

24 April 2019

ASX Market Announcements  
Level 6, Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

By Email: [Melissa.Lim@asx.com.au](mailto:Melissa.Lim@asx.com.au)

Dear Melissa

**ARGONAUT RESOURCES NL**  
**AWARE QUERY**

Background:

The Torrens Joint Venture is between Argonaut Resources NL and Aeris Resources Limited (ASX: AIS) and relates to the Torrens Project, EL5614.

The Torrens Joint Venture is exploring for iron oxide-copper-gold systems in the highly prospective Stuart Shelf region of South Australia. The Torrens Project is located near the eastern margin of South Australia's Gawler Craton (Stuart Shelf), within 40 kilometres of BHP's Oak Dam West copper discovery, 50 kilometres of Oz Minerals' Carrapateena copper-gold deposit and 75 kilometres from BHP Billiton's Olympic Dam mine. In its role as manager of the joint venture, Argonaut's wholly owned subsidiary, Kelaray Pty Ltd, secured access to the tenement in difficult circumstances for a planned drilling program targeting areas which have been geophysically modelled as having the physical properties of large iron oxide-copper-gold deposits. In September 2018, Argonaut's partner, Aeris Resources, took over as manager of the joint venture.

The ASX announcements made by AIS pertaining to the Torrens Project are cross released on the ARE platform. The following are the AIS ASX announcements cross released on the ARE platform since October 2018.

05.12.2018	Torrens Exploration Update
14.01.2019	Torrens Exploration Update
22.01.2019	Torrens Drilling Commences
07.03.2019	Torrens Project - Drilling Update
10.04.2019	Torrens Exploration Proj – Drilling Update

ASX Aware Query

With reference to your letter dated 17 April 2019 and with specific reference to your queries contained therein, we respond to each of your questions as follows:

1. When did ARE first become aware of the Relevant Information?

AIS had provided a draft of the ASX announcement for comments on 9 April 2019 to Lindsay Owler (LO), Director of the Company at 1:13am, Chile Time (3:13pm Sydney time). LO provided comments on 9 April 2019 at 1:15am Chile Time (3:15pm Sydney time). This is based on email logs.

As AIS would be cross-releasing the announcement on the ARE ASX platform (as had happened in previous cases of AIS Torrens announcements) it was decided no ARE release was needed.

On 10 April 2019 at 10.47am (Sydney Time), LO telephoned an ARE shareholder with access to live market data who informed LO that there was an AIS release on Torrens drilling that had not been cross-released on the ARE platform. LO who was overseas immediately telephoned Andrew Bursill (AB), Director and Company Secretary at 10.47am (time from phone log) in relation to the AIS Announcement. AB was unavailable in a meeting and was located at approximately 10.55am (best guess of time based on following events) and was advised of the situation. AB reviewed the situation to understand what had occurred and called the ASX at 10.58am (time from phone log) explaining the issue.

AB was requested by the ASX to send an email requesting the cross release so there was an audit trail of the request. AB sent an email to the ASX requesting the cross release at 11.05am (time from email log).

2. Does ARE consider the Relevant Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?

Yes

3. If the answer to question 2 is “yes” and ARE first became aware of the Relevant Information before the relevant date, did ARE make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe ARE was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps ARE took to ensure that the information was released promptly and without delay.

Since the Company had provided its comments on the AIS announcement which would eventually be cross-released on the ARE ASX platform (as had happened in previous cases of AIS Torrens announcements), it was decided no ARE release was needed.

There was no specific correspondence between Argonaut and Aeris about cross-releasing in the case of this announcement. However, since the Company is aware of the AIS Announcement and had provided its comments, it was expected that the announcement will be cross released on the ARE platform (as had happened in previous cases of AIS Torrens announcements).

Further there was a specific mention of the name of ARE in Page 3 of the AIS announcement made on 10 April 2019. It was presumed that the release will be reflected on the ARE announcements page of the ASX.

As soon as the Company was aware of the AIS release, steps were taken by the Directors to ensure that the announcement was cross released on the ARE platform without any delay as detailed in Point 1 above.

4. If the answer to question 2 is “no”, please advise the basis for that view.

Not Applicable


5. Please confirm that ARE is complying with the Listing Rules and, in particular, Listing Rule 3.1.

ARE confirms that it is in compliance with the Listing Rules and in particular, Listing Rule 3.1.

6. Please confirm that ARE's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of ARE with delegated authority from the board to respond to ASX on disclosure matters.

The responses as noted above have been authorised and approved by the Board of Directors.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'A. Bursill', with a stylized flourish at the end.

Andrew Bursill  
Director & Company Secretary  
Argonaut Resources NL



17 April 2019

Reference: ODIN00453

Mr Andrew Bursill  
Company Secretary  
Argonaut Resources NL  
Suite 2, Level 10  
70 Phillip Street  
Sydney NSW 2000

By email

Dear Mr Bursill

**Argonaut Resources NL ('ARE'): Aware Query**

ASX refers to the following:

- A. Aeris Resources Limited's (ASX:AIS) ('AIS') announcement entitled "Torrens Exploration Proj-Drilling Update" lodged on the ASX Market Announcements Platform and released at 9:03 AM on 10 April 2019 and subsequently cross released against ARE's announcement at 11:14 AM (the 'Announcement'), disclosing that AIS, a joint venture partner of ARE, had stopped drilling at the Torrens Exploration Project site in South Australia ('Relevant Information').
- B. The change in the price of ARE's securities from a high of 1.8 cents on 5 April 2019 to a low of 1.3 cents on 10 April 2019. We also note a significant increase in the volume of ARE's securities traded on 10 April 2019.
- C. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- D. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:  
*"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity" and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information."*
- E. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.  
*"3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:*  
*3.1A.1 One or more of the following applies:*
  - *It would be a breach of a law to disclose the information;*
  - *The information concerns an incomplete proposal or negotiation;*
  - *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
  - *The information is generated for the internal management purposes of the entity; or*
  - *The information is a trade secret; and*

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3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

3.1A.3 *A reasonable person would not expect the information to be disclosed."*

F. ASX's policy position on the concept of "confidentiality", which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. In particular, the Guidance Note states that:

*"Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule."*

### **Request for Information**

Having regard to the above, ASX asks ARE to respond separately to each of the following questions and requests for information:

1. When did ARE first become aware of the Relevant Information?
2. Does ARE consider the Relevant Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
3. If the answer to question 2 is "yes" and ARE first became aware of the Relevant Information before the relevant date, did ARE make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe ARE was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps ARE took to ensure that the information was released promptly and without delay.
4. If the answer to question 2 is "no", please advise the basis for that view.
5. Please confirm that ARE is complying with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that ARE's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of ARE with delegated authority from the board to respond to ASX on disclosure matters.

### **When and where to send your response**

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than 9:00 AM **AEST Wednesday, 24 April 2019**

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, ARE's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph and may require ARE to request a trading halt immediately.

If you wish to request a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and

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- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at [ListingsComplianceSydney@asx.com.au](mailto:ListingsComplianceSydney@asx.com.au). It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

#### **Listing Rules 3.1 and 3.1A**

In responding to this letter, you should have regard to ARE's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that ARE's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

#### **Suspension**

If you are unable to respond to this letter by the time specified above ASX will likely suspend trading in ARE's securities under Listing Rule 17.3.

#### **Enquiries**

If you have any queries or concerns about any of the above, please contact me immediately.

Kind regards

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**Melissa Lim**  
Adviser, Listings Compliance (Sydney)