



Aeon Metals Limited

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ASX Code - AQR

13 July 2015.

Dear Shareholder

Enclosed with this letter is your personalised Application Form and Offer Document for Aeon Metals Limited's ("Aeon") 1 for 7 Rights Issue at 7.5 cents per share announced on 1 July 2015. The closing date is 27 July 2015.

The details of the Rights Issue offer are set out in the Offer Document and, rather than repeat the details, I thought it would be useful to present this opportunity in the broader context of where Aeon is heading.

Aeon's most advanced and attractive asset is the Walford Creek Project, which now has an aggregate Inferred and Indicated JORC Resource of 72.2 million tonnes containing 296kt of copper, 623kt of zinc, 626kt of lead, 55 tons of silver, and 150kt of cobalt with potential for further increase. Aeon is engaged on establishing the key feasibility drivers for the Project (eg product definition and metallurgical processing, conceptual mining and plant design, and indicative logistics and infrastructure studies) in anticipation of a formal Bankable Feasibility Study in due course. As these parameters are positively established, the Project becomes more valuable.

The \$3.26m to be raised by the Rights Issue will largely be spent on this process of adding value to Walford Creek. The Company is also raising additional debt of some \$4.85m from funds associated with OCP Asia (Hong Kong) Limited.(subject to shareholder approval) to give the abovementioned work added impetus. This is effectively a refinancing of the existing debt facility, with an extended repayment date of December 2017.

The Rights Issue and refinancing is a huge step forward in setting a long term platform of growth for Aeon and specifically the Walford Creek Project. The salient points for the capital restructure are as follows:

- Rights Issue:
 - Amount to be raised (\$3.26m) is significant in what continue to be very uncertain market conditions.
 - Opportunity to acquire additional Aeon shares at an attractive price.
 - Underwritten by a wholly owned subsidiary of Washington H Soul Pattinson,Limited a major shareholder, showing confidence in Company strategy and medium term vision.
 - Funds will allow the Walford Creek Project to advance towards a Bankable Feasibility Study, uninterrupted from near to medium term capital market restraints.
 - Aeon shareholder base to remain tight with approximately 70% of the Company held by the top 10 shareholders.

- Debt Refinancing:
 - Amount available post restructure (~\$4.85m) significant.
 - The new facility will be materially on the same terms and conditions of the current facility.
 - No shares issued, only warrants (73m) which, combined with existing warrants when fully exercised would repay ~61% of the debt.
 - Term extension of 6 months to 17 December 2017.

The Company will be seeking to monetise some of the value which Aeon's prefeasibility work has and will generate. Assuming our prefeasibility work continues to be positive, we expect that the Project value will further increase and, when markets normalise, we would expect that the added value will be reflected in a stronger Aeon share price.

I note that the Walford Creek Project has transitioned from an exploration play to a pre development opportunity and, while any investment in Aeon is speculative, your investment will not have the risks associated with a typical exploration company.

I thank you for your support of the Company and would encourage you to take full advantage of your Entitlement in the Rights Issue.

Sincerely



Hamish Collins
Managing Director

SAMPLE



Non-renounceable Rights Offer

Offer Document

Aeon Metals Limited ACN 121 964 725

For a non-renounceable pro rata Rights Offer to Eligible Shareholders of up to 43,479,028 New Shares (subject to roundings) on the basis of 1 (one) New Share for every 7 (seven) existing Shares held by Eligible Shareholders on the Record Date at an issue price of A\$0.075 per New Share to raise approximately A\$3,260,927 (before costs) (**Rights Offer**).

The Rights Offer is fully underwritten by **Pitt Capital Partners Limited**

IMPORTANT NOTICE

This Offer Document is not a prospectus, disclosure document, product disclosure document or other offering document under Australian law or any other law and does not contain all of the information that an investor may require in order to make an informed decision regarding the New Shares offered by this document.

This is an important document that requires your attention, and it should be read in its entirety. If you do not understand its content or are in doubt as to the course you should follow, you should consult your professional advisor without delay.

The Rights Offer opens on 14 July 2015 and closes at 5:00pm (AEST) on 27 July 2015 (unless it is lawfully extended).

Valid acceptances must be received before the Rights Offer closes.

Please read the instructions in this Offer Document and on the accompanying Entitlement and Acceptance Form regarding the acceptance of your Entitlement.

aeonmetals.com.au

Important information

This Offer Document and enclosed Entitlement and Acceptance Form is dated 1 July 2015, has been prepared by Aeon Metals Limited (**Aeon**) and is for a rights issue of continuously quoted securities (as defined in the Corporations Act) of Aeon.

This Offer Document is not a prospectus under the Corporations Act and has not been lodged or registered with the ASIC. It does not contain all of the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding, or about the rights attaching to, the New Shares offered by this document.

This Offer Document is important and should be read in its entirety prior to making an investment decision. In particular, Shareholders should refer to the risk factors set out in Section 4 of this Offer Document. If you do not fully understand this Offer Document or are in any doubt as to how to deal with it, you should consult your professional adviser.

Disclaimer

Eligible Shareholders should rely on their own knowledge of Aeon, refer to disclosures made by Aeon to the ASX and consult their professional advisers before deciding to accept the Rights Offer. Announcements made by Aeon to the ASX are available from ASX's website at www.asx.com.au. The information in this Offer Document does not constitute a securities recommendation or financial product advice.

Before applying for New Shares you should consider whether such an investment, and the information contained in this Offer Document, are appropriate to your particular needs, and considering your individual risk profile for speculative investments, investment objectives and individual financial circumstances.

Investors should note that past Share price performance of Aeon provides no guidance as to its future Share price performance.

No person is authorised to give any information or to make any representation in connection with the Rights Offer which is not contained in this Offer Document. Any information or representation not so contained may not be relied on as having been authorised by Aeon in connection with the Rights Offer.

Eligibility

Applications for New Shares by Eligible Shareholders can only be made on an original Entitlement and Acceptance Form, as sent with this Offer Document. The Entitlement and Acceptance Form sets out an Eligible Shareholder's Entitlement to participate in the Rights Offer.

Overseas Shareholders

This Offer Document does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Offer Document.

The Rights Offer is being extended to all Shareholders including, in addition to Shareholders with Australian or New Zealand addresses, all other Shareholders being at registered addresses in Hong Kong, Singapore, Brunei and the United Kingdom. Aeon is making its offer in these jurisdictions on an available exception to the lodgement or registration requirements of these jurisdictions.

Forward-looking statements

This Offer Document contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Offer Document, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of Aeon, the Directors and its management.

Aeon cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Offer Document will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

Aeon has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Offer Document, except where required by law. These forward looking statements are subject to various risk factors that could cause Aeon's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 4 of this Offer Document.

Privacy Act

Aeon and the Share Registry have already collected certain personal information from you as a Shareholder. If you complete an Entitlement and Acceptance Form, you will be providing personal information to Aeon (directly or via the Share Registry). Aeon collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration. The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Share Registry.

