



Aeon Metals Ltd

(formerly Aussie Q Resources Limited)

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ASX Code - AQR

31 October 2012.

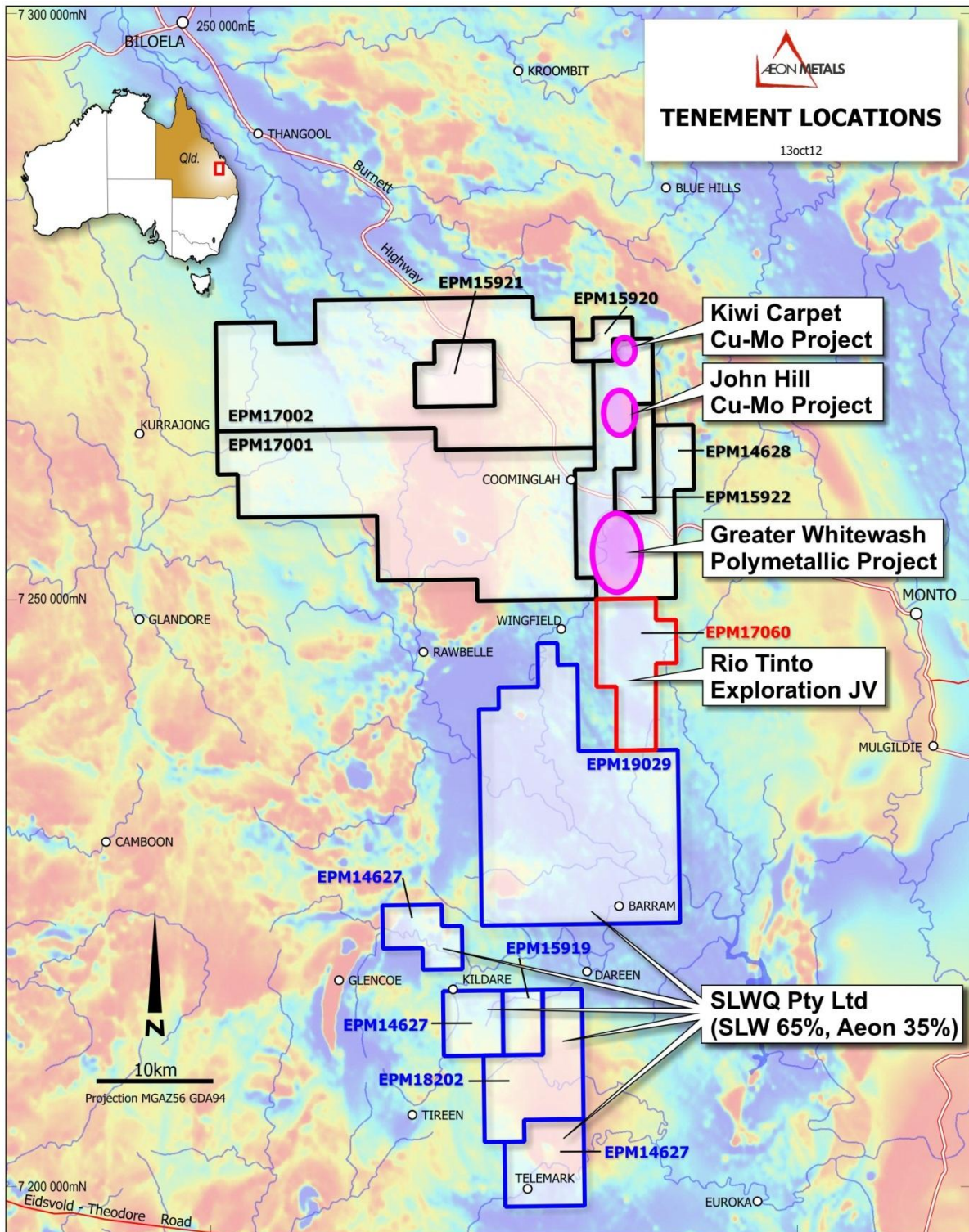
Company Announcements Office
Australian Securities Exchange
Level 4, Exchange Centre
20 Bridge Street
Sydney NSW 2000

