

# ARCAS PROJECT SUMMARY

## LARGE PROSPECTIVE LAND PACKAGE LOCATED IN A WORLD-CLASS COPPER PRODUCING DISTRICT



**Summary** Aethon Minerals has an option to earn a 100% interest in four properties (Arcas, Lia, Quito and Timon) collectively termed the “Arcas cluster”, located in Region II, Chile. In total, the properties consist of exploration concessions totaling approximately 66,800 ha. An NI 43-101 Technical Report on the Arcas property was completed in April 2018.

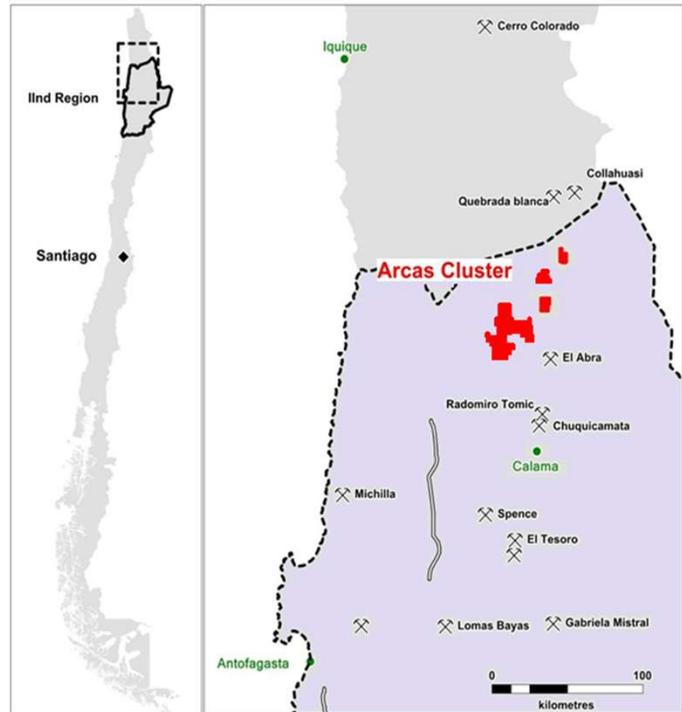
**Location** Located 245km northeast from city of Antofagasta, in Region II, Chile. The Arcas cluster of properties represents a large tenure position strategically located within a world-class copper producing district. The center of the Arcas cluster is situated approximately 30 km NW of the Freeport/Coldeco El Abra mine (2,494 Mt at 0.43% Cu MI&I)<sup>1</sup>. At the wider scale, the cluster of properties is located approximately 60 km north of the supergiant Chuquicamata District.

**Accessibility** The project area can be accessed from the west via the Pan-American Highway to the town of Quillagua located 35 km to the west, and then via dirt roads to various access points into the multiple concession blocks. It is also accessible from the east, from Calama, similarly via dirt roads into the eastern and northern concession blocks.

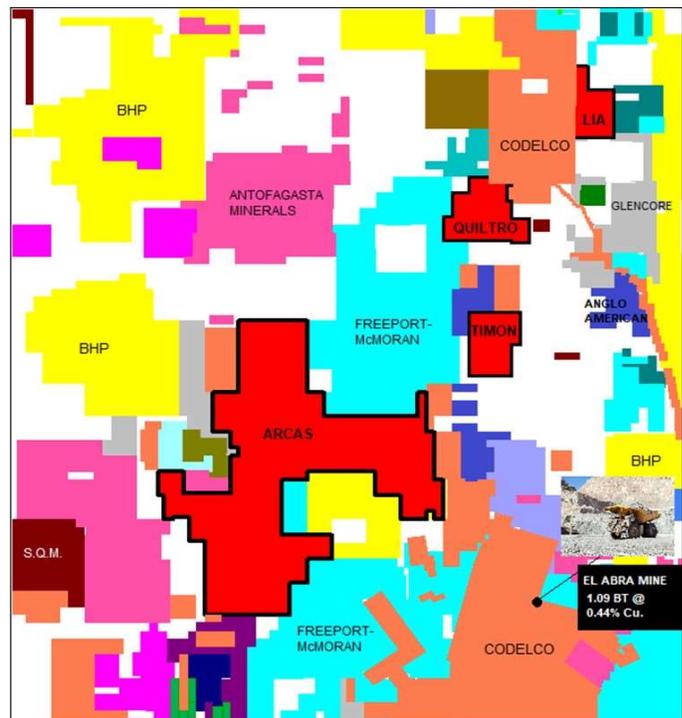
**Geology** The Arcas cluster is located in the Atacama Desert, the cordilleran transitional zone between lower desert and high cordillera, at elevations of 1,500-3,800 meters. The four concession blocks fall along the greater West Fissure-Domeyko mineralized trend which hosts numerous world-class porphyry copper deposits (e.g. Escondida, Chuquicamata, Collahuasi, El Abra). Despite their location along a major mineral belt, these properties have seen only little modern exploration and they remain in a preliminary stage of exploration.