You can access, correct and update the personal information that we hold about you. Please contact the Share Registry if you wish to do so at the relevant contact numbers set out in this Offer Document. Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the Entitlement and Acceptance Form, Aeon may not be able to accept or process your Application.

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Chairman's letter

Dear Shareholder,

Underwritten non-renounceable pro-rata entitlement issue

On behalf of Aeon Metals Limited (**Aeon** or **Company**), I am pleased to invite you to participate in a non-renounceable pro-rata entitlement issue of 43,479,028 fully paid Shares (subject to roundings) (**New Shares**) to raise approximately A\$3,260,927 (before costs and expenses of the Rights Offer) (**Rights Offer**).

Under the Rights Offer, "Eligible Shareholders" may subscribe for 1 (one) fully paid New Share for every 7 (seven) Share held at 5:00pm on 10 July 2015 (**Record Date**), at an issue price of A\$0.075 (7.5 cents) per New Share (**Issue Price**).

The Issue Price represents:

- ▶ a 6.25% discount to Aeon's closing price of 8 cents on 30 June 2015; and
- ▶ Aeon's 3 month volume weighted average price (**VWAP**) ending on 30 June 2015,

being the last business day before this Offer Document.

The Rights Offer is fully underwritten by Pitt Capital Partners, Sydney.

Purpose of the capital raising

Aeon intends to apply the funds raised from the Rights Offer as set out in Section 3.1 of this Offer Document.

The Offer Document

This Offer Document contains important information about the Rights Offer, including:

- ▶ details of the Rights Offer, including key dates;
- ▶ actions required by Eligible Shareholders; and
- ▶ risk factors associated with the Rights Offer.

Actions required to take up your Entitlement

Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferable. Eligible Shareholders who do not take up all or any part of their Entitlements will not receive any payment or value in respect of those Entitlements and their equity interest in Aeon will be diluted. Shareholders who are not eligible to participate in the Rights Offer will also be diluted.

A personalised Entitlement and Acceptance Form which details your Entitlement and accompanies this Offer Document must be completed in accordance with the instructions provided if you wish to participate in the Rights Offer.

Risks

You should be aware that an investment in Aeon, like an investment in any company involves certain risks which can affect the value of your investment. Further information regarding the risks specific to the Rights Offer are contained in Section 4. The Directors recommend that you read Section 4 in full before applying for your Entitlement in order to fully appreciate the risks associated with an investment in Aeon.

Further information

Further details of the Rights Offer are set out in this Offer Document which you should read carefully.

Shareholders who have any queries about the Rights Offer should contact Aeon at any time from 8:30am to 5:00pm (AEST) during the Rights Offer period. Refer to Section 1.15 of this Offer Document for the contact details for any enquiries relating to the Rights Offer.

On behalf of the Board of Aeon, I invite you to consider this investment opportunity and thank you for your continuing support of Aeon.

Yours faithfully,



Tom Mann
Chairman

Aeon Metals Limited

Indicative timetable

Event	Date
Announcement of the Rights Offer	1 July 2015
Offer Document, Appendix 3B and section 708AA Cleansing Notice released to the ASX	1 July 2015
Notice sent to Eligible Shareholders	2 July 2015
Ex date (Date from which New Shares commence trading without the Entitlement to participate in the Rights Offer)	8 July 2015
Record Date (Date for determining Entitlements of Eligible Shareholders to participate in the Rights Offer)	10 July 2015 (5:00pm AEST)
Offer Document and Entitlement and Acceptance Form dispatched to Eligible Shareholders	14 July 2015
Opening Date of Rights Offer	14 July 2015
Closing Date of Rights Offer	27 July 2015 (5:00pm AEST)
New Shares quoted on deferred settlement basis	28 July 2015
Notification to ASX of close of Rights Offer, New Shares taken up and shortfall	30 July 2015
Despatch date (Expected date of dispatch of transaction confirmation statements)	4 August 2015
Normal trading (Expected date for commencement of normal trading on the ASX of New Shares issued under the Rights Offer and Top-Up Offer)	5 August 2015

This timetable is indicative only. Subject to the ASX Listing Rules, the Directors reserve the right to vary the dates for the Rights Offer at their discretion including to extend the Closing Date of the Rights Offer, or to close the Rights Offer early, to accept late acceptances either generally or in particular cases, or to withdraw or reduce the size of the Rights Offer without notice. Any extension of the Closing Date will have a consequential effect on the anticipated date of issue and normal trading of the New Shares.

The Offer

1. Details of the Rights Offer

1.1 The Rights Offer

The Rights Offer is being made as a pro rata non-renounceable entitlement offer of 1 (one) New Share for every 7 (seven) Share held by Eligible Shareholder registered at the Record Date at an issue price of A\$0.075 per New Share. Fractional Entitlements will be rounded up to the nearest whole number.

Based on the capital structure of Aeon as set out in Section 3.2 of this Rights Offer Document, a maximum of 43,479,028 New Shares (subject to roundings) will be issued pursuant to this Rights Offer to raise up to A\$3,260,927.

The Directors may at any time decide to withdraw this Offer Document and the offer of New Shares made under this Offer Document in which case Aeon will return all Application Monies (without interest) within 28 days of giving such notice of withdrawal.

1.2 Underwriting of the Rights Offer

The Rights Offer is fully underwritten by Pitt Capital Partners, Sydney (**Underwriter**) up to the full A\$3,260,927 and sub-underwritten by OCP Asia (Hong Kong) Limited (**Sub-Underwriter**).

Please refer to Section 5.1 of this Offer Document for a summary of the material terms of the underwriting arrangements and Section 5.2 of this Offer Document for a summary of the material terms of the sub-underwriting arrangements.

1.3 Entitlements and acceptance

Details of how to apply under the Rights Offer are set out in Section 2 of this Offer Document.

The Entitlement of Eligible Shareholders to participate in the Rights Offer will be determined on the Record Date.

Each Eligible Shareholder's Entitlement is shown on the Entitlement and Acceptance Form in respect of that Eligible Shareholder accompanying this Offer Document.

Eligible Shareholders can also apply for Additional New Shares under the Top-Up Offer in addition to their Entitlement by following the instructions set out in Section 2. The Top-Up Offer is described in Section 1.5 below.

Details of Eligibility to participate in the Rights Offer is provided in Section 1.4 below.

1.4 Eligibility to participate in the Rights Offer

Eligible Shareholders

The following Shareholders are 'Eligible Shareholders' and eligible to participate in the Rights Offer:

- ▶ persons or entities with Shares in Aeon in their own names in the Register of Members at 5:00pm on the Record Date; and
- ▶ where such persons have a registered address in the Register of Members in Australia, New Zealand, Hong Kong, Singapore, Brunei or the United Kingdom.

The Entitlement of Eligible Shareholders will be shown on the Entitlement and Acceptance Form accompanying this Offer Document.

Notices to nominees and custodians

Nominees and custodians may not distribute any part of this Offer Document or any Entitlement and Acceptance Form in any country outside Australia, New Zealand, Hong Kong, Singapore, Brunei or the United Kingdom and any other country where Aeon determines it is lawful and practical to make the Rights Offer.

