



Aeon Metals Ltd

(formerly Aussie Q Resources Limited)

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ASX Code - AQR

31 October 2013.

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 2013

HIGHLIGHTS

- **Extensive work undertaken during the quarter at Aeon Metal's 100% owned 7B Project ("7B"):**
 - **Stage 3 drill campaign completed with 2,464m drilled during quarter.**
 - **Stage 3 results continue to build 7B geological status.**
 - **Much of the near surface copper dominant mineralisation, hosted in or peripheral to a mafic sill-like intrusion, appears to have been re-mobilised from an earlier VMS system at depth.**
 - **Aeon reviewing deeper drilling and EM options focussed on targeting the VMS mineralisation.**
 - **1.4km of shallow continuous mineralised strike length identified – mineralisation remains open in all directions.**
 - **Significant copper, gold, silver, zinc and cobalt all continue to be present.**
- **JORC resource work undertaken during quarter by geological consultant SRK Consulting following successful second quarter drilling at Aeon Metal's 100% owned Ben Hur Copper Project ("Ben Hur") - maiden resource near completion.**
 - **Exceptionally large mineralised system - open in all directions**
 - **Drill results received during quarter consistent with 2012 drill campaigns**
 - **Next step is resource and scoping study assessment.**
- **Strategic decision taken to review Joint Venture proposals for Ben Hur following renewed interest.**

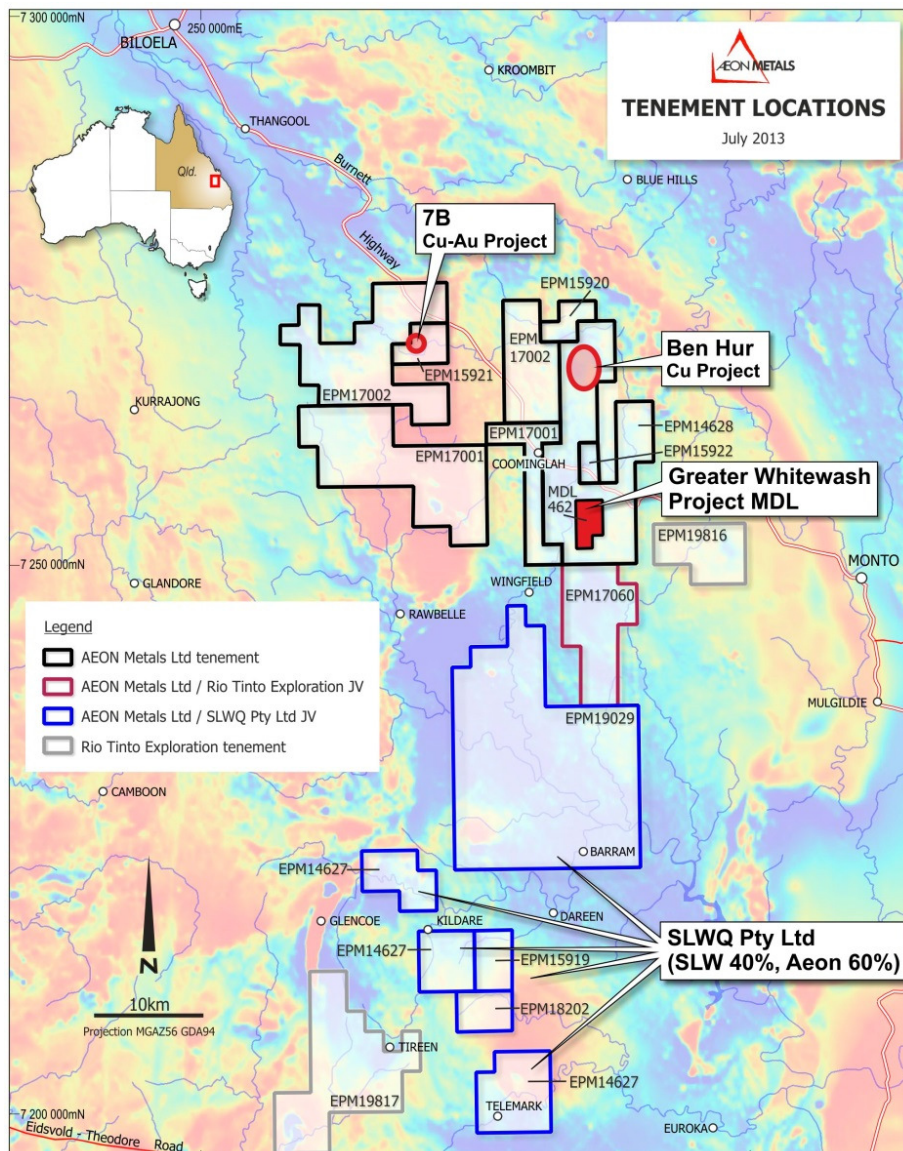
Executive Summary

The Company continues to focus on growing its 3 core advanced exploration assets, which consist of the following:

- 2 large porphyry projects:
 - Greater Whitewash Copper/Molybdenum Project,
 - Ben Hur Copper Project; and
- 7B Copper/Gold Project - consistent with a Volcanogenic Massive Sulphide (“VMS”) system with a mafic intrusion overprint.

This quarter, the Company has completed a successful 27 hole drill campaign at 7B (2,464m) enhancing the 7B geological status. At Ben Hur, geological consultants SRK Consulting were mandated during the quarter to undertake a resource assessment utilising all the drilling data received since discovery in early 2012. A maiden Ben Hur resource is forecast for early November.

Ben Hur and 7B, combined with the large Greater Whitewash resource, are all significant projects within a 15km radius of each other. The success of the drilling in this quarter at 7B and the forecast addition of a Ben Hur resource has turned the Company’s contiguous tenement package into a multiple project copper province with the ability to develop a centralised processing plant to service the combined project base. This is assisted by the fact that the location of the projects are all close to major infrastructure (power, sealed highway, water) and only 150km by highway to Gladstone port. This centralised plant strategy will be continued to be advanced as the resource bases grow.



7B Copper-Gold Project

(EPM 15921)

A Stage 3 drill campaign at the 7B Project commenced during the quarter (14 August). Since then, 27 holes (Holes 32-58) have been drilled for approximately 2,464m. Total drilling at 7B (Stages 1-3) since the first drill hole in February 2013 is now 5,464m, covering an area of 2,500m North-South and 900m East-West and with a focus on the Wild Chilli mineralised area. The Stage 3 drill campaign, which included both reverse circulation and diamond drilling, was completed in early October. See appendix for results to date with some highlights of the Stage 3 drill campaign as follows:

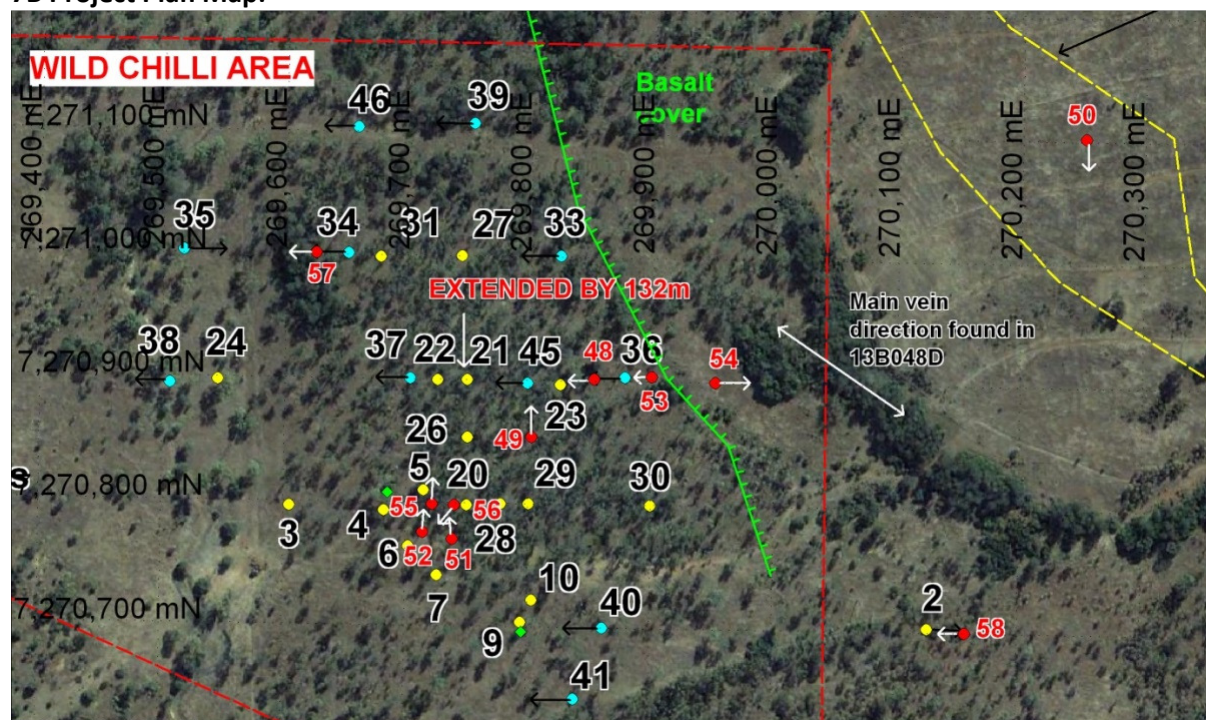
- 10m @ 1.77% Cu, 1.1g/t Au and 6g/t Ag from surface;
- 7m @ 1.25% CuEquiv¹ from 61;
- 16m @ 0.64% CuEquiv¹ from 65;
- 6m @ 0.51% CuEquiv¹ from 75;
- 9m @ 0.53% Cu, 0.1g/t Au and 2.4g/t Ag from 21m; and
- 22m @ 0.49% Cu, 0.1g/t Au and 6.2g/t Ag from 2m.

