



Aeon Metals Ltd

ABN 91 121 964 725

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ASX Code - AQR

8 April 2014

Dear Shareholder,

On 3 April 2014, your Company announced that, subject to shareholder approval of the necessary share and option issues, it would acquire Aston Metals Limited (AMQ) through a series of complex arrangements with secured creditors and receivers and managers of AMQ. AMQ holds the large Walford Creek Project (previously Nathan Tinkler's flagship base metals project) and interests in four exploration joint ventures in the Mt Isa area in a tenement package covering some 3,600sq km in the world class Mt Isa minerals province in north west Queensland.

The Walford Creek Project is a large base metals project with significant 2012 JORC Indicated and Inferred Resources of 48Mt at 1.42% Cu Equiv.¹

Since 2010, Walford Creek has been held in private hands, with 14,992 metres of drilling undertaken along a 5km zone. The current JORC Resource has been defined along this 5km strike length of the Fish River Fault Zone, which extends for 25km within the Walford Creek Project tenements. The mineralisation is largely structurally controlled thus there is substantial potential for Resource extensions along the strike-length of the fault.

The Walford Creek Project has a clear pathway to project development with the potential for open pit mine development of world scale. Aeon is planning to drill an additional 12,000 metres with the target to increase the Walford Creek Resource by at least 50% to more than 75Mt and complete a pre-feasibility study (PFS) by December 2015.² Additional details are on the Company's website www.aeonmetals.com.au

The AMQ acquisition will provide Aeon with significant scale and, potentially, a world scale base metals operation which will complement our existing south east Queensland base metal assets. All the Directors of Aeon believe that this opportunity is unique and will leverage Aeon to any base metals upswing.

¹ Full details of these indicated and Inferred Resources are contained in the Company's announcement of 3 April 2014.

² This target is based on exploration work and results to date at Walford Creek. The potential quantity and grade is conceptual in nature. There has been insufficient exploration to estimate the current reported Indicated and Inferred Resource beyond the current 48 Mt at 1.42%Cu Equiv and it is uncertain if further exploration will result in the estimation of additional Mineral Resources.



To secure the acquisition, consideration payable by Aeon will be

- ▶ \$20m non-recourse loan with 12% pa capitalised interest payable after 3 years, secured over Aeons share in AMQ and AMQ's assets
- ▶ 48.275 million AQR shares at \$0.145 per share; and
- ▶ Options (unlisted, 3 year) with face value of \$10m

To fund exploration and drilling work the Company has placed \$8 million of Aeon shares at 12 cents per share to professional and sophisticated investors, subject to shareholder approval.

The Company is convening a General Meeting of shareholders on 8 May 2014 to approve the issue of the shares and options referred to above. Shareholders are also being asked to approve a share placement to the Managing Director to incentivise and retain him to deliver value to shareholders.

Enclosed with this letter is the formal Notice for the General Meeting and a personalised Proxy Form.

I do hope you can attend the meeting and, if you are unable, then you can show your support by submitting your Proxy in favour of the Resolutions.

I thank you for your continuing support of the Company and we look forward to bring this transforming acquisition to a successful completion.

Sincerely

A handwritten signature in black ink, appearing to read 'Tom Mann'.

Tom Mann
Chairman

Competent Person Statement

The data in this letter that relates to Mineral Resource Estimates for the Walford Creek Deposit 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 letter that relates to Exploration Targets and Exploration Results for the Walford Creek Deposit is based on information compiled 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 Aston Metals Queensland Limited and consents to the inclusion in the presentation of the Exploration Targets and Exploration Results in the form and context in which they appear.



Notice of Meeting

and Explanatory Statement

General Meeting of **Aeon Metals Limited** ACN 121 964 725
to be held at **The Grace Hotel, Corner of York & King Streets,**
77 York Street, Sydney NSW 2000

on **Thursday, 8 May 2014** at **10.00am** Sydney time.

Please read this Notice and Explanatory Statement carefully.

If you are unable to attend the meeting please complete and return the enclosed Proxy Form in accordance with the specified instructions.

aeonmetals.com.au

Important Dates

Proxy forms Deadline for lodgement of proxy forms for the General Meeting	10.00am (Sydney time) 6 May 2014
General Meeting Voting Entitlement Time Time for determining entitlements to vote at the General Meeting	10.00am (Sydney time) 5 May 2014
General Meeting General Meeting convened	10.00am (Sydney time) 8 May 2014

Notice of General Meeting

Notice is hereby given that a General Meeting of shareholders of Aeon Metals Limited will be held at **The Grace Hotel**, Corner of York & King Streets, 77 York Street, Sydney NSW 2000 commencing at 10.00am (Sydney time) on Thursday 8 May 2014.

Explanatory Statement

The Explanatory Statement which accompanies and forms part of this Notice of Meeting describes the matters to be considered at the General Meeting.

Defined terms

Terms used in this Notice of General Meeting have the meaning given to them in the Glossary at the back of this Notice of Meeting.

Ordinary Business

1. Resolution 1 : Approval of proposed share placement of ordinary shares

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, subject to and conditional on the passing of Resolutions 2 and 3, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve and authorise the proposed placement of shares announcement by the Company on 3 April 2014 of up to 66,666,666 ordinary fully paid shares in the Company at \$0.12 per share to sophisticated or professional investors (who are not related parties of the Company) not later than three (3) months after the date of this General Meeting as detailed in the Explanatory Statement."

Short Explanation: This resolution approves the proposed issue of ordinary shares to be made to professional and sophisticated investors. Prior approval is required under Listing Rule 7.1 given the number of New Shares to be issued is in excess of the 15% limit permitted under Listing Rule 7.1.

Voting exclusion statement: The Company will disregard any votes cast on this resolution by a person who participated in the issue, and associate or associates of that person. However, the Company need not disregard a vote if:

- ▶ it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- ▶ it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

2. Resolution 2: Approval of proposed issue of New Shares

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, subject to and conditional on the passing of Resolutions 1 and 3, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue, not later than three (3) months after the date of this General Meeting, of 41,034,483 fully paid ordinary New Shares in the capital of the Company, at a price of \$0.145 per New Share to Orchard Centar Master Limited and 7,241,379 fully paid New Shares at the same price to Orchard Dejima Limited (including their respective nominees) as part consideration for the transfer of the Existing AML Notes to the Company on the terms and conditions detailed in the OCP Funds Subscription and Implementation Deed and as summarised in the Explanatory Statement."

Short Explanation: This resolution approves the proposed issue of New Shares to be made to Orchard Centar Master Limited and Orchard Dejima Limited (or their nominees) as part consideration for the transfer of the Existing AML Notes to the Company on the terms and conditions detailed in the OCP Funds Subscription and Implementation Deed which documents the Existing AML Note Acquisition, one of the acquisitions which forms the Transaction for the acquisition of Aston Metals (QLD) Limited. Prior approval is required under Listing Rule 7.1 given the number of New Shares to be issued is in excess of the 15% limit permitted under Listing Rule 7.1.

Voting exclusion statement: The Company will disregard any votes cast on this resolution by a person who may participate in the issue, namely Orchard Centar Master Limited and Orchard Dejima Limited and associates of those persons. However, the Company need not disregard a vote if:

- ▶ it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- ▶ it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

3. Resolution 3: Approval of proposed issue of New Options

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, subject to and conditional on the passing of Resolutions 1 and 2, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue, not later than three (3) months after the date of this General Meeting, of an aggregate number of New Options determined in accordance with the formula contained in the Explanatory Statement to Orchard Centar Master Limited and Orchard Dejima Limited (including their respective nominees) in such numbers as they determine as part consideration for the transfer of the Existing AML Notes to the Company on the terms and conditions detailed in the OCP Funds Subscription and Implementation Deed and as summarised in the Explanatory Statement."

Short Explanation: This resolution approves the proposed issue of New Options to be made to Orchard Centar Master Limited and Orchard Dejima Limited (or their nominees) as part consideration for the transfer of the Existing AML Notes to the Company on the terms and conditions detailed in the OCP Funds Subscription and Implementation Deed which documents the Existing AML Note Acquisition, one of the acquisitions which forms the Transaction for the acquisition of Aston Metals (QLD) Limited. Prior approval is required under Listing Rule 7.1 given the number of New Options to be issued is in excess of the 15% limit permitted under Listing Rule 7.1.

Voting exclusion statement: The Company will disregard any votes cast on this resolution by a person who may participate in the issue, namely Orchard Centar Master Limited and Orchard Dejima Limited and associates of those persons. However, the Company need not disregard a vote if:

- ▶ it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- ▶ it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

4. Resolution 4: Approval to issue shares to Mr Hamish Collins

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, subject to and conditional on completion of the Transaction described in the Explanatory Statement and the surrender by Mr Hamish Collins of 4,000,000 performance rights issued to Mr Hamish Collins after shareholder approval on 24 August 2012, pursuant to ASX Listing Rule 10.11 and for all other purposes, the Directors be authorised to issue 4,000,000 ordinary fully paid shares in the Company to Mr Hamish Collins (or his nominee) at \$0.12 per share, and otherwise on the terms and conditions set out in the Explanatory Statement."