This greater belt includes the favorable Paleocene-Oligocene intrusive porphyries which generated productive porphyry copper deposits. However, the general geology of this belt is very complex given much large-scale faulting which has produced horsts, grabens, both detachment and thrust structures, and much displacement of geological sequences. Fault zones with multiple kilometers of vertical displacement are common. The Arcas cluster concessions reflect this complex geology; for example the main Arcas block exhibits three general sequences of dramatically different ages, as juxtaposed across deep and large displacement faults: a Pre-Cambrian and Paleozoic metamorphic horst juxtaposed against Mesozoic sedimentary and Tertiary volcanic sequences, with crosscutting porphyritic intrusive bodies of unknown ages.

Arcas Cluster Map – Region II, Chile



Arcas Concession Map – Located in a World-Class Copper Producing District



Notes:

<sup>1</sup>M&I Resources shown inclusive of Reserves as of Dec. 31, 2017

# ARCAS PROJECT SUMMARY

LARGE PROSPECTIVE LAND PACKAGE LOCATED IN A WORLD-CLASS  
COPPER PRODUCING DISTRICT



Properties	Hectares
Arcas	53,100
Quiltro	5,700
Lia	3,600
Timon	4,400



**Work History** The only known historical exploration on the properties was a selective reconnaissance program by Teck Exploraciones Chile ("Teck") from 2008-2010, and for which Teck drilled a porphyry prospect on the main Arcas block in 2010. Teck's drill holes encountered porphyry style mineralization, but Teck subsequently sold its properties in the area to BLC SpA "BLC" in 2014 .

BLC commissioned initial reconnaissance exploration on all four blocks during 2014-2016, but the principal focus was on the main Arcas concession block. This preliminary exploration program involved a systematic and integrated reconnaissance methodology which included (1) review of literature and existing geological data as pertinent to the concession blocks, (2) project-scale interpretation of ASTER and Landsat satellite imagery, (3) systematic geochemical sampling of stream sediments along drainages, (4) sampling of rock chip from outcrop where indications of alteration and mineralization were encountered, (5) soil samples in areas with significant regolith cover, (6) hand-held ASD (Terraspec) identification of hydrothermal minerals in all rockchip samples, and (7) preliminary geological mapping on selected prospects. Some 16 initially favorable prospects were identified, of which several clearly merit follow-up exploration work in order to identify potential drill targets.

The remaining three concession blocks, have also produced significant geochemical and alteration anomalies, but work to-date on these concession blocks is highly preliminary and follow-up reconnaissance exploration remains pending.

**Option Agreement** Aethon can earn a 100% interest in the Arcas cluster and 8 other early-stage exploration projects in Chile, subject to a 2% GSR, by incurring cumulative minimum exploration expenditures of \$750k within 18 months of April 26, 2018, of which \$500k must be incurred within 12 months from that date.

**Next Steps** During 2018-2019, Aethon plans on conducting a two-phase exploration work program. Phase 1 is expected to consist of a reconnaissance program over the terrain in the four concession blocks, with a subsequent synthesis of all of the reconnaissance sampling, geological mapping, and geophysics. Phase 2 would consist of drilling selected prospects identified in Phase 1 using the reverse circulation method.



*Darby Ian Fletcher, geologist, PHD, CPG., is the qualified person, as defined by NI 43-101, who prepared the Arcas Copper-Gold Project NI 43-101 Technical Report filed on April 9, 2018*

## For Further Information:

**Robert Davies, President & CEO**  
robert@aethonminerals.com

**John Miniotis, VP Corporate Development**  
jminiotis@aethonminerals.com