Ineligible Shareholders

No action has been taken to register or qualify the New Shares or the Rights Offer, or otherwise permit the public offering of New Shares in any jurisdiction outside of Australia, New Zealand, Hong Kong, Singapore, Brunei or the United Kingdom. No Rights Offer will be made to Eligible Shareholders resident outside Australia, New Zealand, Hong Kong, Singapore, Brunei or the United Kingdom. Aeon is making its Rights Offer in these jurisdictions on an available exception to the lodgement or registration requirements of these jurisdictions.

This Offer Document does not constitute an offer of New Shares in any jurisdiction in which it would be unlawful. New Shares may not be offered or sold in any country outside Australia except to the extent permitted above.

The distribution of this Offer Document and accompanying Entitlement and Acceptance Form may be restricted by law and persons who come into possession of this Offer Document and accompanying Entitlement and Acceptance Form should seek advice and observe those restrictions. Any failure to comply with those restrictions may constitute a violation of applicable securities laws.

New Shares to which any Shareholders who are not resident in Australia, New Zealand, Hong Kong, Singapore, Brunei or the United Kingdom would otherwise be entitled and not allocated in response to an application for Additional New Shares, will form part of the Shortfall and offered under the Top-Up Offer and Shortfall Offer.

It is the responsibility of any Shareholder who submits an Entitlement and Acceptance Form to obtain all necessary approvals for the allotment and issue of the New Shares under this Rights Offer. The return of a completed Entitlement and Acceptance Form will be taken by Aeon to constitute a representation and warranty by the Applicant to Aeon that there has been no breach of such laws and that all relevant approvals have been obtained.

In particular, this Offer Document may not be released or distributed in the United States. This Offer Document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

1.5 Application under Top-Up Offer

Under the Top-Up Offer, Eligible Shareholders will be entitled to apply for Additional New Shares in excess of their Entitlement, at the same price as New Shares under the Rights Offer.

Eligible Shareholders wishing to subscribe for Additional New Shares under the Top-Up Offer must apply for the Additional New Shares at the same time as they apply for New Shares under their Entitlement by completing the appropriate section of their Entitlement and Acceptance Form. There is no limit on the number of Additional New Shares that Eligible Shareholders may apply for under the Top-Up Offer; however, applications under the Top-Up Offer will only be satisfied to the extent that there is a Shortfall under the Rights Offer.

In addition, no Additional New Shares will be issued to any Eligible Shareholders if, in the view of the Directors, to do so would increase the Eligible Shareholders voting power in contravention of the takeover prohibition in section 606 of the Corporations Act (that is, the 20% voting power threshold). Aeon expressly disclaims any responsibility for ensuring that you do not breach section 606 of the Corporations Act as a result of applying for any Additional New Shares.

The issue of Additional New Shares under the Top-Up Offer is at the discretion of the Directors. Should such applications exceed the New Shares available, a scale-back will be applied in a manner determined by the Directors in their absolute discretion.

It is an express term of the Rights Offer that applicants for Additional New Shares will be bound to accept a lesser number of Additional New Shares allocated to them than applied for.

If you do not receive all of the Additional New Shares you applied for, any excess Application Monies will be returned to you (without interest).

Directors (and other related parties of Aeon) are not eligible to apply for Additional New Shares under the Top-Up Offer.

1.6 Shortfall Offer

If you do not wish to take up any part of your Entitlement you are not required to take any action. That part of your Entitlement not taken up, and which is not subscribed for under the Top-Up Offer will form part of the Shortfall Offer available to the Underwriter to take up under the terms of the Underwriting Agreement which may include offering the New Shares to Institutional Investors.

The Directors reserve the right, subject to the requirements of the Listing Rules and the Corporations Act, to place any New Shares under the Shortfall Offer in conjunction with the Underwriter within 3 months after the Closing Date. New Shares under the Shortfall Offer will be issued at a price not less than the issue price of the New Shares under the Rights Offer.

Directors (and other related parties of Aeon) are not eligible to apply for New Shares under the Shortfall Offer.

1.7 Opening and Closing Dates

The Rights Offer opens on the Opening Date, being 14 July 2015, and closes on the Closing Date, being 27 July 2015 (or such other dates as the Directors in their discretion shall determine subject to the ASX Listing Rules). Aeon will accept Entitlement and Acceptance Forms until the Closing Date or such other date as the Directors in their absolute discretion shall determine, subject to the ASX Listing Rules.

1.8 No rights trading

The rights to New Shares under the Rights Offer are non-renounceable. Accordingly, there will be no trading of rights on the ASX (or any other exchange) and you may not dispose of your rights to subscribe for New Shares under the Rights Offer to any other party. If you do not take up your Entitlement to New Shares under the Rights Offer by the Closing Date, the Rights Offer to you will lapse, you will receive no benefit and your equity interest in Aeon will be diluted.

1.9 Allotment and Application Monies

Application Monies will be held in a subscription account on trust until allotment of the New Shares.

If the amount of your cheque, bank draft, or money order or BPAY for Application Monies is insufficient to pay in full the number of New Shares you have applied for, you will be taken to have applied for such lower whole number of New Shares as your cleared Application Monies will pay for. Alternatively, your Application will be rejected. If you have inadvertently applied for New Shares in excess of your Entitlement (other than by way of an application for Additional New Shares under the Top-Up Offer) the relevant Application Monies will be refunded to you as soon as practicable, without interest.

No allotment of the New Shares will occur until ASX grants permission to quote the New Shares.

1.10 Rights and liabilities attaching to the New Shares

The New Shares will rank equally in respect to dividends and in all other respects (e.g. voting, bonus issues) as existing Shares.

1.11 ASX quotation

Application for official quotation by the ASX of the New Shares offered pursuant to this Offer Document will be made.

Subject to the approval being granted by the ASX, it is anticipated that quotation and trading of New Shares issued under the Rights Offer will commence on a deferred settlement basis on 28 July 2015.

The fact that ASX may grant official quotation to the New Shares is not to be taken in any way as an indication of the merits of Aeon or the New Shares now offered for subscription.

1.12 Chess

Aeon is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by Aeon. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that Aeon will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of New Shares allotted to them under this Offer Document. The notice will also advise holders of their Holder Identification Number or Share Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their Share holding in Aeon during the preceding month.

1.13 Issue and dispatch

New Shares issued pursuant to the Rights Offer will be issued in accordance with the ASX Listing Rules. The expected dates for issue of New Shares offered by this Offer Document and dispatch of holding statements is expected to occur on the dates specified in the Timetable.

New Shares issued pursuant to the Shortfall Offer will be issued on a progressive basis.

Pending the issue of the New Shares or payment of refunds pursuant to this Offer Document, all Application Monies will be held by Aeon in trust for the Applicants in a separate bank account as required by the Corporations Act. Aeon, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest by completing and returning the Entitlement and Acceptance Form.

It is the responsibility of Applicants to determine the allocation prior to trading in the New Shares. Applicants who sell New Shares before they receive their holding statements will do so at their own risk.

1.14 Risk factors

An investment in New Shares should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in Aeon. Please refer to Section 4 of this Offer Document for further details.

