



Ground Floor, 15 Bentham Street
Adelaide, South Australia
E-Mail: info@aoenergy.com.au
Web: www.aoenergy.com.au

30 October 2013

ASX Limited
Company Announcements
Electronic Lodgement

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2013

Introduction

AO Energy Ltd ("AOM" or the "Company") is an ASX-listed company with minerals exploration assets in Australia.

Corporate

The Company announced a restructure of its board on 31 July 2013, whereby Mr Simon O'Loughlin, Mr Graham Ascough and Mr Donald Stephens were appointed and concurrently Mr Colin Goodall, Mr Neil Young and Mr Jeremy Jebamoney ('Previous Directors') resigned as directors.

Under the terms of a Settlement Deed, the Previous Directors agreed to forgo any unpaid employee/director entitlements and cancel all Options and Performance Rights held by them in exchange for 10,380,000 fully paid ordinary shares in the Company. The issue of these shares to the Previous Directors is subject shareholder approval which is expected to be obtained in February 2014.

Mr David McAuliffe was appointed as a non-executive director of the Company in August. His experience in the international Life Science sector and expertise in value creation across technology licensing brings a new approach to the on-going search for investment opportunities for the Company.

In September the Company undertook a capital raising by way of a non-renounceable pro rata rights issue at an issue price of \$0.01 per share for every one ordinary share held. The total number of shares applied for and issued under the offer were 44,006,851. The shortfall shares, being 25,696,240, were subsequently placed by Taylor Collision Limited as part of the underwriting agreement with the Company. The entitlement issue and placement of the shortfall resulted in the issue of 69,703,091 new shares and gross proceeds of \$697,031 for the Company.

The Company currently has a cash balance of \$648,860 (29th October 2013).

Connors Arch Joint Venture EPM'S 10006, 12546 & 17515 (AOM 40%)

The Connors Arch Joint Venture Project comprises three Exploration Permits for Minerals (EPM's) at Mt Mackenzie situated in the South Connors Arch Province in Queensland. The Company holds a 40% interest in project in joint venture with SmartTrans Holdings Limited (60%) who are the Operator. The project area is prospective for porphyry-style copper-gold deposits and epithermal gold deposits.

Connors Arch is an advanced exploration project with a number of copper and gold occurrences of significant scale that have been the subject of previous exploration by the joint venture and by previous explorers. There was no field activity during the reporting period.

Statutory reductions in the area of EPM 17515 (Mount Mackenzie West) and EPM 10006 (Mount MacKenzie) were completed during the reporting period as part of the licence renewal process.

The Joint Venture is currently seeking interested parties to advance exploration activities on Connors Arch through a farm-in arrangement or sale of the project.

Kiawarra EL 6269 (AOM 100%)

The Kiawarra project comprises a single Exploration Licence ('EL') in New South Wales and is host to a number of historic workings and prospects. Exploration efforts in recent years have targeted high grade silver and associated lead, zinc, tin and gold mineralisation on the tenement.

During the reporting period the company completed a statutory reduction of EL 6269 to four blocks as part of the renewal process. No field work was completed during the quarter.

The Company is currently seeking a partner to advance exploration activities on the Project through a farm-in arrangement.

Oil and Gas Opportunities

AOM was investigating oil and gas exploration and production ventures in the Asia Pacific Region however these investigations have now ceased.

Competent Persons Statement:

The information in this report that relates to Exploration Results is based on information compiled by Mr Graham Ascough, who is a director of the Company and a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Ascough has more than five years' experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Ascough consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.