Short Explanation: This resolution will enable the Company to issue 4m shares to Mr Hamish Collins and approval under ASX Listing 10.11 given Mr Hamish Collins, as a director, is a related party of the Company.

Voting exclusion statement: The Company will disregard any votes cast on this resolution by a person who may participate in the issue, namely Mr Hamish Collins and associate or associates of Mr Hamish Collins. However, the Company need not disregard a vote if:

- ▶ it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- ▶ it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

By Order of the Board



Stephen J Lonergan

Company Secretary

How to vote

If you are entitled to vote at the General Meeting, you may vote by attending the meeting in person or by attorney, proxy or, in the case of corporate shareholders, corporate representative.

1. Voting in person or by attorney

Shareholders or their attorneys wishing to vote in person should attend the General Meeting.

Attorneys should bring with them the original copy or a certified copy of the power of attorney under which they have been authorised to attend and vote at the General Meeting, unless it has already been provided to the Company.

2. Voting by proxy

Shareholders wishing to vote by proxy must complete, sign, and deliver the appropriate proxy form or forms in accordance with the instructions on the forms to be received at an address given below no later than 48 hours before the commencement of the meeting. This means that they must be received prior to 10:00am (Sydney time) on 6 May 2014. Any proxy form received after that time will not be valid for the General Meeting.

By mail: Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001
By fax: + 61 2 9290 9655
In person: Level 7, 207 Kent Street, Sydney NSW 2000
Email: info@aeonmetals.com.au

A personalised proxy form for the General Meeting is enclosed with this Notice of Meeting. This proxy form contains detail on how a Shareholder may appoint a proxy to attend and vote on their behalf. The chairman of the General Meeting intends to vote all valid undirected proxies from Shareholders in favour of that Resolution.

The chairman of the General Meeting will not vote any undirected proxies from Shareholders ineligible to vote in favour of the Resolutions.

3. Voting by corporate representative

Corporate shareholders or corporate proxies voting by corporate representative should:

- (a) obtain an appointment of corporate representative form from the Company;
- (b) complete and sign the form in accordance with the instructions on the form; and
- (c) bring the completed and signed form with them to the General Meeting.

4. Attendance and Voting restrictions at the General Meeting

All Shareholders may attend the General Meeting in person or by attorney, proxy or corporate representative.

A voting exclusion statement is contained after each Resolution in the Notice of General Meeting. Votes cast by shareholders contrary to the voting exclusion statement will be disregarded.

Explanatory Statement

The Explanatory Statement forms part of the Notice of General Meeting of Aeon Metals Limited (**Company**) to be held at The Grace Hotel, Corner of York & King Streets, 77 York Street Sydney NSW 2000 commencing at 10.00am (Sydney time) on 8 May 2014.

The Explanatory Statement is part of the Notice of General Meeting.

Read the Notice of Meeting

The Directors recommend Shareholders read the Notice of General Meeting and this Explanatory Statement in full before making any decisions relating to the Resolutions contained in the Notice of General Meeting.

Defined terms

Terms used in this Explanatory Statement have the meaning given to them in the Glossary at the back of this Notice of Meeting.

General information

1. The Transaction

1.1 Background to the Transaction

The purpose of the Transaction is for the Company to acquire the Walford Creek Project in northwest Queensland together with interests in the Mt Isa Joint Ventures by the acquisition of AMQ to be a wholly owned subsidiary of the Company.

1.2 The mechanics of the Transaction

The result of the Transaction is that Aeon will acquire AMQ which holds the Walford Creek Project and interests in four exploration joint venture in the Mt Isa area. The entire issued share capital of AMQ will be acquired from the Receivers and Managers of its parent, AML.

The Transaction is made up of two distinct but interdependent acquisitions; the Existing AML Note Acquisition and the AMQ Acquisition.

A snapshot of each acquisition is provided below:

Existing AML Note Acquisition:

Transfer of Existing AML Notes

Under the Existing AML Note Acquisition, the Company will acquire the 21 Existing AML Notes issued by AML and held by Orchard Centar Master Limited, 3 Existing AML Notes issued by AML and held by Orchard Dejima Limited and 1 Existing AML Note held jointly by Centar Master Limited and Orchard Dejima Limited.

The 25 Existing AML Notes were issued by AML to OCP Funds pursuant to the Existing AML Note Agreements. Each of the 25 Existing AML Notes has a face value of \$1 million. As at the date of this Notice of Meeting, AML owes OCP Funds a total of approximately \$28 million under the 25 Existing AML Notes, this amount is made up of the face value plus fees and costs.

Consideration by the Company for the transfer of the Existing AML Notes

In consideration for the transfer of the 25 Existing AML Notes by the OCP Funds to the Company and acquiring the benefit of the security under the Existing Securities, the Company will issue to OCP Funds:

- (a) **New Shares:** 48,275,862 New Shares in the Company. These New Shares will be subject to a restriction to the effect that they cannot be traded by the OCP Funds for 12 months after the allotment date subject to certain agreed exceptions (**Voluntary Restriction**):

- (b) **New Options:**

- (i) **New Option Exercise Price:** The exercise price per New Option is equal to the daily VWAP of Aeon Shares over the 30 trading days ending on the day immediately preceding the issue date of the New Options plus a 20% premium (**New Option Exercise Price**).
- (ii) **Number to be issued:** The number to be issued will be equal to \$10 million divided by the New Option Exercise Price.
- (iii) **Worked example:** If the New Option Exercise Price is to be 15 cents this will require the issue of 66,666,666 New Options; and

The ability of the OCP Funds to exercise the New Options will be constrained by the Corporations Act restrictions on the acquisition of a relevant interest of 20% or more of the voting power in the Company. The Company has agreed with the OCP funds to seek the approval of its shareholders at the 2014 AGM under Section 611(7) of the Corporations Act so that this restriction will no longer be applicable in connection with the exercise of the New Options. If this is not approved by shareholders then the Voluntary Restriction in relation to the New shares will cease.

- (c) **New Notes:** These require the Company to pay OCP \$20 million plus capitalised interests at 12% per annum by the third anniversary of the date of issue of the New Notes.

The obligations of the Company with respect to the repayment amount to OCP Funds under the New Notes (as set out in Schedule 1 of this Notice of Meeting) will be secured over Aeon's shares in AMQ, the AML Promissory Note and the Existing AML Notes and these will be the sole recourse of the OCP Funds in the event of a default by the Company.

AMQ Acquisition

Transfer of AMQ Shares and AML Promissory Note

Under the AMQ Acquisition, the Company will acquire the AMQ Shares from AML along with AML's interest in the AML Promissory Note which documents a promise by AMQ to pay AML \$38.2 million.

Consideration by the Company for the transfer of the AMQ Shares and AML Promissory Note

In consideration for the transfer of the AMQ Shares and the AML Promissory Note by AML to the Company, the Company will pay AML \$10 and cancel 7 of the 25 Existing AML Notes which were transferred to it by OCP under the Existing AML Note Acquisition (or procure that OCP funds cancel these Existing AML Notes prior to them being transferred to the Company). This means that \$7 million of the debt owed by AML to the Company under 7 of the Existing AML Notes will be forgiven, leaving a balance of 18 Existing AML Notes, being \$18 million plus fees and costs.

Aeon considers the AML Promissory Note to be of no current economic significance.

1.3 The Transaction Agreements

Existing AML Note Acquisition:

The Existing AML Note Acquisition is documented by way of the Existing AML Note Assignment Agreement, OCP Funds Subscription and Implementation Deed, New Option Deed Poll and the New Note Security and Trust Deed.

As at the date of this Notice of Meeting, only the OCP Funds Subscription and Implementation Deed has been executed. The other Existing AML Note Acquisition Transaction Documents must be entered into as a condition precedent to completion of the Existing AML Note Acquisition.

AMQ Acquisition:

The AMQ Acquisition is documented by way of the AMQ Sale and Purchase Deed, Promissory Note Sale and Purchase Deed and the Deed of Cancellation of 7 Existing Notes with a value of \$7 million.

As at the date of this Notice of Meeting, only the AMQ Sale and Purchase Deed and the Promissory Note Sale and Purchase Deed have been executed. The Deed of Cancellation of 7 Existing Notes must be entered into as a condition precedent to completion of the AMQ Acquisition.

1.4 Completion

Completion of the Existing AML Note Acquisition and the AMQ Acquisition are interdependent, meaning one cannot occur without the other. At completion of the Transaction:

- (a) The Company will hold 100% of the issued share capital in AMQ which will hold the Walford Creek base Metals Project and the Mt Isa Joint Ventures;
- (b) OCP Funds will hold:
 - (i) 48,275,862 New Shares in the Company;
 - (ii) A number of New Options: The number of New Options and the exercise price is to be calculated by reference to paragraph 1.2(b) above;
 - (iii) New Notes secured over Aeon's shares in AMQ and AMQ's assets being non-convertible notes issued by the Company for aggregate face value of \$20 million;
- (c) The Company will have the benefit of the AML Promissory Note, meaning AMQ (as a wholly owned subsidiary of the Company) will have an obligation to pay \$38.2 million to the Company. The AML Promissory Note currently has no economic value to the Company;
- (d) The residual 18 of the Existing AML Notes transferred to the Company will remain on issue.