Quarterly Activities Report For the three months ending 30 September 2012

HIGHLIGHTS

- **John Hill Copper-Molybdenum Project drill campaign (946m) intersects chalcocite enriched supergene zone within large copper mineralised system.**
- **Letter of Intent signed with Rio Tinto Exploration Limited regarding Earn-In and Joint Venture Agreement for EPM 17060.**
- **SLWQ drill campaign (966m) continued with first holes at Oakey Creek tenement, which borders Rio Tinto Earn-In and JV tenement EPM 17060.**
- **Name change from Aussie Q Resources Ltd to Aeon Metals Ltd**

MAP OF TENEMENT LOCATIONS



John Hill Copper-Molybdenum Project (EPM 14628)

During the quarter Aeon Metals Limited (“Aeon”) undertook a 4 hole (946m) drill campaign at John Hill (refer Diagram 1 below). Significant mineralisation was recorded in all 4 holes (12KC056, 12KC057, 12KC058, 12KC059).

Based on these holes and the initial 13 holes drilled (3,252m) in early 2012 (refer Diagram 1 below), John Hill has been identified as a large mineralised copper system with the presence of an extended chalcocite supergene zone.

Hole No	Elevation	Easting	Northing	Azimuth	Dip	Depth
12KC056	507m	283600m	7266800m	80MN	-60	271m
12KC057	520m	283703m	7266972m	80MN	-60	172m
12KC058	536m	283983m	7267392m	83MN	-63	300m
12KC059	518m	283700m	7267407m	80MN	-60	202m

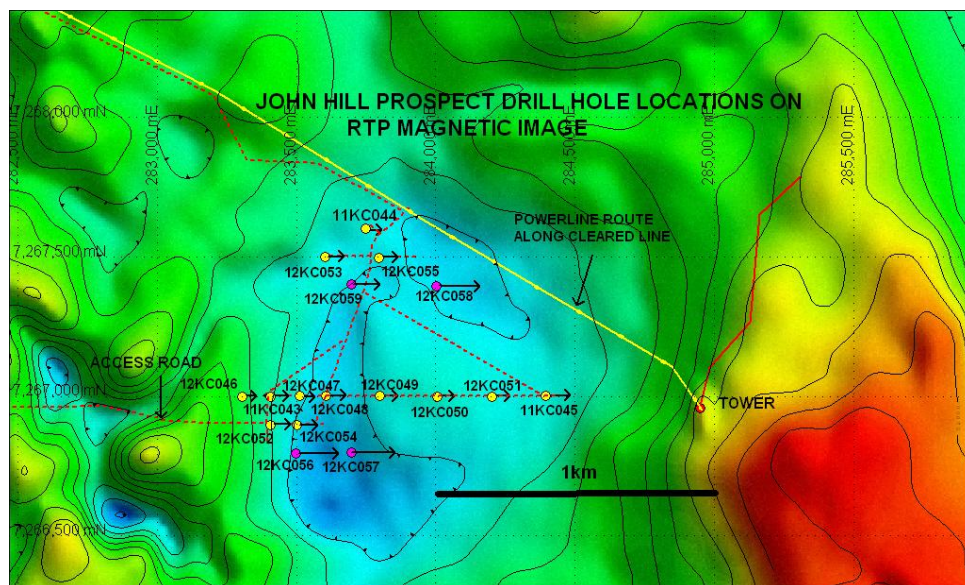


Diagram 1 - John Hill Prospect Drill Hole locations

All John Hill drill results have been compiled with significant intercepts including:

Table 1

Hole	Intersect m	Cu %	Mo ppm	Ag ppm	From m	To m
47	25	0.31	315	1.6	25	73
51	128	0.21	71	0.9	26	154
	<i>Inc 13</i>	<i>0.27</i>	<i>161</i>	<i>0.9</i>	<i>102</i>	<i>115</i>
	22	0.17	250	2.1	330	352
	<i>Inc 5</i>	<i>0.18</i>	<i>580</i>	<i>6.2</i>	<i>346</i>	<i>351</i>
53	41	0.31	18	0.1	14	55
	<i>Inc 21</i>	<i>0.41</i>	<i>13</i>	<i>0.2</i>	<i>28</i>	<i>49</i>
	125	0.18	153	0.9	228	353
	<i>Inc 10</i>	<i>0.22</i>	<i>234</i>	<i>1.1</i>	<i>290</i>	<i>300</i>
55	494	0.22	163	1.0	25	519
	<i>incl 35</i>	<i>0.32</i>	<i>63</i>	<i>0.5</i>	<i>25</i>	<i>60</i>
	<i>incl 20</i>	<i>0.41</i>	<i>48</i>	<i>0.3</i>	<i>39</i>	<i>59</i>
	<i>incl 10</i>	<i>0.49</i>	<i>54</i>	<i>0.3</i>	<i>39</i>	<i>49</i>
56	58	0.34	183	1.0	55	113
	<i>inc 13</i>	<i>0.79</i>	<i>150</i>	<i>1.1</i>	<i>56</i>	<i>69</i>
58	200	0.31	100	1.5	46	246
	<i>inc 152</i>	<i>0.32</i>	<i>102</i>	<i>1.5</i>	<i>63</i>	<i>215</i>
	<i>inc 51</i>	<i>0.42</i>	<i>124</i>	<i>2.1</i>	<i>87</i>	<i>138</i>
	<i>inc 8</i>	<i>0.55</i>	<i>113</i>	<i>2.2</i>	<i>127</i>	<i>135</i>

Hole No	Elevation	Easting	Northing	Azimuth	Dip
12KC047	507m	283519m	7267000m	80MN	-60
12KC051	565m	284199m	7267001m	80MN	-60
12KC053	511m	283600m	7267497m	80MN	-60
12KC055	524m	283801m	7267497m	80MN	-60
12KC056	507m	283498m	7266799m	80MN	-60
12KC058	536m	283980m	7267392m	80MN	-60

Like Greater Whitewash, John Hill is a polymetallic deposit. However in this case copper is the dominant economic element. Oxidation and partial oxidation extends to significant depths in parts of the John Hill prospect and has enriched the copper mineralisation but the degree of molybdenum extraction is likely to be variable over these intervals.

The focus of the Company over the quarter has been to step out on the initial successful John Hill drill campaign undertaken at the beginning of the year, with a view to identifying the deposit characteristics. This has been achieved, and the next step is to undertake a drill campaign to

incorporate both known mineralisation at John Hill and Kiwi Carpet (see Kennecott drill holes in Diagram 2 below), an area which covers approximately 12km², with the objective to delineate a large tonnage copper-molybdenum resource base.

Due to the proximity to Greater Whitewash, John Hill and Kiwi Carpet have the potential to add substantially (open pit tonnes and copper grade) to the economics of a centralised Greater Whitewash processing plant.