The Stage 3 campaign was designed to expand the known mineralisation, discovered in Stage 1 and 2 campaigns, as well as targeting new opportunities within close proximity to the known sheeted vein style lodes within the Wild Chilli area. Both strategies have been successful:

- a step out of the Wild Chilli lode achieved;
- new areas of discovery within close proximity that will require further follow-up drilling.

The Stage 3 drilling included 2 diamond holes. This has enabled the Company to better understand the geological setting of the large mineralised system. The geological assessment is that 7B is a VMS system with a mafic intrusion overprint. This theory postulates that the 7B mineralisation which is seen in the soil sampling i.e. copper, zinc, silver, gold, arsenic, etc., is part of a deeper and larger VMS system. The copper and gold in the near surface appears to be partly the result of the copper, iron and zinc sulphides being mobilised to a higher level by a cross-cutting mafic intrusion. This sort of relationship has been observed elsewhere in Australia.

7B Project Plan Map:



As a consequence of Stage 1 and 2 drilling, the Company has identified a mineralised sill-like mafic intrusion with a sub-horizontal attitude. Most of the copper-zinc-silver-gold located to date occurs within and proximal to this intrusion.

The recent diamond drilling however has possibly encountered a feeder to this intrusion as well as an earlier altered, brecciated and mineralised submarine volcanic centre that is considered to be the primary source of the mineralisation.

The Company is reviewing deeper drilling and geophysical options focussed on targeting this primary mineralisation. Additionally, a ground magnetic survey is to be undertaken to follow both the earlier magnetic alteration and the later mafic intrusion observed in diamond drill holes 13B048 and 13B049.



Multiple pyrite-chalcopyrite-pyrrhotite veins in mafic intrusion and peripheral sediments

Ben Hur Copper Project

(EPM 14628)

The Company completed a 6 hole (and deepening of 1) (~1,312m) drill campaign at Ben Hur in June and no further drilling has been undertaken during this quarter. The total metres of drilling at John Hill since discovery in early 2012, is approximately 5,510m.

Drill results from the second quarter were received during this quarter and were consistent with 2012 drill campaigns, with examples as follows:

Hole No.	Easting	Northing	Azimuth degrees	Dips degrees	Intersect m	Cu %	Mo ppm	Ag ppm	From m	To m	Cu Equiv ¹ %
54	7266896	283498	81.5	60	141	0.22	69	0.9	45	186	
					incl 41	0.32	111	1.2	46	87	0.38
					incl 6	0.78	81	1.05	46	52	0.83
					incl 4	0.99	82	1.05	47	51	1.04
60	7267204	283597	80	60	130	0.25	63	1.1	53	183	0.29
					inc 63	0.28	77	1.2	54	117	0.32
					and 11	0.32	115	1	54	65	0.38
63	7267505	284000	80	60	202	0.25	178	1.2	42	244	
					inc 166	0.26	203	1.2	78	244	0.36
					inc 77	0.38	290	1.8	78	155	0.52
					incl 44	0.49	248	2.2	78	122	0.62
64	7267588	283995	260	55	287	0.22	161	1.2	41	328	
					inc 111	0.26	212	1.4	177	288	0.37
					inc 14	0.26	251	1.3	197	211	0.39
					and 10	0.31	244	2.1	218	228	0.44
					and 7	0.26	260	1.6	273	280	0.39