1.15 Enquiries concerning Offer Document

If you have any queries concerning this Offer Document please contact Boardroom on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia).

2. Action required by Shareholders

2.1 How to accept the Rights Offer

Your acceptance of the Rights Offer must be made on the Entitlement and Acceptance Form accompanying this Offer Document.

Other than by way of an application for Additional New Shares under the Top Up Offer, your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be for your maximum Entitlement.

You may participate in the Rights Offer as follows:

► **If you wish to accept your Entitlement in full:**

- Pay via BPAY by following the instructions set out in the Entitlement and Acceptance Form (at A\$0.075 per New Share);

OR

- Complete the Entitlement and Acceptance Form, filling in the details in the spaces provided; and
- Attach your cheque for the Application Monies indicated on the Entitlement and Acceptance Form (at A\$0.075 per New Share).

► **If you only wish to accept part of your Entitlement:**

- Pay via BPAY by following the instructions set out in the Entitlement and Acceptance Form (at A\$0.075 per New Share);

OR

- Fill in the number of New Shares you wish to accept in the space provided on the Entitlement and Acceptance Form; and
- Attach your cheque for the appropriate Application Monies (at A\$0.075 per New Share).

► **If you wish to accept your full Entitlement and apply for Additional New Shares under the Top-Up Offer:**

- Pay via BPAY by following the instructions set out in the Entitlement and Acceptance Form for your Entitlement plus the Additional New Shares you wish to apply for under the Top-Up Offer (at A\$0.075 per New Share);

OR

- Complete the Entitlement and Acceptance Form including filling in the number of Additional New Shares under the Top-Up Offer you wish to apply for in the Top-Up Offer section on the Entitlement and Acceptance Form; and
- Attach your cheque for the appropriate Application Monies (at A\$0.075 per New Share).

2.2 If you do not wish to accept any of your Entitlement

If you do not wish to accept any of your Entitlement, you are not obliged to do anything. In that case, New Shares not accepted by the Closing Date will become New Shares offered under the Top-Up Offer or the Shortfall Offer and you will receive no benefit.

2.3 Payment by cheque/bank draft

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "Aeon Limited" and crossed "Not Negotiable".

Your completed Entitlement and Acceptance Form and cheque must reach Aeon's Share Registry at the address set out on the Entitlement and Acceptance Form by no later than 5:00pm AEST on the Closing Date.

2.4 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

Please note that should you choose to pay by BPAY®:

- ▶ you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- ▶ if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies; and
- ▶ if you pay for more than your Entitlement, you are deemed to have taken up your Entitlement plus New Shares under the Top-Up Offer in respect of such whole number of New Shares which is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5:00pm (AEST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.

2.5 Implications of an acceptance

A completed and lodged Entitlement and Acceptance Form or paying any Application Monies by BPAY® constitutes a binding offer to acquire New Shares on the terms and conditions set out in this Offer Document and, once lodged, cannot be withdrawn. If the Entitlement and Acceptance Form is not completed correctly, it may still be treated as a valid application for New Shares. The Directors' decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

By returning the completed Entitlement and Acceptance Form or paying any Application Monies by BPAY® you will be deemed to have represented and warranted that you:

- ▶ have received and read this Offer Document and that you have acted in accordance with the terms of the Rights Offer detailed in this Offer Document;
- ▶ agree to all terms and conditions detailed in this Offer Document and agree to be bound by the terms of the Rights Offer;
- ▶ are an Eligible Shareholder;
- ▶ on behalf of yourself or each person on whose account you are acting, that the law in your place of residence and/or where you have been given the Offer Document and Entitlement and Acceptance Form, does not prohibit you from being given the Offer Document and Entitlement and Acceptance Form;
- ▶ declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- ▶ declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- ▶ authorise Aeon and its respective officers or agents, to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the Share Registry using the contact details set out in the Entitlement and Acceptance Form;
- ▶ declare that you are the current registered holder of Shares and are resident in Australia, New Zealand, Singapore, Hong Kong, the United Kingdom or Brunei, and you are not in the United States or a US Person, or acting for the account or benefit of a US Person;
- ▶ acknowledge that the information contained in, or accompanying, the Offer Document and Entitlement and Acceptance Form is not investment or financial product advice or a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs; and

- ▶ acknowledge that the New Shares have not, and will not be, registered, qualified or otherwise permitted to be offered or sold to the public under the securities laws in any other jurisdictions outside Australia, New Zealand, Singapore, Hong Kong, the United Kingdom or Brunei and accordingly, the New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of applicable securities laws in particular the US Securities Act.

2.6 Queries concerning your Entitlement

If you have any queries concerning your Entitlement please contact Boardroom on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia).

3. Purpose and effect of the Rights Offer

3.1 The purpose of the Rights Offer

The purpose of the Rights Offer is to raise approximately A\$3,260,927 (before costs of the Rights Offer). Aeon intends to apply the funds raised under the Rights Offer as follows:

Proceeds of the Rights Offer	\$	%
Working capital particularly in relation to Walford Creek	\$3,045,000	93.41%
Estimated costs of the Rights Offer	\$215,000	6.59%
Total	\$3,260,000	100%

The above table assumes no Options are exercised before the Record Date.

The above statement is a statement of current intentions as of the date of this Offer Document. As with any budget, intervening events and new circumstances have the potential to affect the ultimate way funds will be applied. The Board reserves the right to alter the way funds are applied on this basis.

3.2 Effect on capital structure

Shares

The effect of the Rights Offer (assuming no Options are exercised and the Rights Offer is fully subscribed) is set out below:

Current Shares on issue:	304,353,197
Number of New Shares offered under the Rights Offer:	43,479,028
Issued Share capital of Aeon in the event the Rights Offer is fully subscribed:	347,832,225

This number of New Shares may vary due to rounding of Entitlements and may increase as a result of the rounding up of New Shares offered under the Rights Offer.

Options

As at the date of this Offer Document, the following unlisted Options are on issue:

Security	Number on issue	Exercise price	Expiry date
Options (AQRAK)	1,000,000	12.5 cents	8 February 2016
Options (AQRAM)	63,251,107	15.81 cents	17 June 2017

The Rights Offer will have no effect on the number of unlisted Options unless unlisted Options are exercised by the holders prior to the Record Date.

In addition, Aeon announced on 1 July 2015 that New Options will be issued to funds managed by OCP Asia (Hong Kong) Limited (OCP Asia) in connection with a refinancing of Aeon's debt arrangements with OCP

Asia. The announcement foreshadows that 73,000,000 New Options will be issued, each exercisable at 9.35 cents and expiring 17 December 2017. The issue of some of these New Options will be subject to shareholder approval.

Snapshot of all securities post Rights Offer

Upon Completion of the Rights Offer, Aeon will have the following capital structure (assuming no unlisted Options are exercised and the New Options are issued as foreshadowed in Aeon's announcement on 30 June 2015). Given the Rights Offer is fully underwritten the overall impact will be the same irrespective of the number of Entitlements taken up by Eligible Shareholders.