Should all Shareholders approve the Resolutions, it is anticipated that the Transaction will be completed on 14 May 2014.

1.5 Impact of the Transaction on the Company – Board and management

The Transaction will not result in any immediate change to the Board.

In connection with the Transaction, OCP Funds will have the right to nominate a person to the Board.

In connection with the issue of the Placement Shares, another significant shareholder will also have the right to nominate a person to the Board.

1.6 Impact of the Transaction on the Company – Share capital structure

The Company's capital structure will change as a result of the Transaction given that part of the consideration under the Existing AML Note Acquisition will be the issue of New Shares and New Options and the issue of the Placement Shares to fund exploration.

Current capital structure

Shares	182,112,209
Options	13,333,333 exercisable at 15 cents expiring 9 November 2014
	1,000,000 exercisable at 12.5 cents expiring 8 February 2016

Post Transaction capital structure

Shares	301,054,737 (of which 48,275,962 (16.03%) held by OCF Funds)
Options	13,333,333 exercisable at 15 cents expiring 9 November 2014
	1,000,000 exercisable at 12.5 cents expiring 8 February 2016
	<p>New Options expiring 3 years after issue to be held by OCP.</p> <p>The number of New Options to be issued will be equal to \$10 million divided by the exercise price of the New Options.</p> <p>The exercise price per New Option to be equal to the daily VWAP of Aeon Shares over the 30 trading days ending on the day immediately preceding the issue date of the New Options plus a 20% premium.</p>

The table below depicts the share capital structure of the Company as at the date of this Notice of Meeting and the capital structure in the event the Resolutions are approved and the Transaction is completed and the New Shares, Placement Shares and Director Shares are issued.

Shareholder	Number of Shares*	% of shares held	Number of Shares	% of shares held
	Date of this Notice of Meeting	Date of this Notice of Meeting	Transaction completed and New Shares and Placement Shares issued*	Transaction completed, and New Shares and Placement Shares issued*
OCF Funds	0	0%	48,275,862	16.0%
SLG Australia Pty Ltd	13,533,334	7.4%	13,533,334	4.5%
SLW Minerals Corporation Pty Ltd	16,000,000	8.8%	16,000,000	5.3%
Goody Investments Pty Ltd	30,451,112	16.7%	30,451,112	10.1%
Washington H Soul Pattinson & Company Ltd	20,809,148	11.4%	20,809,148	6.9%

* This table does not include share numbers in the event the New Options are exercised into Aeon Shares.

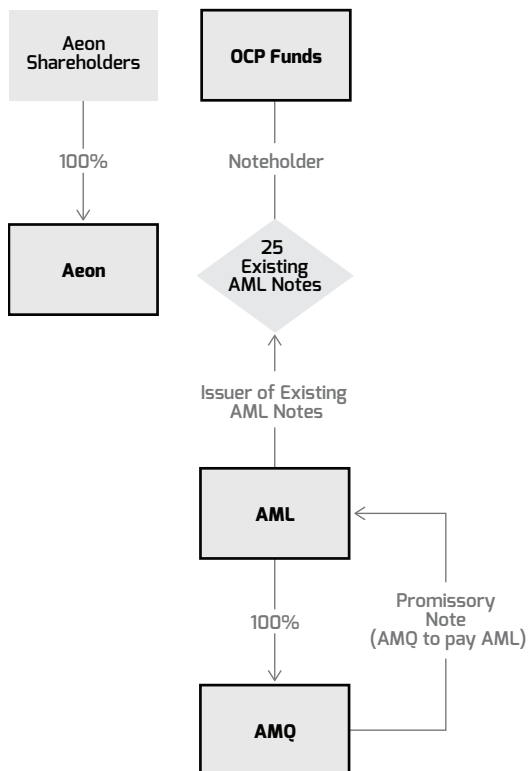
* Share numbers are based on Aeon Shares on issue as at the date of this Notice of Meeting and do not include any Placement Shares which may be acquired by the relevant named shareholders.

1.7 Impact of the Transaction on the Company – Corporate structure

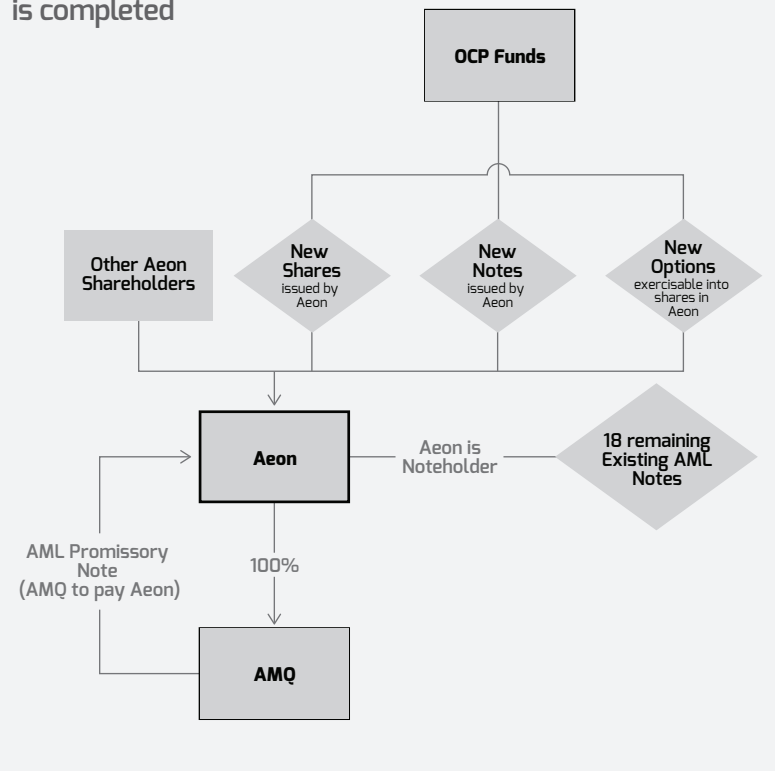
Diagram A (below) depicts the current corporate structure of the Company, AML and AMQ and the corporate structure of the Company in the event the Resolutions are approved and the Transaction is completed.

Diagram A

Current corporate structure



Corporate structure of the Company in the event the Resolutions are approved and the Transaction is completed



1.8 The Company's intentions for the future

Following the completion of the Transaction, the Company intends to promptly undertake at Walford Creek a 12,000m drill program, a preliminary infrastructure study, work on metallurgical flowsheet assessment, environmental studies and other prefeasibility work driving to completion of a prefeasibility study by the end of December 2015. The Company will also be pursuing drilling programs at its Ben Hur and 7B Projects in south east Queensland.

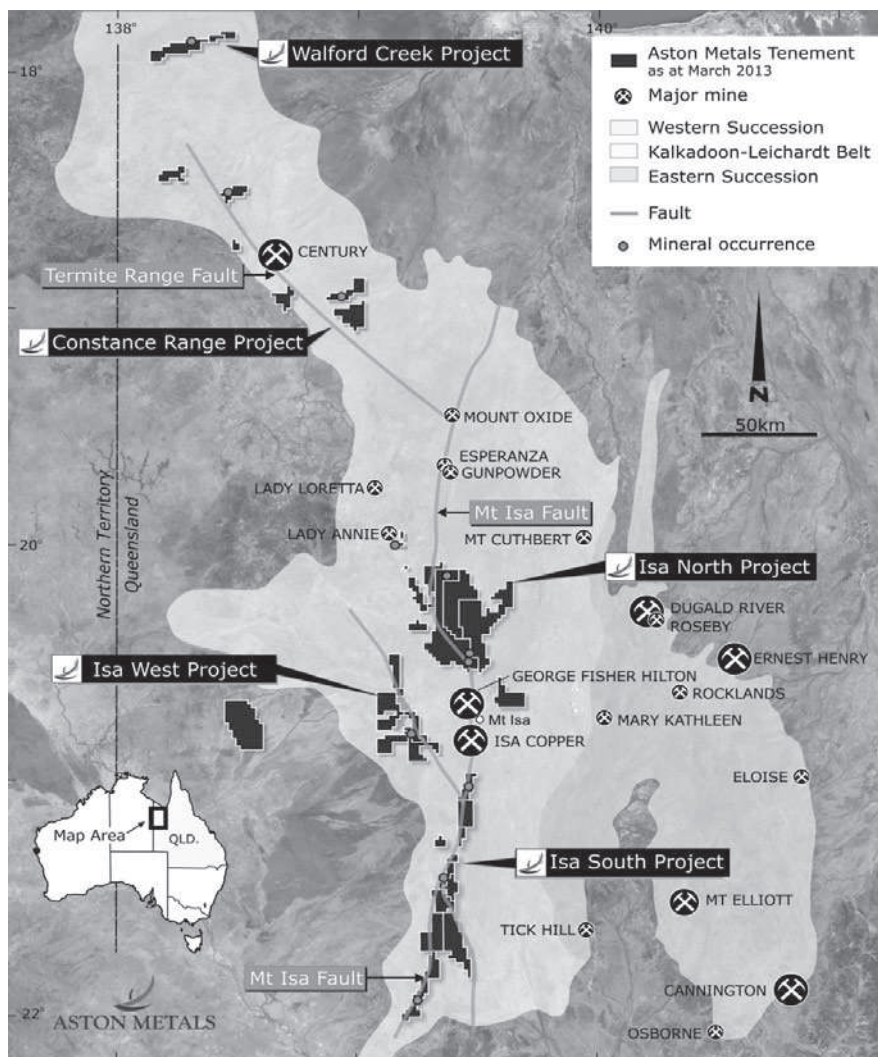
1.9 Implications if the Transaction does not proceed

In the event the Resolutions are not approved and the Transaction does not proceed, then the Company will not acquire AMQ, the corporate structure will remain as is and the Company will continue with its current activities except that professional and other costs incurred in connection with the Transaction totalling an estimated \$150,000 will remain to be paid.