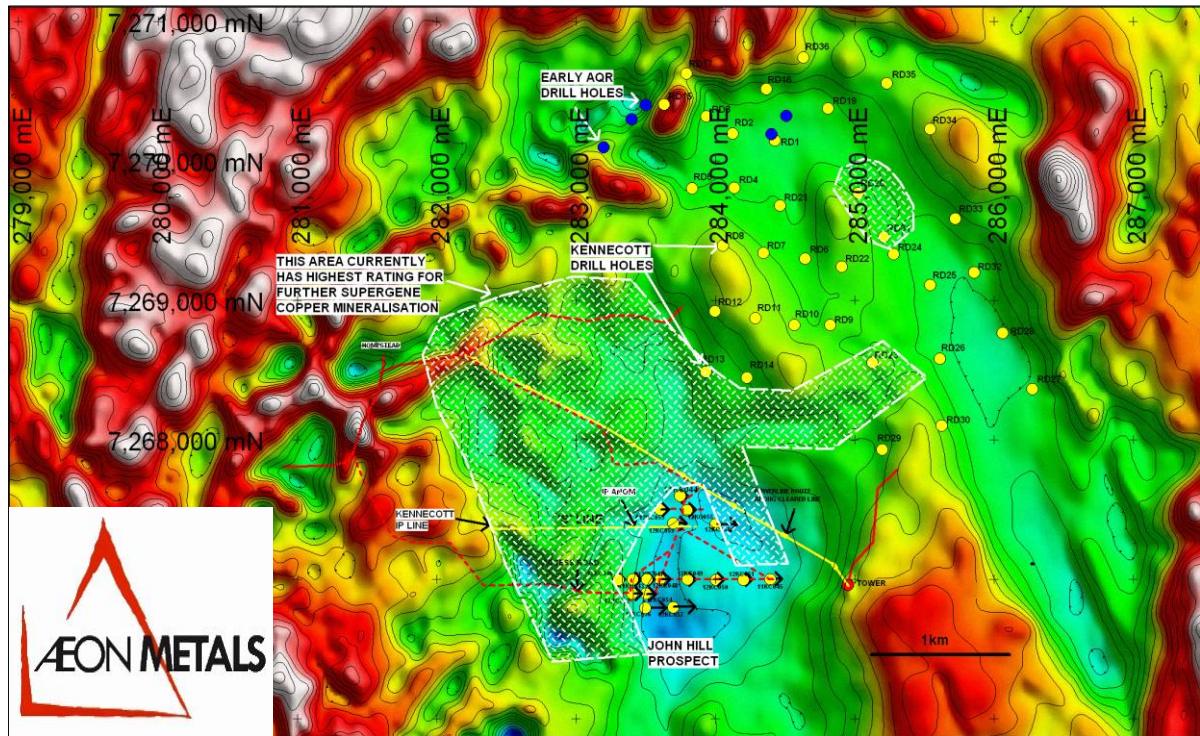


Diagram 2 - Extent of area considered to have potential for supergene copper mineralisation

Greater Whitewash Polymetallic Project (EPM 14628)

Work on Greater Whitewash during the quarter was limited due to budgetary constraints combined with the Company's focus on advancing the John Hill project to a copper-molybdenum resource status. As mentioned above, a John Hill/Kiwi Carpet resource would add substantial economic synergies to the current Greater Whitewash resource base allowing for very large scale, low cost open pit methods.

Work items required to advance a pre-feasibility study include further metallurgical studies and subsequent process flow-sheet analysis, infrastructure studies, and environmental base line studies.

A Mineral Development Licence ("MDL") lodged over Greater Whitewash in October last year is now forecast to be granted before the end of the year.

**SLW Queensland Pty Ltd (Aeon 35%, SLW Minerals 65%)
(EPMs 14627, 15919, 19029)**

A total of 966m (6 holes) was drilled on the SLW Queensland Pty Ltd ("SLWQ") tenements during the quarter.

Based on the results of a ground magnetic survey, three IP traverses, a partial extraction soil survey and the distribution of old copper workings, two RC drill holes, 12OC001 and 12OC002 were drilled at the Oakey Ck Prospect in EPM 19029. The results overall were disappointing with maximum copper analyses reaching 668ppm in 12OC001 and 2650ppm in 12OC002 over 1 metre. No sulphides were observed in either drill hole, however primary native copper mineralisation was observed in 12OC002.

DH No	Easting	Northing	Depth	Azimuth	Dip
12OC001	285070m	7231026m	148m	350 MN	- 60
12OC002	285650m	7231150m	208m	80MN	- 60

Four additional drill holes, namely 12KD022, 023, 024 and 025 were drilled at Kildare. Drill hole 12KD025 intersected a significant thickness of Mo mineralisation of reasonable grade (see Table 2 below) but the lateral dimensions are unknown at this stage.

Table 2

Hole	Intersect m	Mo ppm	From m	To m
12KD024	1	1,675	70	71
12KD024	1	1,070	75	76
12KD025	18	726	64	82
	<i>incl. 1</i>	<i>2,380</i>	<i>64</i>	<i>65</i>
	<i>incl. 1</i>	<i>2660</i>	<i>78</i>	<i>77</i>
12KD025	4	790	94	98
	<i>incl. 1</i>	<i>1,480</i>	<i>94</i>	<i>96</i>
	<i>incl. 1</i>	<i>1,250</i>	<i>97</i>	<i>98</i>