Shares	
Shares on issue at Record Date:	304,353,197
Number of New Shares to be issued on completion of the Rights Offer:	43,479,028
Total maximum number of Shares on issue post Rights Offer:	347,832,225
Options	
Unlisted Options (AQRAK)	1,000,000
Unlisted Options (AQRAM)	63,251,107
New Options to be issued in connection with Aeon's debt financing arrangements with OCP ¹	73,000,000
Total Options on issue post Rights Offer	137,251,107

Note 1: This assumes completion of Aeon's debt refinancing with OCP Asia and shareholder approval to the issue of New Options to the extent this is required under ASX listing Rule 7.1.

For details in respect of the underwriting arrangements please refer to Section 5.1.

3.3 Effect of the Rights Offer on Shareholders shareholdings

The impact of the Rights Offer on a Shareholder's shareholding will be subject to that Shareholders take-up of New Shares under their Entitlement or Additional New Shares under the Top-Up Offer, for instance:

- ▶ Shareholders who do not take up their full pro-rata Entitlement under the Rights Offer will have their percentage shareholding in Aeon diluted following the issue of New Shares under the Rights Offer.
- ▶ Shareholders who take up their full Entitlement under the Rights Offer will maintain their percentage shareholding.
- ▶ Shareholders who take up their full Entitlement under the Rights Offer and receive Additional New Shares under the Top-Up Offer, will increase their percentage shareholding in Aeon to the extent they receive Additional New Shares under the Top-Up Offer.

3.4 Effect of the Rights Offer on control and voting power in Aeon

General

Aeon has lodged with the ASX a notice in accordance with section 708AA of the Corporations Act which sets out, amongst other things, the effect of the Rights Offer on the control of Aeon. This notice may be viewed on the websites of Aeon and the ASX.

Having regards to:

- ▶ the composition of the Aeon Share Register; and
- ▶ the terms of the Rights Offer (including the Top-Up Offer), the underwriting arrangements in place for the Rights Offer and the nature of the Underwriter,

Aeon does not believe that any person will increase their percentage shareholding in Aeon pursuant to the Rights Offer in a way that will have a material impact on the control of Aeon.

In any event:

- ▶ no Additional New Shares under the Top-Up Offer; or
- ▶ no New Shares under the Shortfall Offer (other than as taken up by the Underwriter or Sub-Underwriter),

will be issued to any Eligible Shareholders if, in the view of the Directors, to do so would increase the Eligible Shareholders voting power in contravention of the takeover prohibition in section 606 of the Corporations Act (that is, the 20% voting power threshold).

Aeon expressly disclaims any responsibility for ensuring that you do not breach section 606 of the Corporations Act as a result of applying for any Additional New Shares.

Based on the holdings of Shareholders as set out in Aeon's Share Register at the date of this Offer Document, no Shareholder, with the exception of OCP (constituting the OCP Shareholders and the Sub-Underwriter), following a take up of under the Rights Offer has the capacity to increase its relevant interest to more than 20% of Aeon's issued capital.

The Offer is fully underwritten by Pitt Capital Partners Limited and sub-underwritten by OCP Asia (Hong Kong) Limited. Details of the Underwriting Agreement and Sub-Underwriting Agreement are contained in Section 5.1 and 5.2 respectively.

OCP

Depending on the take up of the Offer by existing Shareholders, the relevant interest of OCP may increase from 16.19% to possibly beyond 20%.

The following paragraphs set out the voting power of OCP in Aeon's Shares under various scenarios of take-up of Entitlement and under the Sub-Underwriting Agreement.

Scenario 1 – 100% take up

Under Scenario 1, all Eligible Shareholders take up their Entitlements under the Offer and the Offer is fully subscribed. In this case, the OCP would maintain its existing 16.91% interest in Aeon.

Scenario 2 – 50% take up

Under Scenario 2, only 50% of subscriptions are received from Eligible Shareholders (other than the OCP Shareholders who take-up their full Entitlement) and the balance is taken up by the Sub-Underwriter.

On this basis, OCP's shareholding would be the aggregate of its existing holding (49,275,862 shares), its Rights Issue entitlement (7,039,408 shares) and 50% of the remaining Rights Offer shares (18,219,810 shares). This total holding of 74,535,080 shares would be 21.42% of Aeon's then issued shares.

Scenario 3 – 10% take up

Under Scenario 3, only 10% of subscriptions are received from Eligible Shareholders (other than the OCP Shareholders who take-up their full Entitlement) and the balance is taken up by the Sub-Underwriter.

On this basis, OCP's shareholding would be the aggregate of its existing holding (49,275,862 shares), its Rights Offer entitlement (7,039,408 shares) and 90% of the remaining Rights Issue shares (32,795,658 shares). This total holding of 89,110,928 shares would be 25.61% of Aeon's then issued shares.

3.5 Takeovers provisions

Aeon understands that if OCP's relevant interest exceeds 20% in Aeon then OCP could rely on the "rights issue" exception contained in section 611 item 10 of the Corporations Act to the takeover prohibition which otherwise ordinarily prohibits certain acquisitions of relevant interests beyond 20%.

4. Key risk factors

4.1 Introduction

The New Shares offered under this Offer Document should be considered speculative. Due to the inherent risks associated with Aeon's activities. Neither Aeon nor the Directors warrant the future performance of Aeon or any investment made pursuant to this Offer Document.

The following is a summary of the more material matters to be considered. However, this summary is not exhaustive and the Directors recommend that Shareholders examine the contents of this Offer Document together with previous ASX disclosures and public documents of Aeon, including its most recent audited financial statements, and rely on advice of their professional advisers before deciding whether or not to apply for New Shares pursuant to this Offer Document.

4.2 Key risks

Based on the information available, a non-exhaustive list of risk factors which may affect Aeon's financial position, prospects and the price of its listed securities include the following.

Risks related to Aeon's business and risks related to the industry in which Aeon operates	
Risk	Description of risk

Resource Estimations	Resource estimates are expressions of judgment based on knowledge, experience and resource modelling. As such, resource estimates are inherently imprecise and rely to some extent on interpretations made. Despite employing qualified professionals to prepare resource estimates, such estimates may nevertheless prove to be inaccurate. Furthermore, resource estimates may change over time as new information becomes available. Should Aeon encounter mineralisation or geological formations different from those predicted by past drilling, sampling and interpretations, resource estimates may need to be altered in a way that could adversely affect Aeon's operations.
Commodity Price and Exchange Rate Risks	<p>The revenue to be derived through the future sale of commodities may expose the potential income of Aeon to commodity price and exchange rate risks.</p> <p>Commodity prices fluctuate and are affected by many factors beyond the control of Aeon. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.</p> <p>In addition to adversely affecting the reserve estimates of Aeon and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.</p> <p>Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of Aeon in its Australian operations are and will be taken into account in Australian currency, exposing Aeon to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.</p>
Environmental Risks	The operations and exploration activities of Aeon in Australia are subject to State and Federal laws and regulation concerning the environment. As with most exploration projects and mining operations, Aeon's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. Aeon attempts to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.
Native Title Risks	<p>It is also possible that, in relation to tenements which Aeon has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of Aeon to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be affected.</p> <p>The Directors closely monitor the potential effect of native title claims involving tenements in which Aeon has or may have an interest.</p>
Title Risks	Interests in tenements in Australia are governed by legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it reporting commitments, as well as other conditions requiring compliance. Consequently, Aeon could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments.
Joint Venture Parties, Agents and Contractors	The Directors are unable to predict the risk of financial failure or default by a participant in any joint venture to which Aeon is or may become a party or the insolvency or managerial failure by any of the contractors used by Aeon in any of its activities or the insolvency or other managerial failure by any of the other service providers used by Aeon for any activity.

