212, 17300, 18395, 18552 and 18769** including access to any information that the Department would normally make available to the holder.

This authority permits transactions which require submission of copies of the relevant documents signed by all authorised parties to the transaction. In addition, it entitles access to any information the Department may normally make available to the applicant or holder in the course of maintaining any title. It does not include transfer or relinquishment of the permit.

Yours faithfully,



Hamish Collins
Managing Director
Aeon Metals Limited