Hole No	Easting	Northing	Azimuth	Dip	Depth
12KD022	275070m	7214182m	170MN	-60	142m
12KD023	275073m	7214182m	125MN	-60	202m
12KD024	274499m	7213970m	170MN	-60	130m
12KD025	274470m	7212900m	06MN	-65	136m

Corporate

Rio Tinto Exploration Pty Ltd Letter of Intent for EPM 17060

On 6th September, 2012, Aeon announced that it had entered into a Letter of Intent with Rio Tinto Exploration Pty Ltd ("Rio") in regard to entering into a formal earn-in and joint venture ("EEJVA") of Aeon's (100%) tenement EPM 17060. This tenement borders the Company's Greater Whitewash Project and is along the porphyry geological north-south striking structure. It also borders SLWQ's (Aeon 35%) tenement EPM 19029 to the south. Rio will be seeking to commence exploration activities shortly after a formal EEJVA is agreed and executed.

Name Change

At the Company's General Meeting held on 24 August, 2012, shareholders approved a change of the Company's name from Aussie Q Resources Ltd to Aeon Metals Ltd. This name change, although aesthetic, is a response to the Company's realigned future focus and strategy which is to implement a growth plan based on both organic growth (advancing Greater Whitewash to development, obtaining a JORC Resource for John Hill and Kiwi Carpet) combined with seeking corporate growth opportunities through a merger and acquisition event.

Exploration Expenditure

During the quarter, the Company expended approximately \$286,000 on exploration activities.

As at 30 September, 2012, the Company had cash reserves of approximately \$475,000.

Appendix 5B

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

Yours sincerely,



Hamish Collins
Managing Director
Aeon Metals Limited

The information in this report that relates to exploration results and mineral resources is based on information compiled by Mr. John Goody, Executive Director of Exploration, Aeon Metals Limited ("Aeon") and supervised by Mr Martin l'Ons who is a Member of the Australian Institute of Geoscientists and who has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Martin l'Ons is a self-employed consultant who consults to Aeon and has consented to the inclusion in this report of the matters based on this information in the form and context which it appears.

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

AEON METALS LIMITED (FORMERLY AUSSIE Q RESOURCES LIMITED)

ABN

91 121 964 725

Quarter ended ("current quarter")

30 September 2012

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (3 months) \$A'000
1.1	Receipts from product sales and related debtors		
	- Service Fees	14	14
1.2	Payments for (a) exploration & evaluation	(286)	(286)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(304)	(304)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	7	7
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)		
	- GST Payments	5	5
	Net Operating Cash Flows	(564)	(564)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	-	-
1.13	Total operating and investing cash flows (carried forward)	(564)	(564)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(564)	(564)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)		
	- Capital raising costs	-	-
	- On market purchase of shares for equity-based compensation	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(564)	(564)
1.20	Cash at beginning of quarter/year to date	1,039	1,039
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	475	475

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	52
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Transactions include the payment of Consultancy fees to the associated entities of the Director, J. Goody, the payment of Superannuation and Directors fees to the Directors, E. Newman, H. Collins & T. Mann, as well as the reimbursement of ordinary expenditure incurred by Directors.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

The company has a corporate credit card facility for the purpose of company expenses. There are four cards issued with a combined credit limit of \$30,000.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	30	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	300
4.2 Development	-
4.3 Production	-
4.4 Administration	250
Total	550

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	475	1,039
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	475	1,039

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	Nil			

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity quarterly report

6.2	Interests in mining tenements acquired or increased	Nil			
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Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities (description)	N/A			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	N/A			
7.3	+Ordinary securities	152,822,440	152,822,440		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	N/A			
7.5	+Convertible debt securities (description)	N/A			
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	N/A			
7.7	Options (description and conversion factor)	N/A		Exercise price	Expiry date
7.8	Issued during quarter	N/A			

+ See chapter 19 for defined terms.

7.9	Exercised during quarter	N/A			
7.10	Expired during quarter	N/A			
7.11	Debentures (totals only)	N/A			
7.12	Unsecured notes (totals only)	N/A			

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act [or other standards acceptable to ASX](#) (see note 5).
- 2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:  Date: 31 october 2012..
Company Secretary

Print name: Stephen J Lonergan

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

+ See chapter 19 for defined terms.

- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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