¹Copper Equivalent Calculation as per updated commodity prices:

Cu Equiv Formula = (Copper grade + (Mo grade*(Mo price/Cu price) + Ag grade*((Ag price/0.0625)/Cu price))

Metal Prices used: Copper = A\$3.25/lb, Molybdenum = A\$14/lb, Silver = A\$25/oz

Note: Certain intercepts in Hole 63, 202m not reported in CuEquiv as top component of hole in oxide zone.

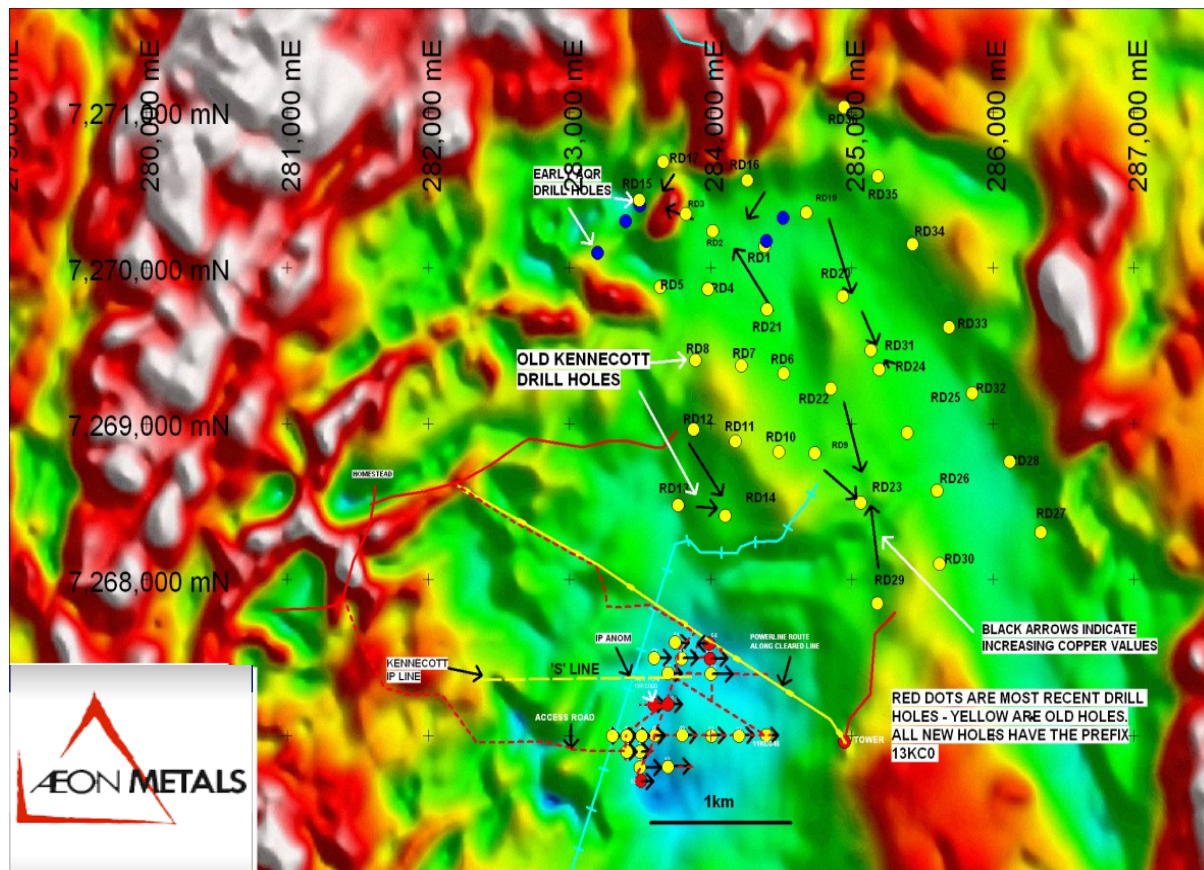
A composite sample from 12KC051 91to 92m and 12KC055 80 to 85m that assayed 0.4% Cu, 1ppm Ag and 190ppm Mo was submitted to ALS Amtec Laboratories in Sydney in May 2012 for a demonstration floatation test to determine possible rates of recovery. This test indicated a recovery of 91% for Cu, 65% for Ag and 95% for Mo.

