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27 June 2014

Mr Stephen J Lonergan
Company Secretary
Aeon Metals Limited
Level 3, 88 Pitt Street
Sydney NSW 2000

By email: stevelon@bigpond.net.au

Dear Steve,

Request for Listing Rule Waiver – Aeon Metals Limited (Company)

I refer to your letter dated 24 June 2014 applying for a waiver from ASX Listing Rule 14.7.

I am pleased to advise that ASX Limited (ASX) has decided to grant the waiver you have requested.

ASX's formal decision reads as follows.

DECISION

1. *Subject to resolution 2, and based solely on the information provided, ASX Limited ("ASX") grants Aeon Metals Limited (the "Company") a waiver from listing rule 14.7 to the extent necessary to permit the Company to issue 4,000,000 fully paid ordinary shares (the "Shares") to Mr Hamish Collins, as approved by shareholders at the general meeting held on 8 May 2014, later than 1 month after the date of the meeting.*
2. *Resolution 1 is conditional on the following.*
 - 2.1 *The Shares are issued no later than 4 July 2014 and otherwise on the same terms and conditions approved by shareholders on 8 May 2014.*
 - 2.2 *The terms of this waiver are immediately released to the market.*
3. *ASX has considered listing rule 14.7 only and makes no statement as to the Company's compliance with other listing rules*

BASIS FOR DECISION

Listing rule 14.7

Underlying Policy

1. *If a notice of meeting states that an entity will do something that the listing rules require it to do, the entity must do that thing. This supports the integrity of listing rule requirements that forbid a listed entity from taking a particular action unless it has obtained the prior approval of ordinary security holders, and require the giving to*

security holders of specific information about the proposed action in order for such approval to be validly obtained.

Facts and Reasons for Granting Waiver

2. *Shareholder approval was obtained on 8 May 2014 for the issue of fully paid ordinary shares to a director. The Company's notice of meeting stated that the securities would be issued to the director within 1 month of the date of the meeting (as required by listing rule 10.13.3). The issue of shares was conditional upon the completion of the acquisition of Aston Metals (Qld) Limited from receivers, managers and secured creditors. The acquisition was only completed on 17 June 2014, more than one month after the meeting. Completing the acquisition took longer than originally anticipated due to the number of parties involved and many of the decision makers being based overseas.*
3. *The notice of meeting specified the maximum number of shares to be issued to the director, the price of the securities and the terms of the limited recourse loan. The circumstances of the Company have not changed materially since shareholders approved the proposed issue. A waiver is appropriate as there is no undue benefit to the related party arising from the delay.*

As you will see, the waiver is subject to certain conditions. Under Listing Rule 18.1.1, these conditions must be complied with for the waiver to be effective.

If the Company finds these conditions unacceptable, it is entitled to appeal ASX's decision to impose these conditions to the ASX Appeal Tribunal

To appeal, the Company must lodge written notice of its intention to appeal with ASX within 10 Business Days of being notified of this decision. The notice must identify the decision against which the appeal is made and set out the grounds of appeal. An appeal fee of \$5,000 plus GST must also be paid with the lodgement of the appeal notice.

For further information in relation to the appeals process, please refer to:

- the ASX Enforcement and Appeals Rulebook, a copy of which is available at <http://www.asx.com.au/regulation/rules/asx-enforcement-rulebook.htm>; and
- ASX Listing Rule Guidance Note 21 *Appeals*, a copy of which is available at http://www.asx.com.au/documents/rules/gn21_appeals.pdf.

ASX's power to vary or revoke waiver

It should be noted that under ASX Listing Rule 18.3, ASX may vary or revoke this waiver at any time.

Further enquiries

If you have any further enquiries in relation to this matter, please feel free to contact me on 02 9227 0640 or at adrian.smythe@asx.com.au.

Yours sincerely,

[Sent electronically without signature]

Adrian Smythe
Managers, Listings Compliance



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(formerly Aussie Q Resources Limited)

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ASX Code – AQR

24 June 2014

Not for Public Release

Mr Adrian Smythe,
Manager, Listings Compliance,
ASX Compliance Pty Ltd,
20 Bridge Street,
Sydney NSW 2000

Dear Mr Smythe,

Application by Aeon Metals Limited for a waiver from Listing Rule 14.7 to allow shares to be issued to a Director outside the one month period prescribed in Listing Rule 10.13.3

This is an application by Aeon Metals Limited (Aeon) for a waiver from Listing Rule 14.7 and is a non standard waiver request in terms of Guidance Note 17.

On 8 May 2014 Aeon Shareholders approved the issue of 4,000,000 ordinary fully paid shares to its Managing Director (Director Shares) conditional, relevantly, on completion of a transaction to acquire all the issued shares in Aston Metals (QLD) Limited .as described in the Notice of Meeting (the Transaction). The Notice (page 17) also provided that:

The Directors Shares will be issued no later than one (1) month after the date of the Meeting (or such longer period of time as ASX may in its discretion allow) provided the Transaction has been completed.

The Transaction was completed on 17 June 2014 being more than one month after the date of the shareholder approval.

When the Notice of Meeting was issued on 8 April 2014, the Subscription and Implementation Deed in relation to the Transaction (which had been signed by Aeon and other relevant parties on 2 April 2014) provided for a number of additional documents to be negotiated and signed as conditions precedent to completion.

Aeon reasonably expected that these documents would be promptly finalised so that completion would occur within the month after the shareholder meeting. Unanticipated legal and commercial issues in relation to the outstanding documents had to be resolved between Aeon and the decision makers of counterparties located in Singapore or Hong Kong with their legal advisors being located in Sydney. Despite Aeon's best efforts, this process took far longer than anticipated and was not within the control of Aeon.

We understand that the underlying policy of Listing Rule 10.13.3, which imposes the one month requirement, is to ensure the securities are issued a short period after the meeting so that the related party allottee does not have an extended period to decide whether or not to take up the issue. Imposing a short period for completion of the issue also reduces the possibility of there being a material change in the entity's circumstances between the time shareholder approval was given and the time the securities are issued which helps to provide a greater degree to shareholders of the likely value of the securities when they are issued.

In this case, there has always been certainty that these shares will be taken up because the subscription funds are to be lent interest free by Aeon to the subscriber on a limited recourse basis. Shareholders were also alerted to the possibility of issue of these Director Shares more than one month after the meeting because of the statement in the Notice of Meeting that the shares might be issued after "such longer period of time as ASX may in its discretion allow"

Listing Rule 14.7 ensures that an issue of securities approved by shareholders conforms to the terms on which shareholder approval was obtained. In this case, it was foreshadowed that the shares would be issued within one month "or such longer period of time as ASX may in its discretion allow", so that an issue of the Director Shares in accordance with an ASX determination would be consistent with terms approved by shareholders.

The Company requests a waiver of Listing Rule 14.7 to enable the Director shares to be issued within one week after notification of the waiver.

Yours sincerely

A black and white image of a handwritten signature in cursive script, appearing to read "S. Lonergan". The signature is written in white ink on a black rectangular background.

Stephen J Lonergan
Company Secretary