2. Snapshot of AMQ's operations

2.1 Snapshot of AMQ's operations

AMQ holds interests in an extensive portfolio of mineral exploration tenements covering approximately 3,600km² in the proven base metals producing province of the Mt Isa Inlier in north west Queensland. The Mt Isa Inlier is one of the most prospective regions in the world for base metal mineralisation. The tenements the Company is acquiring through AMQ include a contiguous land holding (170km) along the Mt Isa fault, north and south of Glencore Xstrata's Isa Mine.



A map showing AMQ's interest in various exploration permits is provided above.

AMQ's tenement interests span in excess of 500km from north to south. For ease of administration they have been subdivided on a geographical and structural basis into five projects. These are from north to south:

- the Walford Creek Base Metal Project on the Fish River Fault – Covers EPMs 14220, 14854, and 18552. Each of these are 100% held by AMQ;
- the Constance Range Project on the Termite Range Fault – Covers EPMs 14712, 14713, 14935, and 15186. Each of these are 80% held by AMQ;
- the Isa North Project on the Mount Isa Fault – The Isa North Mining Rights Agreement, between Summit Resources (Aust) Pty Ltd (**Summit**) and AMQ, covers the Isa North Project's EPMs 17511, 17513, 17514 & 17519. In accordance with this agreement AMQ has earned an 80% interest in the non-uranium mineral potential within the Isa North Co-operative area through exploration and expenditure. The non-uranium mineral potential includes, but is not limited to, base and precious metals. Summit retains 100% ownership of the tenements and sole and exclusive rights to uranium.
- the Isa West Project on the May Downs Fault – Covers EPMs 11897, 11898, 15212, 18935, and 18769. 3 of these EPMs are 80% held by AMQ with the remaining 2 EPMs being 20% held by AMQ; and
- the Isa South Project on the Mount Isa Fault Zone south of Mount Isa – Covers EPMs 12653, 13412, 13413, 13682, 14040, 14233, 14821, 15156, 15911, 17297, 17300. 100% ownership of both EPMs, 15911 and 17297, is currently being transferred to AMQ. Xstrata retains the right to a 2.5% net smelter royalty. EPM 12653 is under the Red Metal Limited Farm-In & JV Agreement and is currently 0% held by AMQ. EPM 13412, 13413, and 13682 are currently 20% held by AMQ. The remaining EPMs are 80% held by AMQ.

Details of the Walford Creek Project and Mt Isa Joint Ventures are contained in Schedule 3 and Schedule 4 of this Notice of Meeting respectively.

The Resolutions

3. Resolution 1: Approval of proposed share placement

3.1 Overview

The Company on 3 April 2014 announced that it had agreed to place Shares at \$0.12 per Share to raise up to \$8 million by way of a private placements of Shares to sophisticated and professional investors for the purposes of section 708 of the Corporations Act.

3.2 The Resolution

Under Resolution 1, the Board seeks Shareholder approval, for the purpose of satisfying Listing Rule 7.1, for a share placement facility (**Placement**) to allow the issue of up to 66,666,666 new ordinary shares in the Company (**Placement Shares**) on the terms described in this Explanatory Statement.

3.3 The law

The Directors are restricted by Listing Rule 7.1 from issuing new securities in the Company in excess of 15% of the issued capital of the Company in any 12 month period (**15% Limit**) without Shareholder approval.

Given the issue of the New Shares under Resolution 1 will exceed this 15% Limit, Shareholder approval is required pursuant to Listing Rule 7.1 for the issue of the New Shares.

The effect of Resolution 1 will be to allow the Directors to issue the New Shares during the period of 3 months after the General Meeting (or a longer period if allowed by ASX) without using the Company's 15% placement capacity.

3.4 Specific information

Listing Rule 7.3 requires certain information to accompany a Notice of General Meeting in relation to approval sought under Listing Rule 7.1. This information is set out below:

Listing Rule 7.3 requirement	Information
Maximum number of securities to be issued:	Up to 66,666,666 fully paid Placement Shares will be issued.
Date by which the securities will be issued:	The Placement Shares will be issued no later than three (3) months after the date of the General Meeting (or such other date as is permitted by an ASX waiver of the Listing Rules, the Corporations Act and/or the ASIC).
The issue price of the securities:	The Placement Shares will be issued at \$0.12 per Placement Share.
Names of the allottees:	The Placement Shares will be issued to sophisticated or professional investors for the purposes of section 708 of the Corporations Act at the discretion of the Board. The Placement Shares will otherwise be allotted to investors who are not related parties or associates of related parties of the Company.
Terms of the securities:	The Placement Shares to be issued pursuant to Resolution 1 shall be fully paid ordinary shares ranking equally with the Company's existing listed ordinary shares. The Company will apply to ASX for quotation of the New Shares on the ASX.
The intended use of funds raised:	It is intended that the funds raised by the issue of the Placement Shares will be used to advance the Walford Creek Project with activities to include drilling, infrastructure study, metallurgical flowsheet and environmental studies – as well as for drill programs at Aeon's existing Ben Hur and 7B projects in south east Queensland.
The issue date:	The allotment of the Placement Shares will occur progressively.
Voting exclusion statement:	A voting exclusion statement is contained in the Notice of General Meeting.

3.5 Interdependence of Resolution 1

Resolution 1 of the General Meeting is subject to the approval of Resolutions 2 and 3 contained in the Notice of Meeting.

3.6 Director recommendation

The Directors unanimously recommend to Shareholders that they vote in favour of Resolution 1 at the General Meeting.

3.7 Voting requirements

Resolution 1 of the General Meeting is an ordinary resolution and so requires the approval of more than 50% of the votes cast by Shareholders. A voting exclusion statement is contained after the Resolution.

4. Resolution 2: Approval of proposed issue of New Shares

4.1 Overview

Part of the consideration for the acquisition of the 25 Existing AML Notes by the Company from OCP Funds (under the Existing AML Note Acquisition) is the issue of 48,275,862 New Shares in the Company to OCP Funds.

For detail on the issue of Existing AML Notes, the Existing AML Note Acquisition and the overall Transaction, please refer to paragraph 1.

4.2 The Resolution

Under Resolution 2, the Board seeks Shareholder approval, for the purpose of satisfying Listing Rule 7.1, for the issue of the 48,275,862 New Shares on the terms described in this Explanatory Statement.

4.3 The law

The Directors are restricted by Listing Rule 7.1 from issuing new securities in the Company in excess of 15% of the issued capital of the Company in any 12 month period (**15% Limit**) without Shareholder approval.

Given the issue of the New Shares under Resolution 2 will exceed this 15% Limit, Shareholder approval is required pursuant to ASX Listing Rule 7.1 for the issue of the New Shares.

The effect of Resolution 2 will be to allow the Directors to issue the New Shares during the period of 3 months after the General Meeting (or a longer period if allowed by ASX) without using the Company's 15% placement capacity.

4.4 Specific information

Listing Rule 7.3 requires certain information to accompany a Notice of General Meeting in relation to approval sought under Listing Rule 7.1. This information is set out below:

Listing Rule 7.3 requirement	Information
Maximum number of securities to be issued:	48,275,862 New Shares will be issued.
Date by which the securities will be issued:	The New Shares will be issued on completion of the Existing AML Note Assignment Agreement and OCP Funds Subscription and Implementation Deed, currently anticipated to be 14 May 2014 and in any event no later than three (3) months after the date of the General Meeting (or such other date as is permitted by an ASX waiver of the Listing Rules, the Corporations Act and/or ASIC).
The issue price of the securities:	The New Shares will be issued for \$0.145 per New Share.

Names of the allottees:	The names of the proposed allottees and the quantity of the New Shares to be issued to each allottee (or their nominee) is detailed below:	
	Name	Number of New Shares
	Orchard Centar Master Limited	41,034,483
	Orchard Dejima Limited	7,241,379
	Total	48,275,862
Terms of the securities:	The New Shares to be issued pursuant to Resolution 2 shall be fully paid ordinary shares ranking equally with the Company's existing listed ordinary shares. The Company will apply to ASX for quotation of the New Shares on the ASX.	
The intended use of funds raised:	The New Shares will be issued as part consideration for the acquisition of the 25 Existing AML Notes by the Company from OCP Funds.	
The issue date:	The New Shares will be issued on completion of the Existing AML Note Assignment Agreement and OCP Funds Subscription and Implementation Deed, currently anticipated to be 14 May 2014.	
Voting exclusion statement:	A voting exclusion statement is contained in the Notice of General Meeting.	