With a growing database of geological information, geological consultants SRK Consulting were mandated during the quarter to undertake a resource assessment for Ben Hur utilising all the drilling data received since discovery in early 2012.

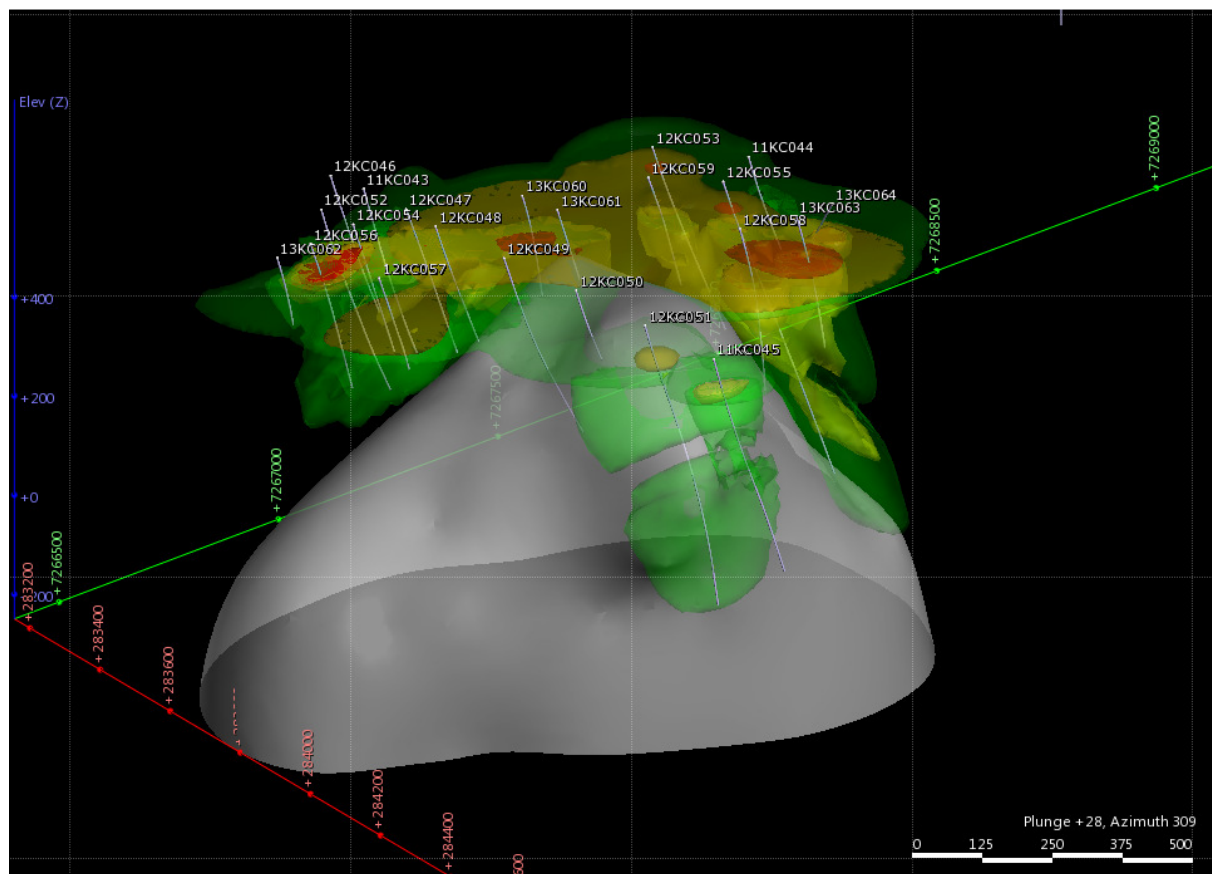
A maiden Ben Hur resource is forecast for early November.

Note – this resource does not include the drill holes drilled by Kennecott in the 1970's, and located approximately 800m to the north of hole 64. Few, if any, of these Kennecott holes were drilled deep enough to intersect the mineralisation now known to exist at Ben Hur where the chalcocite generally commences at approximately 60m.