Insurance and Uninsured Risks	<p>The business of Aeon is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to properties of Aeon or others, delays in mining, monetary losses and possible legal liability.</p> <p>Although Aeon maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. The occurrence of an event that is not covered, or fully covered, by insurance could have a material adverse effect on the business, financial condition and results of Aeon.</p>
Government Regulation	<p>The mining, processing, development and mineral exploration activities of Aeon are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people, and other matters. Although the exploration and development activities of Aeon are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of mining and milling or more stringent implementation thereof could have a substantial adverse impact on Aeon.</p>
Future Capital Requirements	<p>Aeon's activities will require significant expenditures. There can be no assurances that the funds raised through the Rights Offer will be sufficient to successfully achieve all the objectives of Aeon's business strategy. If Aeon is unable to use debt or equity to fund operations after the substantial exhaustion of the net proceeds of the Rights Offer there can be no assurances that Aeon will have sufficient capital resources for that purpose, or other purposes, or that it will be able to obtain additional resources on terms acceptable to Aeon or at all. Any additional equity financing may be dilutive to Shareholders and any debt financing if available may involve restrictive covenants, which may limit Aeon's operations and business strategy. Aeon's failure to raise capital if and when needed could delay or suspend Aeon's business strategy and could have a material adverse effect on Aeon's activities.</p>
Reliance on Key Personnel	<p>Aeon's success depends largely on the core competencies of its Directors and management, and their familiarisation with, and ability to operate, in the mining industry as well as Aeon's ability to retain its key executives.</p>
Competition	<p>Aeon competes with other companies. Some of these companies have greater financial and other resources than Aeon and, as a result, may be in a better position to compete for future business opportunities. There can be no assurance that Aeon can compete effectively with these companies.</p>
Potential Acquisitions	<p>As part of its business strategy, Aeon may make acquisitions of or significant investments in companies, products, technologies or resource projects. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of companies, products, technologies or resource projects.</p>
Economic risk	<p>General economic conditions in Australia and internationally, movements in interest, inflation and currency exchange rates, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws and changes to dividend imputation in Australia may have an adverse effect on Aeon's exploration, development and future production activities, as well as on its ability to fund those activities.</p>

Risks related to the securities investment and market risks	
Risk	Description of risk

Other general risks	
Risk	Description of risk
	<ul style="list-style-type: none"> ▶ financial failure or default by a party to any contract to which Aeon is, or may become, a party; ▶ insolvency or other managerial failure by any of the contractors used by Aeon in its activities; ▶ industrial disputes; ▶ litigation; ▶ natural disasters; and ▶ acts of terrorism or an outbreak of international hostilities.

5. Additional information

5.1 Underwriting Agreement

Under an underwriting agreement dated 1 July 2015 (**Underwriting Agreement**), Pitt Capital Partners, Sydney (**Underwriter**) has agreed to fully underwrite the Rights Offer up to A\$3,260,927.

Upon completion, the Underwriter will receive an underwriting fee of 5.5% of the amount underwritten (**Fees**).

The Underwriter will also receive payment of reasonable costs and expenses incurred by it in connection with the Rights Offer. Aeon will pay any GST applicable to any fee payable to the Underwriter under the Underwriting Agreement.

The Underwriter has discretion to terminate the Underwriting Agreement for reasons that are standard in agreements of this nature.

Aeon will pay a 1% management fee to an advisor in respect of Issue.

5.2 Sub-Underwriting Agreement

Under a sub-underwriting agreement dated 1 July 2015 (**Sub-Underwriting Agreement**), OCP Asia (Hong Kong) Limited (**Sub-Underwriter**) has agreed to sub-underwrite the Rights Offer in respect of 40,030,103 New Shares.

Upon completion, the Sub-Underwriter will receive a sub- underwriting fee of 4.5% of the amount underwritten. This amount will be paid by the Underwriter.

The Sub-Underwriter will also receive payment of reasonable costs and expenses incurred by it in connection with the Rights Offer. The Underwriter will pay any GST applicable to any fee payable to the Sub-Underwriter under the Sub- Underwriting Agreement.

The Sub-Underwriter has discretion to terminate the Sub- Underwriting Agreement for reasons that are standard in agreements of this nature.

5.3 Directors interests and participation

Each Director's direct and indirect interest in the Shares of Aeon at the date of this Offer Document and their Entitlement is set out in the table below.

Director	Shares	New Shares Entitlement
Mr Thomas Mann	5,050,430	721,490 New Shares
Mr John Goody	32,501,112	4,643,016 New Shares
Mr Edgar Newman	nil	nil
Mr Hamish Collins	4,128,235	582,617 New Shares
Mr Paul Harris	nil	nil

The Directors are not able to subscribe for Additional New Shares under the Top-Up Offer or any New Shares under the Shortfall Offer.

5.4 Disclosing entity

Aeon is a disclosing entity for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations under the Corporations Act and ASX Listing Rules. Specifically, like all listed companies, Aeon is required to continuously disclose any information it has to the ASX which a reasonable person would expect to have a material effect on the price or the value of Aeon's Shares.

This Offer Document contains a summary of information only which Aeon does not purport to be complete. The Offer Document is intended to be read in conjunction with Aeon's periodic and continuous disclosure announcements lodged with the ASX.

Copies of Aeon's announcements can be obtained from the ASX website www.asx.com.au or Aeon's website www.aeonmetals.com.au.

5.5 Offer Document and section 708AA of the Corporations Act

This Offer Document is issued pursuant to section 708AA of the Corporations Act and applicable ASIC Class Order 08/35 without disclosure to investors under Part 6D.2 of the Corporations Act.

Accordingly, neither this Offer Document nor the Entitlement and Acceptance Form are required to be lodged or registered with ASIC and no prospectus for the Rights Offer will be prepared. In general terms, section 708AA permits certain companies to undertake rights issues without being required to use or provide to shareholders a prospectus or other disclosure document. Accordingly, the level of disclosure in this Offer Document is significantly less than the level of disclosure required in, and what you would expect in, a prospectus.

Pursuant to the conditions imposed on Aeon by section 708AA of the Corporations Act, Aeon provided ASX with a notice that complied with the requirements of section 708AA(7) on 1 July 2015. In addition to certain minor and technical matters that notice was required to:

- ▶ set out any information that had been excluded from a continuous disclosure notice in accordance with the Listing Rules and that investors and their professional advisers would reasonably require, and would reasonably expect to find in a disclosure document, for the purpose of making an informed assessment of:
 - ▶ assets and liabilities, financial position and performance, profits and losses and prospects of Aeon; or
 - ▶ the rights and liabilities attaching to the New Shares; and
- ▶ state the potential effect of the issue of the New Shares on the control of Aeon and the consequences of that effect.

5.6 Information availability

Shareholders can obtain a copy of this Offer Document on Aeon's website at www.aeonmetals.com.au or by calling the Company Secretary on +61 418 648 190. Persons who access the electronic version of this Offer Document should ensure that they download and read the entire Offer Document and the other relevant information to which it refers.

The electronic version of this Offer Document will not include an Entitlement and Acceptance Form. A replacement Entitlement and Acceptance Form can be requested by calling Boardroom on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia).

5.7 Market price of New Shares

The highest, lowest and last market sale prices of the New Shares on the ASX during the three months immediately preceding the date of release of this Offer Document and the respective dates of those sales were:

	(A\$)	Date
Highest	\$0.095	18 June 2015
Lowest	\$0.06	2 April 2015
Last	\$0.08	30 June 2015

5.8 Past performance

Investors should note that the past Share price performance provides no guidance as to future Share price performance.

5.9 Taxation implications

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for New Shares under this Offer Document. Aeon, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders.

Shareholders should consult their professional tax adviser in connection with subscribing for New Shares under this Offer Document.

5.10 Consents

HWL Ebsworth, Pitt Capital Partners Limited and OCP Asia (Hong Kong) Limited have each provided, and not withdrawn, their respective consents to be named in this Offer Document.

In particular, HWL Ebsworth, OCP Asia (Hong Kong) Limited and Pitt Capital Partners and their respective related body corporates, directors, employees, representatives or agents:

- ▶ have not authorised, permitted or caused the issue, lodgement, submission, dispatch or provision of this Offer Document;
- ▶ do not make, or purport to make, any statement in this Offer Document, and there is no statement in this Offer Document which is based on any statement by them; and
- ▶ to the maximum extent permitted by law, expressly disclaim all liability in respect of, make no representations regarding, and take no responsibility for, any part of this Offer Document.

5.11 Governing law

This Offer Document and the contracts formed on acceptance of the Entitlement and Acceptance Form are governed by the laws applicable in New South Wales. Each Applicant submits to the non-exclusive jurisdiction of the courts of New South Wales.

6. Definitions

6.1 Definitions

In this Offer Document:

\$ or A\$	means an Australian dollar.
Additional New Shares	means those New Shares in addition to an Eligible Shareholder's Entitlement for which an Applicant makes an Application under the Top-Up Offer.
AEST	means Australian Eastern Standard Time, being the time in Sydney Australia.
Applicant	refers to a person who submits an Entitlement and Acceptance Form and payment of Application Monies in respect of the Rights Offer.
Application	refers to the submission of an Entitlement and Acceptance Form.
Application Monies	means amounts received in dollars by Aeon from Applications for New Shares under this Offer Document.
ASIC	means the Australian Securities and Investments Commissions.
ASX	means ASX Limited (ACN 008 624 691) or, where the context permits, the Australian Securities Exchange operated by ASX Limited.
ASX Listing Rules	means the Listing Rules of the ASX.
ASX Settlement	means the ASX Settlement Pty Limited ACN 008 504 532.
ASX Settlement Operating Rules	means the settlement rules of the ASX.
Board	means the board of directors of Aeon.
Boardroom	Boardroom Pty Limited, the Company's Share Registry.
CHESS	means Clearing House Electronic Subregister System, operated by ASX Settlement, which effects the exchange and registration of securities.
Closing Date	means the closing date set out in the Timetable or such other date as may be determined by the Directors.
Company or Aeon	means Aeon Metals Limited ACN 121 964 725
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Directors	means the directors of Aeon.
Eligible Shareholders	means persons or entities with Shares in Aeon in their own names in the Register of Members and whose registered address with Aeon are in Australia, New Zealand, Singapore, Hong Kong, Brunei or the United Kingdom at 5:00pm on the Record Date.
Entitlement	means the entitlement to subscribe for 1 (one) New Share for every 7 (seven) Share held by an Eligible Shareholder on the Record Date.
Entitlement and Acceptance Form	means the Entitlement and Acceptance Form accompanying this Offer Document.
New Options	means the new options to be issued to OCP Asia (Hong Kong) Limited or a related entity and detailed in Section 3.2.

New Share	means a New Share proposed to be issued pursuant to this Offer Document and the Entitlement and Acceptance Form.
OCP	means the OCP Shareholders and the Sub-Underwriter.
OCP Shareholders	means Centar SP3 Ltd and OL Master Ltd.
Offer Document	means this Offer Document dated 1 July 2015.
Opening Date	means the opening date set out in the Timetable.
Options	means the options over Shares in Aeon detailed in Section 3.2.
Record Date	means the record date set out in the Timetable.
Register of Members	means the register of Shareholders of Aeon.
Rights Offer	means the pro rata non-renounceable offer of New Shares at an issue price of \$0.075 each on the basis of 1 (one) New Shares for every 7 (seven) Shares held on the Record Date subscribed for pursuant to this Offer Document.
Section	means a section of this Offer Document.
Shareholder	means a holder of Shares.
Share	means an ordinary fully paid share in the capital of Aeon.
Share Registry	means Boardroom Pty Limited.
Shortfall	means those New Shares under the Rights Offer not applied for by Shareholders under their Entitlement or under the Top-Up Offer.
Shortfall Offer	means the offer for the remaining New Shares not taken up by Eligible Shareholders under their Entitlement or the Top-Up Offer, available to the Underwriter to take up under the terms of the Underwriting Agreement.
Sub-Underwriter	means OCP Asia (Hong Kong) Limited.
Timetable	means the timetable for the Rights Offer set out in this Offer Document.
Top-Up Offer	means the offer to Eligible Shareholders of Additional New Shares in excess of their Entitlement.
Underwriter	means Pitt Capital Partners, Sydney.
Underwritten Amount	is the entire amount of the Rights Offer, being 43,479,028 New Shares (subject to roundings).
US Securities Act	means the United States Securities Act of 1933, as amended.

Corporate directory

Directors

Mr Thomas Mann (non-executive chairman)

Mr John Goody (executive director)

Mr Edgar Newman (non-executive director)

Mr Hamish Collins (managing director)

Mr Paul Harris (non-executive director)

Company Secretary

Stephen Lonergan

Registered Office

Level 7, Suite 32, 88 Pitt Street

Sydney NSW 2000

ASX Code

AQR

Share Registry*

Boardroom Pty Limited

Level 12, 225 George Street

Sydney NSW 2000

Legal Advisers

HWL Ebsworth Lawyers

Level 23, 123 Eagle Street

Brisbane QLD 4000

Underwriter

Pitt Capital Partners Limited

2/160 Pitt Street

Sydney NSW 2000

Auditor*

KPMG

Level 11, Corporate Centre One

Cnr Bundall Road & Slatyer Avenue

Bundall QLD 4217

* These parties have been included for information purposes only. They have not been involved in the preparation of this Offer Document.