4.5 Interdependence of Resolution 2

Resolution 2 of the General Meeting is subject to the approval of Resolutions 1 and 3 contained in the Notice of Meeting.

4.6 Director recommendation

The Directors unanimously recommend to Shareholders that they vote in favour of Resolution 2 at the General Meeting.

4.7 Voting requirements

Resolution 2 of the General Meeting is an ordinary resolution and so requires the approval of more than 50% of the votes cast by Shareholders. A voting exclusion statement is contained after the Resolution.

5. Resolution 3: Approval of proposed issue of New Options

5.1 Overview

Part of the consideration for the acquisition of the 25 Existing AML Notes by the Company from OCP Funds (under the Existing AML Note Acquisition) is the issue of a number of New Options equal to \$10 million divided by the exercise price of the New Options.

The New Options are to be issued pursuant to the terms of the Existing AML Note Assignment Agreement and OCP Funds Subscription and Implementation Deed.

For detail on the issue of Existing AML Notes, the Existing AML Note Acquisition and the overall Transaction, please refer to paragraph 1.

5.2 The Resolution

Under Resolution 3, the Board seeks Shareholder approval, for the purpose of satisfying ASX Listing Rule 7.1, for the issue of the New Options on the terms described in this Explanatory Statement and Schedule 2 of this Notice of Meeting.

5.3 The law

The Directors are restricted by Listing Rule 7.1 from issuing new securities in the Company in excess of 15% of the issued capital of the Company in any 12 month period (**15% Limit**) without Shareholder approval.

Given the issue of the New Options under Resolution 3 will exceed this 15% Limit (on a fully diluted basis), Shareholder approval is required pursuant to ASX Listing Rule 7.1 for the issue of the New Options.

The effect of Resolution 3 will be to allow the Directors to issue the New Options during the period of 3 months after the General Meeting (or a longer period if allowed by ASX) without using the Company's 15% placement capacity.

5.4 Specific information

Listing Rule 7.3 requires certain information to accompany a Notice of General Meeting in relation to approval sought under Listing Rule 7.1. This information is set out below:

Listing Rule 7.3 requirement	Information								
Formula for calculating the number of securities to be issued:	<p>The number of New Options to be issued will be equal to \$10 million divided by the exercise price of the New Options.</p> <p>The exercise price per New Option is equal to the daily VWAP of Aeon Shares over the 30 trading days ending on the day immediately preceding the issue date of the New Options plus a 20% premium.</p>								
Date by which the securities will be issued:	The New Options will be issued on completion of the Existing AML Note Assignment Agreement and OCP Funds Subscription and Implementation Deed, currently anticipated to be 14 May 2014 and in any event no later than three (3) months after the date of the General Meeting (or such other date as is permitted by an ASX waiver of the Listing Rules, the Corporations Act and/or ASIC).								
The issue price of the securities:	The New Options will be issued for nil consideration.								
Names of the allottees :	<p>The names of the proposed allottees and their proposed percentage holding of the New Options is detailed below. The number of New Options to be issued is calculated in accordance with the formula detailed above.</p> <p>The allottees have the right to nominate one or more nominees in respect of their holding:</p> <table> <tr> <th>Name</th><th>Number of New Options</th></tr> <tr> <td>Orchard Centar Master Limited</td><td>86%</td></tr> <tr> <td>Orchard Dejima Limited</td><td>14%</td></tr> <tr> <td>Total</td><td>100%</td></tr> </table>	Name	Number of New Options	Orchard Centar Master Limited	86%	Orchard Dejima Limited	14%	Total	100%
Name	Number of New Options								
Orchard Centar Master Limited	86%								
Orchard Dejima Limited	14%								
Total	100%								
Terms of the securities:	The terms of the New Options are contained in Schedule 2 to this Notice of Meeting.								
The intended use of funds raised:	The New Options will be issued as part consideration for the acquisition of the 25 Existing AML Notes by the Company from OCP Funds.								
The issue date:	The New Options will be issued on completion of the Existing AML Note Assignment Agreement and OCP Funds Subscription and Implementation Deed, currently anticipated to be 14 May 2014								
Voting exclusion statement:	A voting exclusion statement is contained in the Notice of General Meeting.								

5.5 Interdependence of Resolution 3

Resolution 3 of the General Meeting is subject to the approval of Resolutions 1 and 2 contained in the Notice of Meeting.

5.6 Director recommendation

The Directors unanimously recommend to Shareholders that they vote in favour of Resolution 3 at the General Meeting.

5.7 Voting requirements

Resolution 3 of the General Meeting is an ordinary resolution and so requires the approval of more than 50% of the votes cast by Shareholders. A voting exclusion statement is contained after the Resolution.

6. Resolution 4: Approval to issue Shares to Mr Hamish Collins

6.1 Overview

In August 2012, 4,000,000 performance rights were issued to Mr Hamish Collins. The issue of these performance rights was approved by Shareholders at a general meeting on 24 August 2012. Each performance right entitled Mr Collins to one fully paid Aeon share for no consideration upon vesting of the performance right. Half of these are to vest when the Company's share price is at least 30 cents for 20 consecutive days within 2 years of the date of issue of the performance right. The balance is to vest when the Company's share price is at least 45 cents for 20 consecutive days within 4 years of the date of issue of the performance right. No performance rights have vested.

The Directors (excluding Mr Collins) consider that these performance rights no longer provide any meaningful incentive for Mr Collins and, in lieu, it is proposed that the Company should make a placement of 4,000,000 shares to Mr Collins (or his nominee) at 12 cents per share and the subscription price for these shares (\$480,000) would be lent on a 3 year, interest free basis by the Company to Mr Collins. As and when Mr Collins sells his shares, the 12 cent loan amount per share will be repaid to the Company. Upon a default by Mr Collins, the sole recourse of the Company will be the relevant shares. If Mr Collins' employment by the Company ceases for any reason then the outstanding loan amount will be immediately repayable. An appropriate loan agreement will be entered into between the Company and Mr Collins if this Resolution is approved. It is noted that the proposed placement and loan will not involve any reduction in the Company's cash position.

The proposed loan of \$480,000 to Mr Collins constitutes financial assistance for the purchase of shares in the Company and is permitted by Section 260B of the Corporations Act if the giving of the assistance does not materially prejudice the interests of the Company or its shareholders or the Company's ability to pay its creditors. The Directors (excluding Mr Collins) believe, in the circumstances, that the proposed financial assistance satisfies these tests.

6.2 The Resolution

Under Resolution 4, the Board seeks Shareholder approval, for the purpose of satisfying Listing Rule 10.11 to allow the issue of 4,000,000 new ordinary shares in the Company to Mr Hamish Collins (or his nominee) on the terms described in this Explanatory Statement.

6.3 The law

Section 208 of the Corporations Act

Section 208 of the Corporations Act provides that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within fifteen (15) months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Board (other than Mr Collins) has formed the view that Shareholder approval under section 208 of the Corporations Act is not required for the proposed issue of the Director Shares to Mr Collins as the exception in section 211 of the Corporations Act applies; namely the financial benefit is reasonable remuneration to Mr Collins as an officer of the Company.

Listing Rule 10.11

Listing Rule 10.11 restricts the Company from issuing securities to a related party of the Company, unless approval is obtained from Shareholders.

A "related party" for the purposes of the Corporations Act is defined widely and includes a director of a public company and former directors of a public company.

Mr Hamish Collins is a Director of the Company and as such a related party of the Company.

ASX Listing Rule 7.1, exception 14 provides that if approval is given under ASX 10.11, approval is not required under ASX Listing Rule 7.1.

6.4 Specific information

Listing Rule 10.13 requires certain information to accompany a Notice of General Meeting in relation to approval sought under Listing Rule 10.11. This information is set out below:

Listing Rule 10.13 and 6.23.2 requirement	Information
Name of the person:	Mr Hamish Collins or his nominee
The maximum number of Director Shares to be issued to Mr Hamish Collins:	4,000,000
The date the Company will issue the Director Shares:	The Director 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 issue price of the Director Shares:	The Director Shares will be issued at an issue price of \$0.12 per Director Share.
Terms of Issue:	The Director Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.
The intended use of funds raised:	No net cash funds will be raised from the issue of the Director Shares as the issue price will be loaned by the Company to Mr Collins.
Voting exclusion statement:	A voting exclusion statement is contained in the Notice of General Meeting.

6.5 Conditions for the issue of the Director Shares

These Director Shares will only be issued if the Transaction is completed.

6.6 Director recommendation

The Directors (excluding Mr Hamish Collins) unanimously recommend to Shareholders that they vote in favour of Resolution 4 at the General Meeting.

6.7 Voting requirements

Resolution 4 of the General Meeting is an ordinary resolution and so requires the approval of more than 50% of the votes cast by Shareholders. A voting exclusion statement is contained after the Resolution.