Ben Hur Copper Project:



Ben Hur Copper Project 3D Model – looking NW:



Corporate

On 2 August Aeon announced that it agreed to place 8,000,000 ordinary fully paid shares at A\$0.16 per share to institutional and sophisticated investors in Australia to raise \$1,280,000 before costs of the issue.

Due to the drop in corporate and asset valuations the company has continued to pursue copper asset and corporate mergers and acquisitions. Aeon wishes to be an active party in this regard and believes it has the management expertise and proven skills in identifying value and structuring to act quickly on any "corporate growth" transaction. Additionally, a strategic decision has been taken to review Joint Venture proposals for Ben Hur following renewed interest due to the advancement towards resource status.

Exploration Expenditure

During the quarter, the Company expended approximately \$383,000 on exploration activities.

As at 30 September 2013, the Company had cash reserves of approximately \$1.663M.

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. 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 1: Significant Intersections (to date) for all drilling at 7B (Wild Chilli and Meat Ant Areas)

Hole No.	Easting	Northing	Azimuth degrees	Dips degrees	Intersect m	Cu %	Au g/t	Ag g/t	From m	To m	Cu Equiv ¹ %
B004	269679	7270796	3	55	24 <i>incl 4</i>	0.40 0.70	0.04 0.07	2.3 3.0	1 4	25 8	
B005	269715	7270816	249	55	2 and 3 <i>incl 2</i> and 6 <i>incl 1</i>	0.54 0.52 0.70 0.39 1.32	0.05 10.8 5.1 20.7	3.7 8.3	0 47 48 58 58	2 50 50 64 59	0.68 0.88 0.48 1.62
B006	269696	7270764	292	55	12 <i>incl 6</i>	0.51 0.73	0.05 0.08	1.7 2.0	1 2	13 8	
B009	269796	7270709	203	55	3 <i>incl 1</i>	1.97 4.92	0.16 0.38	5.9 13.4	6 7	9 8	
B011	270068	7270146	170	60	3 <i>incl 1</i>	0.65 1.86	0.60 0.91	26.7 68.3	19 20	22 21	1.48 3.16
BO12	270074	7270214	170	60	11 <i>incl 3</i> and 1 and 2	0.03 0.03 0.13 0.44	0.64 2.03 0.12 0.13	9.2 34.4 20.4 23.7	9 19 45 82	20 22 46 84	1.97 1.08 1.25
BO13	270130	7269701	145		12 and 4 and 6	0.03 0.04 0.04		4.5 6.3 5.4	8 36 48	20 40 54	0.48 0.41
B015	270121	7269871	350	60	13 <i>incl 3</i>	0.35 0.66	0.01	13 5	6 7	19 10	
B016	270100	7270203	259	60	9 <i>incl 2</i>	0.06 0.06	1.00 2.20	41 53	14 17	23 19	1.91 2.46
B020	269750	7270800	260	55	26 <i>incl 20</i> <i>incl 10</i>	0.78 0.93 1.05	0.11 0.13 0.09	11 14 19	6 8 8	32 28 18	
B021	269747	7270897	260	55	13 <i>incl 5</i>	0.80 1.53	0.10 0.10	11 20	55 61	68 66	1.00 1.88
B022	269726	7270904	260	70	9 <i>incl 3</i> and 9 <i>incl 5</i>	1.42 3.68 0.79 1.11	0.20 0.40 0.05 0.06	14 36 9 12	30 32 50 51	39 35 59 56	1.67 4.34 0.96 1.32
B023	269828	7270902	260	60	19 <i>incl 2</i> <i>incl 9</i> and 2	0.48 1.60 0.72 1.09	0.07 0.27 0.11	4 10 6 12	66 72 72 79	85 74 81 81	0.59 1.89 0.90 1.36

Appendix 1 (con'd)