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aeonmetals.com.au



ACN: 121 964 725

RIGHTS ISSUE ENTITLEMENT AND ACCEPTANCE FORM

BoardRoom

Boardroom Pty Limited

GPO Box 3993

Sydney NSW 2001

Tel: 1300 737 760 (within Aust)

Tel: + 61 2 9290 9600 (outside Aust)

Fax: + 61 2 9279 0664

www.boardroomlimited.com.au

enquiries@boardroomlimited.com.au

Entitlement No.

Subregister

SRN/HIN.

Number of Shares held at 7pm

(AEST) on 10 July 2015

Offer Closes: 27 July 2015 at 5:00pm (AEST)

NON-RENOUNCEABLE ISSUE OF UP TO 43,479,028 NEW SHARES AT AN ISSUE PRICE OF \$0.075 EACH ON THE BASIS OF 1NEW SHARE FOR EVERY 7 ORDINARY SHARES HELD, PAYABLE IN FULL UPON ACCEPTANCE OF THIS OFFER

A Rights Acceptance

If you wish to accept your **FULL ENTITLEMENT** please complete and return this form **WITH YOUR PAYMENT FOR THE AMOUNT SHOWN BELOW**. The return of this form by the close date with payment will constitute acceptance of the Offer. Your signature is only required when an alteration to your address is indicated by you over the page.

	\$0.075 per Share =	
If you wish to accept PART OF YOUR ENTITLEMENT ONLY please complete this form showing in the box below the NUMBER OF NEW SHARES BEING ACCEPTED and the appropriate amount payable.		
Number of New Shares accepted	Price Per Share	Amount Enclosed
	\$0.075 per Share =	\$

B Apply for Shortfall Shares (if available)

If you wish to apply for additional shares to your Entitlement above please insert the number of shares in the box below and the appropriate amount payable. These additional shares will only be allotted if available.

Number of Shortfall Shares Applied for	Price Per Share	Amount Enclosed
	\$0.075 per Share =	\$

C Payment

Payment may only be made by BPAY or cheque. Cash will not be accepted via the mail or at the Aeon Metals Limited Share Registry.

Payments cannot be made at any bank.

Payment Option 1 - BPAY



Biller Code:

Ref:

Telephone & Internet Banking - BPAY®

Contact your bank, credit union or building society to make this payment from your cheque or savings account.

More info: www.bpay.com.au

© Registered to BPAY Ltd ABN 69 079 137 518

- To pay via BPAY please contact your participating financial institution.
- If paying by BPAY you do not need to return the Entitlement and Acceptance Form.
- If paying by BPAY the amount of your payment received in the account divided by the issue price will be deemed to be the total number of shares you are applying for.

Payment Option 2 – Cheque (Record cheque details below)

				\$

- Only cheques or bank drafts in Australian dollars and drawn on a bank or financial institution in Australia will be accepted.
- Your cheque or bank draft must be made payable to **"Aeon Metals Limited"** and crossed "Not Negotiable."
- Please ensure that you submit the correct amount. Incorrect payments may result in your application being rejected.

THIS FORM CONTINUES OVERLEAF

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By submitting this Entitlement and Acceptance Form or by using the BPAY facility to accept the Offer, I/We represent and warrant that I/we have read and understood the Offer Document to which this Entitlement and Acceptance Form relates and declare that this Application is completed and lodged according to the Offer Document and the instructions on the reverse of the Entitlement and Acceptance Form and declare that all details and statements made by me/us are complete and accurate. I/We agree to be bound by the constitution of Aeon Metals Limited and agree to the terms and conditions of the Offer. I/We represent and warrant that I/we have not relied on any other information provided by the Company other as set out in the Offer Document when making my/our decision to invest.

The Offer to which this Entitlement and Acceptance Form relates does not constitute an offer to any person who is not an Eligible Shareholder This Entitlement and Acceptance Form does not constitute an offer in the United States of America (or to, or for the account or benefit of, US Persons) or in any jurisdiction in which, or to any persons to whom it would not be lawful to make such an offer.

LODGEMENT INSTRUCTIONS TO APPLICANTS

Please read these instructions carefully

ACCEPTANCE OF YOUR ENTITLEMENT IN FULL OR PART

Multiply the number of New shares for which you are accepting by \$0.075 then fill in the acceptance details, where necessary, in the space provided on the front of this form. Complete your cheque details on the front of this form and send your cheque/draft and completed form to:

Boardroom Pty Limited
GPO Box 3993
SYDNEY NSW 2001

Telephone No. 02 9290 9600
Facsimile No. 02 9279 0664

If you do not deal with your Entitlement it will lapse at 5.00 pm (AEST) on 27 July 2015.

PAYMENT – AUSTRALIAN RESIDENTS

Cheque or Draft

All cheques or drafts (expressed in Australian currency) are to be made payable to “Aeon Metals Limited” and crossed “Not Negotiable”.

BPAY

If you make payment using BPAY you must contact your Australian bank, credit union or building society to make this payment from your cheque or savings account. For more information: www.bpay.com.au. Refer to the front of this form for the Biller Code and Customer Reference Number. Payments must be received by BPAY before 5.00 pm (AEST) on 27 July 2015.

PAYMENT – OVERSEAS RESIDENTS

Overseas shareholders who are permitted to apply for shares must obtain a draft in Australian currency drawn on a bank in Australia, or where the shareholder has an account with a bank in Australia, by cheque drawn on that bank within Australia.

The Australian currency draft should be attached to your completed form and the document mailed to:

Boardroom Pty Limited
GPO Box 3993
SYDNEY NSW 2001

OVERSEAS SHAREHOLDERS ARE ADVISED TO ENSURE THEIR DOCUMENTS ARE POSTED TO AUSTRALIA BY AIRMAIL.

Personal cheques drawn on overseas banks in Australian or any foreign currency will not be accepted. These will be returned and the acceptance deemed to be invalid.

INTERPRETATION

Terms used in this Entitlement and Acceptance Form have the same meaning as defined in the Offer Document

CHANGES OF ADDRESS SUPPORTED BY YOUR SIGNATURE(S)

If your address is not exactly as shown, please provide details below. This is only relevant for Issuer Sponsored registered holdings. CHESS holders must notify your sponsoring broker for amendments to holdings on the CHESS Subregister.

CHANGE OF ADDRESS DETAILS – ISSUER SPONSORED ONLY		
Shareholder 1 (Individual) / Sole Director & Sole Company Secretary	Joint Shareholder 2 (Individual) / Director	Joint Shareholder 3 (Individual) / Director/Company Secretary (Delete one)

Privacy Statement:

Boardroom Pty Limited advises that Chapter 2C of the Corporations Act 2001 (Cth) requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold shares. Information is collected to administer your share holding and if some or all of the information is not collected then it might not be possible to administer your share holding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on the Entitlement and Acceptance Form.

Our privacy policy is available on our website (<http://www.boardroomlimited.com.au/privacy.html>).