Schedule 1

Terms and Conditions of New Notes

A summary of the terms and conditions of the New Notes are as follows. These remain subject to negotiation and documentation:

Notes:	The Company will issue New Notes for an aggregate of \$20 million.
Status:	The New Notes are non-convertible into Aeon Shares and constitute a direct, unsubordinated, unconditional and senior obligation of Aeon subject to the limited recourse restriction detailed below.
Limited recourse:	Any default by the Company and consequential recourse by the holder of the New Notes is limited to the Note Security (defined below).
Security:	The obligations of the Company with respect to payment of principle and interest for Note is limited in recourse and is secured in favour of the Noteholder by: (a) The Existing AML Notes and Existing Securities; (b) The shares in AMQ held by the Company and the AML Promissory Note, (Note Security).
Interest:	Each Note bears interest on its outstanding principal amount from (and including) its date of issue (Issue Date) to (but excluding) its expiry date or any earlier redemption date at 12%.
Expiry Date	3 years from the Issue Date.
Redemption:	<p>Redemption on maturity</p> <p>Aeon must redeem each New Note on its expiry date at its redemption amount unless:</p> <ul style="list-style-type: none"> ▶ the New Note has been previously redeemed; or ▶ the New Note has been previously purchased and cancelled. <p>Early redemption at the option of the company</p> <p>At any time 30 days after the Issue Date, and if no 'Event of Default' exists, Aeon may elect to redeem all (and not some only) of the New Notes at the redemption amount for each New Note by giving at least 10 business days notice to the Note and Security Trustee.</p> <p>Partial redemptions</p> <p>If only some of the New Notes are to be redeemed at Aeon's election, the New Notes must be selected:</p> <ul style="list-style-type: none"> ▶ to the greatest extent practicable, on a pro rata basis proportionately between the Noteholders and otherwise in a fair and reasonable manner as determined by Aeon; and ▶ in compliance with any applicable laws and regulations.

Redemption: (continued)	<p>Change of control</p> <p>In the event of a change in the ultimate shareholding in Aeon, Aeon will give the Note and Security Trustee a Change of Control Notice within 14 calendar days of becoming aware of the change. The Change of Control Notice will inform Noteholders of their redemption rights.</p> <p>Following a Change of Control in Aeon and receipt of a Change of Control Notice from Aeon, the holder of each New Note will have the right to require Aeon to redeem that New Note in whole (not in part) at the Redemption Amount in relation to all New Notes on issue at that time.</p> <p>Delisting put right</p> <p>In the event that Aeon's Shares cease to be listed or cease to be admitted to trading or quoted on the ASX for a period of 20 consecutive days, the holder of each New Note has the right to require Aeon to redeem each New Note on the 20th business day after the delisting.</p>
Cancellation:	Each New Note is cancelled and of no further force and effect upon the Note being redeemed by the Company in accordance with the Note Conditions.
Transfer:	<p>New Notes may only be transferred in whole (not in part) in circumstances where:</p> <ul style="list-style-type: none"> ▶ the offer of sale of the New Notes does not require disclosure to investors in accordance with Parts 6D.2 and 7.9 of the Corporations Act; ▶ the offer and sale is made in an "offshore transaction" (as defined in Regulation 5 under the US Securities Act), to a person that is not in the United States, not a US Person and not acting for the benefit of a US Person; and ▶ the transfer complies with anti-money laundering and anti-terrorism laws. Transfers must comply with the transfer procedures detailed in the Note and Security Trust Deed. <p>There is no minimum transfer parcel specified.</p>
Event of Default:	<p>Aeon must notify the Noteholders and the Note and Security Trustee of the occurrence of an Event of Default promptly (and in any event within five business days) after becoming aware of the Event of Default.</p> <p>If an Event of Default occurs and is not waived or remedied to the satisfaction of the Noteholders, the Note and Security Trustee may give notice to Aeon that the New Notes are immediately due and repayable at their Redemption Amount.</p> <p>At any time after the New Notes have become due and payable, the Note and Security Trustee may at its discretion take proceedings to enforce the Note Security.</p> <p>The Note and Security Trustee is not bound to take such proceedings unless:</p> <ul style="list-style-type: none"> ▶ it has been directly to do so by a Special Resolution of the Noteholders; and ▶ it has been indemnified and/or provided with security to its satisfaction. <p>Noteholders are not entitled to proceed directly against Aeon unless the Note and Security Trustee fails to act, having become bound to do so, within a reasonable period of being so bound and such failure continues.</p>
Note and Security Trustee:	Madison Pacific Trust Limited will be the trustee of the AML Note and Security Trust.

Schedule 2

Terms and Conditions of New Options

A summary of the terms and conditions of the New Options are as follows. These remain subject to negotiation and documentation:

Status:	Unlisted and exercisable into Shares upon payment of the New Option Exercise Price.
Transfer:	The New Options are fully transferable.
Expiry Date:	3 years from the date of issue (Issue Date) of the New Options (Expiry Date).
Exercise:	Exercisable at any time from 10 days after the Issue Date until the Expiry Date at holder's option in exchange for Shares in the Company.
New Option Exercise Price	<p>The initial Exercise Price in respect of each New Option is a A\$ amount equal to the daily VWAP of Aeon Shares over the 30 trading days ending on the day immediately preceding the Issue Date plus a 20% premium (Initial New Option Exercise Price).</p> <p>The Initial New Option Exercise Price will be adjusted in the manner prescribed in the Listing Rules to take into account the following:</p> <ul style="list-style-type: none"> ▶ any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company for the period from the Issue Date of the New Options until the Expiry Date (Exercise Period); ▶ bonus issue or pro-rata issue to Shareholders during the Exercise Period; ▶ If applicable, the Adjustment Events (detailed in the New Option Deed Poll).
ASX Waiver:	<p>The Company may, at its election at any time, seek a waiver from the ASX which would allow the Adjustment Events to be taken into consideration when adjusting the Initial New Option Exercise Price (ASX Waiver).</p> <p>If the ASX does grant the ASX Waiver:</p> <ul style="list-style-type: none"> ▶ the Adjustment Events will be taken into consideration when adjusting the Initial New Option Exercise Price from the date on which the ASX grants the ASX Waiver (ASX Waiver Date) until the Expiry Date; and ▶ the Restrictions (detailed below) will cease to apply to the Company with effect from the ASX Waiver Date. <p>If the ASX does not grant the ASX Waiver the Restrictions will continue. For the avoidance of doubt, if the ASX does not grant the ASX Waiver, the Adjustment Events will not be taken into consideration when adjusting the Initial New Option Exercise Price.</p>

Restrictions:	<p>The Company will be subject to the restrictions detailed below:</p> <ul style="list-style-type: none"> ▶ if the Company wants to issue new Shares at a price which is discounted by more than 15% of the volume weighted average price for Shares for the 1 month immediately preceding the proposed date of issuance, then the Company must obtain prior consent from the holders of the New Options. ▶ the Company is only permitted to grant convertible securities (including options) in an aggregate amount up to 10% of the fully diluted capital of the Company which is on issue immediately following the Issue Date for the New Options; and ▶ if the Company wants to pay dividends or make distributions, the Company must give the holders of the New Options reasonable sufficient prior notice, being not less than 14 business days after the announcement of the Company of such dividend, so that the holder of the New Options can exercise the New Options and participate in any such dividend or distribution should they wish to do so, (together, the Restrictions).
Restrictions Commence-ment Date:	<ul style="list-style-type: none"> ▶ The Restrictions will apply from the date of the New Option Deed Poll.
Restrictions Termination Date:	<p>The Restrictions will cease to apply on the earlier of the date:</p> <ul style="list-style-type: none"> ▶ that the Issuer obtains the ASX Waiver; ▶ that is the Expiry Date; ▶ on which all the New Options are exercised by the optionholders; or ▶ all New Options are transferred by the Initial Optionholders.

Schedule 3

Walford Creek Project

The flagship asset and highest priority tenement of the AMQ assets being acquired is the 100% owned Walford Creek Project, which is a large base metals project with significant 2012 JORC Indicated and Inferred Resources as detailed below:

Mineral	Category	MTonnes	Cu %	Pb %	Zn %	Ag g/t	Co ppm
Combined	Indicated	14.7	0.46	0.83	1.04	20.1	920
	Inferred	33.6	0.36	0.83	0.81	20.5	648
	Total	48.3	0.39	0.83	0.88	20.4	731

Since 2010, Walford Creek has been held in private hands, with 14,992 metres of drilling undertaken along a 5km zone. The current JORC Resource has been defined along this 5km strike length of the Fish River Fault Zone, which extends for 25km within the Walford Creek Project tenements. The mineralisation is largely structurally controlled thus there is substantial potential for Resource extensions along the strike-length of the fault.

The Walford Creek Project has a clear pathway to project development with the potential for open pit mine development of world scale. Aeon is planning to drill an additional 12,000 metres with the target to increase the Walford Creek Resource to more than 75Mt and complete a pre-feasibility study (PFS) by December 2015.¹

There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised.