Hole No.	Easting	Northing	Azimuth degrees	Dips degrees	Intersect m	Cu %	Au g/t	Ag g/t	From m	To m	Cu Equiv ¹ %
B027	269750	7271000	260	60	11 <i>incl 1 and 2</i>	0.15 0.01 0.30	0.31 3.09 0.09	2 0 4	60 62 79	71 63 81	
B028	269775	7270800	260	60	30 <i>and 15 incl 3</i>	0.35 0.40 0.83	0.08 0.06 0.16	5 6 14	10 24 36	40 39 39	0.66 1.40
B029	269800	7270800	255	58	10 <i>incl 6 incl 3</i>	0.87 1.27 2.10	0.06 0.08 0.12	3 4 6	12 15 18	22 21 21	
B031	269675	7271000	260	70	5 <i>and 5 and 1</i>	0.26 0.30 0.53	0.03 0.05 0.04	4 4 9	38 54 67	43 59 68	0.37 0.38 0.65
B034	269650	7271000	260	60	7 <i>incl 3</i>	0.87 1.76	0.17 0.16	20 42	61 61	68 64	1.25 2.43
B036	269875	7270900	260	60	16 <i>incl 5 incl 1 and 6</i>	0.36 0.58 2.35 0.43	0.15 0.37 1.34 0.04	3 5 21 2	65 65 66 75	81 70 67 81	0.64 1.31 3.97 0.51
B051	269875	7270900	260	60	18 <i>incl 4</i>	0.29 0.50	0.02 0.03	5 8	23 25	41 29	0.38 0.63
B052	269714	7270775	350	55	20 <i>incl 10 incl 4</i>	1.03 1.77 2.83	0.58 1.11 1.48	4 6 9	0 0 1	20 10 5	
B053	269900	7270900	260	60	9 <i>incl 4</i>	0.43 0.70	0.06 0.08	2 4	21 22	30 26	
B056	269740	7270800	225	55	22 <i>incl 7 incl 2</i>	0.49 0.80 1.33	0.06 0.10 0.14	6 10 21	2 3 8	24 10 10	

¹Copper Equivalent Calculation as per commodity prices Cu \$3.25/lb, Zn \$0.89/Lb, Ag A\$22/oz, Au A\$1,300/oz, Co A\$36,000/t.

Cu Equiv Formula = Copper grade + (Zn grade*(Zn price/Cu price) + Ag grade*((Ag price/0.0625)/Cu price) + Au grade*((Au price/0.0625)/Cu price) + (Co grade*(Co price/Cu price)

Note:

Certain intercepts not reported in Cu Equiv as top component of hole in oxide zone. Material from this zone has not yet been tested for metallurgical recovery.

A composite sample from 13B022 52m to 57m that assayed 0.78% Cu, 7.1ppm Ag was submitted to ALS Ammtec Laboratories in Sydney in June 2013 for a demonstration flotation test to determine possible rates of recovery. This test indicated a recovery of 96% for Cu, 96% for Ag 70.5% for Zinc and 72.7% for Co.

Appendix 5B

Mining exploration entity and oil and gas 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, 01/05/2013

Name of entity

AEON METALS LIMITED

ABN

91 121 964 725

Quarter ended ("current quarter")

30 September 2013

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors		
	- Service Fees	3	3
1.2	Payments for (a) exploration & evaluation	(383)	(383)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(388)	(388)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	11	11
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)		
	- GST Payments	3	3
Net Operating Cash Flows		(754)	(754)
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)	(754)	(754)

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(754)	(754)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1,290	1,290
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	(45)	(45)
	- On market purchase of shares for equity based compensation	-	-
	Net financing cash flows	1,245	1,245
	Net increase (decrease) in cash held	491	491
1.20	Cash at beginning of quarter/year to date	1,172	1,172
1.21	Exchange rate adjustments to item 1.20		
		1,663	1,663
1.22	Cash at end of quarter		

Payments to directors of the entity, associates of the directors, 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	183
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

+ See chapter 19 for defined terms.

- 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

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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	25	5

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	300
4.2 Development	-
4.3 Production	-
4.4 Administration	285
Total	585

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	1,663	1,172
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,663	1,172

+ See chapter 19 for defined terms.

Changes in interests in mining tenements and petroleum tenements

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

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	182,112,209	182,112,209		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	8,062,500	8,062,500	16	16
7.5 *Convertible debt securities (description)	N/A			

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	N/A			
7.7	Options (description and conversion factor)	Unlisted Options 13,333,333 1,000,000		Exercise price 15 12.5	Expiry date 9 November 2014 8 February 2016
7.8	Issued during quarter	N/A			
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: 31/10/13
(Director/Company secretary)

Print name: Hamish Collins
.....

+ See chapter 19 for defined terms.

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 and petroleum 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 or petroleum 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.
- 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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+ See chapter 19 for defined terms.