



27 April 2016

Wade Baggott  
Principal Adviser, Listings Compliance (Perth)  
Level 40, Central Park  
152-158 St Georges Terrace  
Perth WA 6000

Dear Wade

**WINDIMURRA VANADIUM LIMITED ("Company") – ASX AWARE QUERY**

We refer to ASX's letter dated 26 April 2016 regarding the ASX Aware Query and have included details of ASX's questions and a summary of the Company's response below.

1. Does the Entity consider the information in the Announcement, or part thereof ("the Information"), to be information that a reasonable person would expect to have a material effect on the price or value of its securities?

Yes.

2. If the answer to question 1 is "no", please advise the basis for that view.

Not applicable.

3. If the answer to question 1 is "yes", when did the Entity first become aware of the Information?

Final and complete drilling results were received via email to the Managing Director in Sri Lanka at 18.40 hours (9.10pm Perth time) on Saturday 23 April 2016. Partial and preliminary results were received in two tranches via email to the Managing Director in Sri Lanka at 23.42 hours (2.15am Perth time) on 19 April 2016 and at 22.41 hours on Friday 22 April 2016 (1.11am Perth time on Saturday 23 April 2016).

4. If the answer to question 1 is "yes" and the Entity first became aware of the Information, or part thereof, before 26 April 2016, did the Entity make any announcement prior to 26 April 2016 which disclosed the Information? If so, please provide details. If not, please explain why the Information was not released to the market at an earlier time, commenting specifically on when you believe the entity was obliged to release the Information under Listing Rules 3.1 and 3.1A and what steps the Entity took to ensure that the Information was released promptly and without delay.

The Company did not make an announcement prior to the 26 April 2016, however, a trading halt was requested after close of the market on 20 April 2016.

The Company did not release the Information to the market at an earlier time as the final and complete drilling results had not been received until Saturday 23 April 2016 at 18.40 hours in Sri Lanka (9.10pm Perth time).

Following receipt of the final and complete drilling results and to ensure that the information was released promptly and without delay, an ASX release was prepared over the long weekend of 23-25 April 2016 and approved by the Board of Directors for release pre-market open on Tuesday 26 April 2016.

Prior to finalisation of the announcement and pursuant to Listing Rule 3.1A, the information was incomplete, preliminary and insufficiently definite to warrant disclosure and, in our opinion, a reasonable person would not expect the information to be released until it had been analysed, interpreted and in a format which could be understood by the market.

In addition, the Managing Director advised that until the draft ASX announcement was circulated to the Board of Directors on Sunday 24 April 2016 no party other than the laboratory (Scientific Services Ltd, Cape Town, South Africa) and he were privy to the drilling results.

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

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

Yours faithfully



**Nicki Farley**  
**Company Secretary**

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26 April 2016

Nicki Farley  
Company Secretary  
Windimurra Vanadium Limited  
Level 24, 44 St Georges Terrace  
PERTH WA 6000

By email

Dear Ms Farley

**Windimurra Vanadium Limited (the "Entity"): ASX aware query**

ASX Limited ("ASX") refers to the following:

1. The price and volume query letter sent to the Company at 1:38pm (WST) on Wednesday 20 April 2016 regarding a change in the price of the Entity's securities from a close of \$0.005 on 12 April 2016 to an intra-day high of \$0.012 on 20 April 2016, and an increase in the volume of securities traded ("Price and Volume Query Letter").
2. The Entity's response to the Price and Volume Query Letter released to the ASX Market Announcements Platform at 4:35 pm (WST) on Wednesday 20 April 2016 where the Entity responded as follows:

*"1. The Company is not aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities.*

*2. Not applicable.*

*3. The Company refers to the announcement released to the market on 2 March 2016 titled 'Drilling Expands Area of Known Heavy Mineral Sand Concentration Mannar Island, Republic of Sri Lanka' ("Announcement"). The Announcement stated that samples from the drilling conducted over the expanded project area had been consigned to a laboratory for analysis with results expected in 6 weeks. Consistent with the Announcement, the Company is anticipating receiving all results within the coming days which will be collated and announced to the market.*

*Out of an abundance of caution, given the recent volumes and price movements in the Company's securities, the Company intends to request a trading halt from ASX pending the release of the drill results announcement.*

*4. The Company confirms it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1."*

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3. The trading halt requested by the Entity after the close of trading on 20 April 2016 pending the release of an announcement regarding exploration drill results (“Trading Halt”).

4. The Entity’s announcement entitled “Mannar Island Heavy Mineral Project Update, High Grade Results Substantiate Expanded Target Corridor” released to the ASX Market Announcements Platform at 5:48 am (WST) on 26 April 2016 (“Announcement”) which lifted the Trading Halt and which stated:

- *“Results just received from the Mannar Island Heavy Mineral Project due diligence drilling completed in December 2015 demonstrate major resource upgrade potential.*
- *THM (Total Heavy Mineral) values of up to 27% have been encountered inland of the existing resource.*
- *Of the 75 drill holes 35 have returned average grades between 5 and 19% THM over the entire drill hole from surface.*
- *Results and land form analyses have defined a much expanded and highly prospective target corridor of 42km<sup>2</sup> extending across Mannar Island linking the two areas of the previously reported high grade ilmenite and leucoxene resources along the shorelines on either side of the island.*
- *Potential to rapidly and cost effectively increase the previously drill defined resources substantially.”*

5. Listing Rule 3.1, which requires a listed entity to give ASX immediately 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.

6. The definition of “aware” in Chapter 19 of the Listing Rules. This definition 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.*

Additionally, you should refer to section 4.4 in Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B “When does an entity become aware of information”*.

7. 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 requirements 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.*

8. 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 "Listing Rule 3.1A.2 – the requirement for information to be confidential"*. 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.*

Having regard to the above, we ask that you answer the following questions in a format suitable for release to the market in accordance with Listing Rule 18.7A:

1. Does the Entity consider the information in the Announcement, or part thereof ("the Information"), to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is "no", please advise the basis for that view.
3. If the answer to question 1 is "yes", when did the Entity first become aware of the Information?
4. If the answer to question 1 is "yes" and the Entity first became aware of the Information, or part thereof, before 26 April 2016, did the Entity make any announcement prior to 26 April 2016 which disclosed the Information? If so, please provide details. If not, please explain why the Information was not released to the market at an earlier time, commenting specifically on when you believe the entity was obliged to release the Information under Listing Rules 3.1 and 3.1A and what steps the Entity took to ensure that the Information was released promptly and without delay.
5. Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

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

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than commencement of trading **(8:00am WST), Thursday 28 April 2016**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Entity's securities under Listing Rule 17.3.

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, the Entity'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.

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 [tradinghaltsp Perth@asx.com.au](mailto:tradinghaltsp Perth@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 Rule 3.1**

Listing Rule 3.1 requires a listed entity to give ASX immediately 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. Exceptions to this requirement are set out in Listing Rule 3.1A.

The obligation of the Entity to disclose information under Listing Rules 3.1 and 3.1A is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

In responding to this letter, you should have regard to the Entity's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

### **Trading halt**

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in the Entity's securities under Listing Rule 17.1.

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

We may 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*.

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

Yours sincerely

*[Sent electronically without signature]*

Wade Baggott  
**Principal Adviser, Listings Compliance (Perth)**