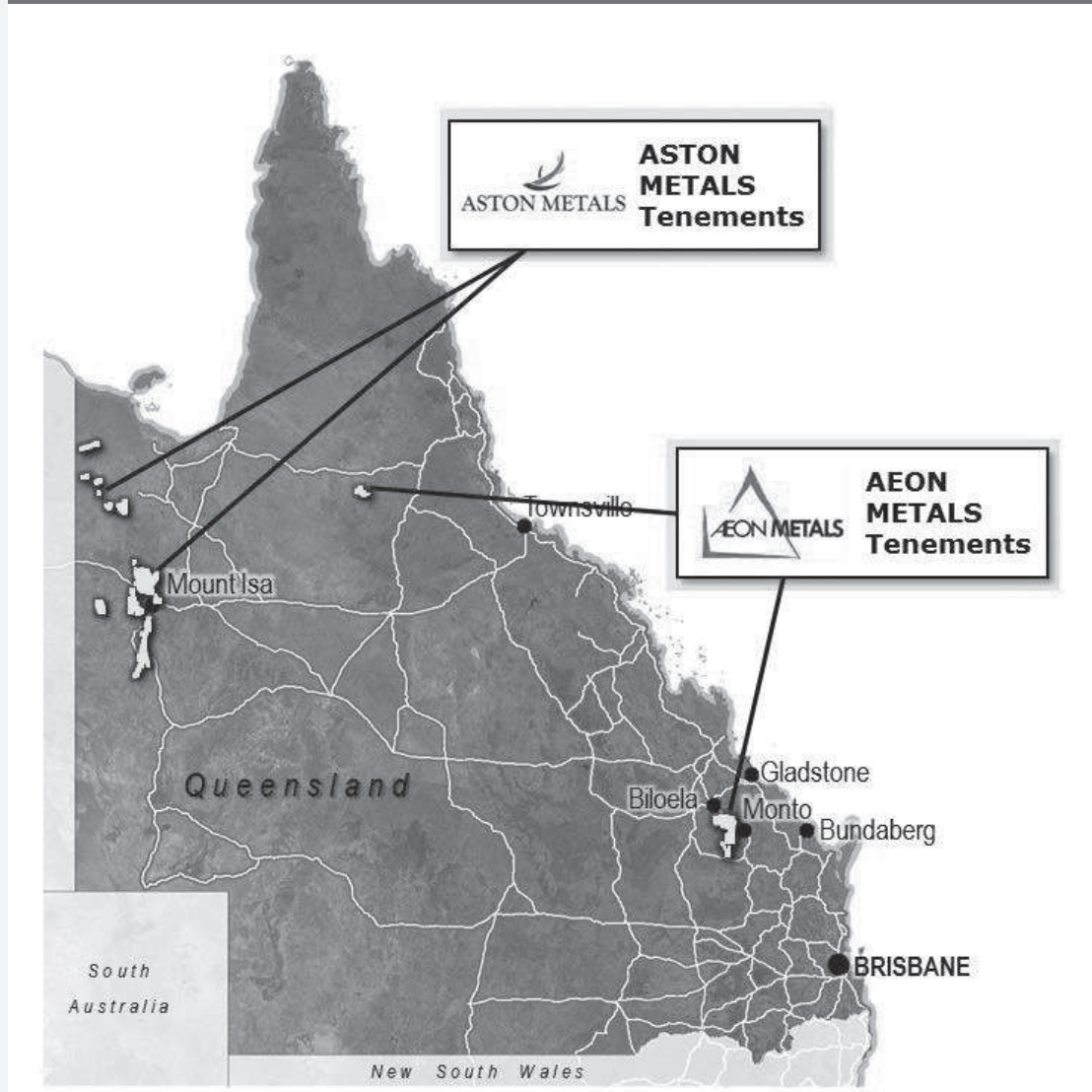
Competent Person Statement

The data in this Explanatory Statement that relates to Mineral Resource Estimates for the Walford Creek Deposit 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 Explanatory Statement that relates to Exploration Targets and Exploration Results for the Walford Creek Deposit is based on information compiled 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 Aston Metals Queensland Limited and consents to the inclusion in the presentation of the Exploration Targets and Exploration Results in the form and context in which they appear.

¹ This target is based on exploration work and results to date at Walford Creek. The potential quantity and grade is conceptual in nature. There has been insufficient exploration to estimate the current reported Indicated and Inferred Resource beyond the current 48 Mt at 1.42%Cu Equiv and it is uncertain if further exploration will result in the estimation of additional Mineral Resources.

Figure 1 – Combined AMQ and Aeon Metals Limited Queensland assets



Further information on this resource estimate is in the announcement dated 3 April 2014. Pursuant to ASX listing rule 5.23.2, Aeon confirms that it is not aware of any new information or data that materially affects the information in that announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

Schedule 4

Mt Isa Joint Ventures

A summary of each of the joint ventures to which AMQ is a party, is detailed below:

Isa North Mining Rights Agreement

The Isa North Mining Rights Agreement, between Summit Resources (AUST) Pty Ltd and AMQ, covers the Isa North Project's EPMs 17511, 17513, 17514 & 17519. In accordance with the agreement AMQ has earned an 80% interest in the non-uranium mineral potential within the Isa North Co-operative area through exploration and expenditure. Summit retains 100% ownership of the tenements and sole and exclusive rights to uranium.

The Isa North tenements abut the northern boundary of the Glencore Mount Isa Mine mining lease covering the world-class Mount Isa Cu and the Mount Isa, Hilton and George Fisher Zn-Pb-Ag deposits. The tenements cover a series of intersecting major faults including the Mount Isa, Hero, and Western Fault zones. AMQ's primary target within the Isa North tenement package is the Hero Prospect. The Prospect is located on the Hero Fault.

Western Isa Base Metals Farm-in and Joint Venture Agreement

AMQ has negotiated a purchase and farm-in joint venture with Summit Resources (AUST) Pty Ltd (**Summit**), known as the Western Isa Base Metals Joint Venture. This agreement covers EPMs within AMQ's Constance Range, Isa West & Isa South Project areas. Under the terms of the Joint Venture, AMQ has earned a 72-80% joint venture interest in Summit's tenements by sole funding non-uranium exploration. AMQ's interest does not include any rights in respect of uranium. Exclusive uranium rights are reserved for Summit. All tenements have been, or are in the process of being, transferred to AMQ.

All three project areas are centred on major regional fault zones which AMQ consider to be important with respect to localising mineralisation.

The Constance Range tenements lie along or adjacent to the Termite Range Fault associated with stratabound base metal mineralisation at the world-class Century Zn-Pb-Ag deposit. The Musselbrook Cu-Au prospect is the Focus of AMQ's exploration within the Constance Range Project area and is located approximately 30 km north of the Century Mine. Mineralisation at the prospect consists of a series of narrow, offset, northeast trending, copper-gold shear zones in close proximity to the Termite Range Fault. AMQ's mapping and surface sampling has located a number of zones of high grade Cu, up to 41%, and elevated Au, up to 3.1 g/t. Anomalous molybdenum, lead, zinc and silver were also returned. AMQ completed three drill holes in late 2010. All three holes intersected a number of narrow intervals of low-grade copper associated with quartz-carbonate veins in shears. An earlier Nickel Mines gold intersection, reported to be 65.5m averaging 1.8 g/t Au and open at depth, is yet to be validated and much of the 2 km strike length of the shear zones remains to be drill tested.

The Isa South Project is located along the southern extension of the Mount Isa Fault Zone abutting the southern margin of the Mount Isa Mining Lease. Priority targets within the Isa South Project area include Mount Guide and Aztec Ridge. At Mount Guide, a single hole drilled by AMQ, MGPD001, yielded a down hole intercept of 29m and 0.37% Cu from 174m including 8m at 0.44% Cu from 184m within a broad shear zone. Follow-up drilling is planned. Aztec Ridge is centred on the Rufus Fault, part of the regionally extensive Mount Isa Fault Zone. AMQs have confirmed the presence of anomalous gold with maximum values of 0.368ppm Au in stream sediments, 0.035ppm gold in soil samples and 0.36ppm Au in rock chips. Panconcentrate samples also contained visible gold. AMQ now aims to identify the source of the Au and define drill targets.

Red Metal Limited Farm-in and Joint Venture Agreement

This farm-in joint venture agreement is restricted to EPM 12653, held in the name of Red Metal Limited (**Red Metal**) in AMQ's Isa South Project area. Red Metal appoints AMQ its sole agent for the purpose of conducting all operations on the permit. By incurring the required expenditure of A \$2M, within 6 years, AMQ earn an 80% interest and will be entitled to become the registered holder as tenant in common, 80% AMQ 20% Red Metal. AMQ are yet to meet the required expenditure and are considering the earn-in arrangement in light of the exploration results to date.

Blue Hills Term Binding Joint Venture Agreement

This agreement covers contiguous EPMs 15911 and 17297, held in the name of Glencore QLD Limited subsidiary Mount Isa Mines Limited. These EPMs form part of AMQ's Isa South Project area. AMQ has met the required expenditure condition of a \$0.5M, within 3 years, and 100% ownership of both EPMs, 15911 and 17297, is currently being transferred to AMQ. Xstrata retains the right to a 2.5% net smelter royalty.

Further information on this resource estimate is in the announcement dated 3 April 2014. Pursuant to ASX listing rule 5.23.2, Aeon confirms that it is not aware of any new information or data that materially affects the information in that announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

Competent Person Statement

The information in this Schedule 4 that relates to Exploration Targets and Exploration Results for the Walford Creek Deposit is based on information compiled 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 Aston Metals Queensland Limited and consents to the inclusion in the presentation of the Exploration Targets and Exploration Results in the form and context in which they appear.

Glossary

Aeon or Company	means Aeon Metals Limited ACN 121 964 725.
Aeon Shares	means all of the shares on issue in the share capital of the Company and Aeon Share means any one of them.
AML	means Aston Metals Limited (in Liquidation) (Receivers and Managers appointed) ACN 144 476 406.
AML Promissory Note	means the promissory note issued by AMQ which documents the promise by AMQ to pay AML \$38.2 million.
AMQ	means Aston Metals (QLD) Limited (subject to Deed of Company Arrangement) (Receivers and Managers appointed) ACN 121 478 993.
AMQ Acquisition	means the acquisition by the Company of: * the AMQ Shares held by AML; and * AML's interest in the AML Promissory Note, in consideration for \$10 and the cancellation of 7 Existing AML Notes, as documented in the AMQ Sale and Purchase Deed and Promissory Note Sale and Purchase Deed respectively as detailed in paragraph 1.2 of the Explanatory Statement.
AMQ Sale and Purchase Deed	means the agreement dated 2 April 2014 between the Company and AML for the acquisition by the Company of the AML Promissory Notes as detailed in paragraph 1.2 of the Explanatory Statement.
AMQ Shares	means all of the shares on issue in the share capital of AMQ.
\$ or AUD\$	means Australian dollars.
ASIC	means the Australian Securities & Investments Commission.
ASX	means the Australian Securities Exchange operation by ASX Limited.
Business Day	means a day which is not a Saturday, Sunday or public holiday in Sydney, Australia.

Corporations Act	means the <i>Corporations Act 2001</i> (Commonwealth) for the time being in force together with the regulations of the Corporations Act.
Deed of Cancellation of 7 Existing Notes	means the deed of cancellation of Notes to be executed by the Company as consideration for the acquisition of the AML Promissory Notes by the Company from AML as detailed in the Promissory Note Sale and Purchase Deed and as detailed in paragraph 1.3 of the Explanatory Statement.
Directors	means the directors of the Company.
Director Shares	the issue of 4,000,000 to Mr Hamish Collins to be put to Shareholders under Resolution 4 pursuant to a loan arrangement as described in the Explanatory Statement.
EST	means Australian Eastern Standard Time in Sydney.
Existing AML Notes	means the convertible notes issued by AML pursuant to the Existing AML Note Agreements and held by the OCP Funds.
Existing AML Note Acquisition	means the acquisition by the Company of the Existing AML Notes from OCP Funds in consideration for the issue for the of the New Shares, New Options and New Notes as documented in the Existing AML Note Assignment Agreement and the OCP Funds Subscription and Implementation Deed and as detailed in paragraph 1.2 of the Explanatory Statement.
Existing AML Note Agreements	means the deed poll constituting secured convertible notes declared by AML on 31 July 2012 and the convertible note subscription and implementation agreement between OCP Funds and AML dated 31 July 2012.
Existing AML Note Assignment Agreement	means the assignment agreement to be entered into between the Company and OCP Funds for the acquisition by the Company of the 25 Existing AML Notes from OCP Funds in consideration for the issue of the New Shares, New Options and New Notes as documented in the OCP Funds Subscription and Implementation Deed and as detailed in paragraph 1.2 of the Explanatory Statement.
Existing Securities	<p>means each of:</p> <ul style="list-style-type: none"> ▶ the general security deed between AML, AMQ and Madison Security Trust Limited dated 31 July 2012 securing the obligations of AML under the Existing AML Note Agreements; and ▶ the guarantee and indemnity dated 31 July 2012 securing the obligations of AML under the Existing AML Note Agreements. <p>Each of these remain on foot in regards to a claim by the holder of the Existing AML Notes.</p>
Explanatory Statement	means the explanatory statement contained in this Notice of Meeting.

General Meeting	means the meeting of Shareholders called by the Company, and referred to in this Notice of Meeting, at which the Resolutions will be put to Shareholder.
Glossary	means the glossary contained in Part A to this Notice of Meeting.
Listing Rules	means the Listing Rules of the ASX.
Mt Isa Joint Ventures	means the joint ventures detailed in Schedule 4 of this Notice of Meeting.
New Notes	means the \$20 million of non-convertible notes to be issued by the Company to OCP Funds as part consideration for the transfer of the 25 Existing AML Notes by OCP Funds to the Company as documented in the OCP Funds Subscription and Implementation Deed and New Note and Security Trust Deed and as detailed in paragraphs 1.2 of the Explanatory Statement. The terms of the New Notes are contained in Schedule 1 of this Notice of Meeting.
New Note and Security Trust Deed	means the deed poll governing the terms of the New Notes to be executed by Aeon and Madison Pacific Trust Limited.
New Options	means the new Options to be issued by the Company to OCP Funds as part consideration for the transfer of the 25 Existing AML Notes by OCP Funds to the Company as documented in the OCP Funds Subscription and Implementation Deed and New Option Deed Poll and as detailed in paragraphs 1.2 and 5 of the Explanatory Statement. The terms of the New Options are contained in Schedule 2 of this Notice of Meeting.
New Option Deed Poll	means the deed poll governing the terms of the New Options to be executed by Aeon.
New Shares	means the 48,275,862 new shares to be issued by the Company to OCP Funds as part consideration for the transfer of the 25 Existing AML Notes by OCP Funds to the Company as documented in the OCP Funds Subscription and Implementation Deed and as detailed in paragraph 1.2 and 4 of the Explanatory Statement.
Notice of Meeting	means this document, including the Notice of General Meeting and the Explanatory Statement.
Notice of General Meeting	means the notice of general meeting of Shareholders.
OCP Funds	means Orchard Centar Master Limited and Orchard Dejima Limited.
OCP Funds Subscription and Implementation Deed	means the subscription and implementation deed dated 2 April 2014 between the Company and OCP Funds for the subscription by the OCP Funds for the New Shares, New Options and New Notes in consideration for the transfer of the 25 Existing AML Notes by OCP Funds to the Company as detailed in the Existing AML Note Assignment Agreement and as detailed in paragraph 1.2 of the Explanatory Statement.

Placement Shares	the issue of up to 66,666,666 Shares to sophisticated or professional investors for the purposes of section 708 of the Corporations Act to be put to Shareholders for approval under Resolution 1.
Promissory Note Sale and Purchase Deed	means the deed dated 2 April 2014 between the Company and AML for the acquisition by the Company of the Promissory Notes as detailed in paragraph 1.2 of the Explanatory Statement.
Proxy Form	means the personalised proxy forms accompanying this Notice of Meeting.
Resolutions	means those resolutions set out in this Notice of Meeting that will be proposed at the General Meeting.
Shareholders	means a holder of one or more Aeon Shares.
Transaction	means the acquisition of the entire issued share capital in AMQ and which is made up of the Existing AML Note Acquisition and AMQ Acquisition.
Transaction Agreements	<p>means each of the following:</p> <p>AMQ Acquisition</p> <ul style="list-style-type: none"> (a) AMQ Sale and Purchase Deed executed on 2 April 2014 (b) Promissory Note Sale and Purchase Deed executed on 2 April 2014 (c) Deed of Cancellation of 7 Existing Notes <p>Existing Note Acquisition</p> <ul style="list-style-type: none"> (d) OCP Funds Subscription and Implementation Deed executed on 2 April 2014 (e) Existing AML Notes Assignment Agreement (f) New Option Deed Poll (g) New Note Security and Trust Deed
VWAP	means volume weighted average price calculated in accordance with accepted market practice or as otherwise described in the Listing Rules.
Walford Creek Project	means the project with respect to EPM's 14220, 14854 and 18552 as described in Schedule 3 of this Notice of Meeting.

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aeonmetals.com.au



ALL CORRESPONDENCE TO:

By Mail:

Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

Level 7, 207 Kent Street
Sydney NSW 2000 Australia

By Fax:

+61 2 9290 9655

Online:

www.boardroomlimited.com.au

By Fax:

1300 737 760 (within Australia)
+61 2 9290 9600 (outside Australia)

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10.00am (Sydney time) on 6 May 2014.**

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1: APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

STEP 2: VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3: SIGN THE FORM

The form must be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: Where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: To sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: This form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4: LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10.00am (Sydney time) on 6 May 2014.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

BY FAX + 61 2 9290 9655

BY MAIL Boardroom Pty Limited
GPO Box 3993, Sydney NSW 2001 Australia

IN PERSON Level 7, 207 Kent Street, Sydney NSW 2000 Australia

ONLINE info@aeonmetals.com.au

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.



☐

YOUR ADDRESS
This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Security-holders sponsored by a broker should advise their broker of any changes.
Please note, you cannot change ownership of your securities using this form.

STEP 1: APPOINT A PROXY

I/We being a member/s of **Aeon Metals Limited** (Company) and entitled to attend and vote hereby appoint:

☐

the **Chair of the Meeting** (mark box)

OR if you are NOT appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Extraordinary General Meeting of the Company to be held at The Grace Hotel, Corner of York and King Streets, 77 York Street, Sydney, NSW 2000 commencing at 10.00am on 8 May 2014 and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

The Chair of the Meeting intends to vote undirected proxies in favour of each of the items of business.

STEP 2: VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	To approve proposed placement of ordinary shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	To approve proposed issue of New Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	To approve proposed issue of New Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	To approve issue of shares to Mr Hamish Collins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3: SIGNATURE OF SHAREHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary