



29 October 2017

Sebastian Bednarczyk  
Australian Securities Exchange  
Level 40 Central Park  
152-158 St Georges Terrace  
Perth WA 6000

By E-Mail: [sebastian.bednarczyk@asx.com.au](mailto:sebastian.bednarczyk@asx.com.au)

Dear Sebastian,

**RE: CAENEUS MINERALS LIMITED ("COMPANY"): ASX AWARE LETTER**

We refer to your letter dated 26 October 2017 and respond to each of the following items below.

Capitalised terms used and not defined herein have the meaning ascribed to them in your letter.

- 1 ASX understands that the Entity is purporting to rely on section 708A(5) "Case 1" of the Corporations Act 2001 (Cth) (the "Act") as the basis for issuing a 'cleansing notice' for secondary trading purposes, and not a disclosure document under Part 6D.2 of the Act, in relation to the issue of securities made under the Cleansing Statement. Please confirm that this is correct and, if so, please explain how the Entity was able to rely on this section of the Act given that it appears that the Entity does not satisfy section 708A(5)(b) of the Act because trading in the Entity's securities have been suspended for more than 5 days during the 12 months ending on 23 October 2017. If ASX's understanding is not correct, please advise the basis on which the Entity considers the Cleansing Statements to be valid and effective.**

Having taken legal advice and discussed with ASX, the Company now understands that it was not in a position to issue a valid 'cleansing notice' in accordance with section 708A(5)(b) of the Corporations Act because the Company's securities had been suspended from trading for more than 5 trading days in the last 12 months.

The Company Secretary and Directors of the Company made an honest mistake when releasing the Cleansing Statement to ASX. The Company Secretary and Directors:

- did not appreciate that the Company's securities remained suspended from trading for part of 19 October 2017 (i.e. prior to release of its announcement on that date, following which suspension in trading of its securities was lifted);
- did not appreciate the significance of the effect of a defective Cleansing Statement;
- did not turn their minds to s 707(3) or appreciate its significance in relation to future sale of the Shares; and
- were mistaken as to the significance of the Company's period of suspension

The Company is now preparing a prospectus in accordance with the exception set out in Section 708(11) of the Corporations Act and intends to lodge the prospectus with the ASIC on as soon as possible.

In addition, the Company has instructed its lawyers to make an application to the Court under section 1322 of the Corporations Act 2001 (Cth) to validate on-sales of shares within 12 months of their issue where there has been no disclosure and the conditions of the exceptions in section 708A of the Act have not been met. There is legal precedent for this and the Company is confident the Court will make the orders it will seek in the application (refer to *Sprint Energy Limited, in the matter of Sprint Energy Limited* [2012] FCA 1354; *TV2U International Ltd, Re TV2U International Ltd* [2016] FCA 1556).

**2 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, in particular Listing Rule 3.1.

**3 Please confirm that the Entity'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 the Entity with delegated authority from the board to respond to ASX on disclosure matters.**

The Company confirms this.

For and on behalf of the Board.

**CAENEUS MINERALS LIMITED**



Keith Bowker

**Chairman/Company Secretary**



26 October 2017

Keith Bowker  
Caeneus Minerals Ltd  
32 Harrogate Street  
WEST LEEDERVILLE WA 6007

By email

Dear Mr Bowker

**CAENEUS MINERALS LIMITED ("ENTITY"): ASX QUERY LETTER**

ASX Limited ("ASX") refers to the announcement titled "Section 708A Cleansing Notice & Appendix 3B" lodged on the Platform and released to the market at 19:51 pm AEDT on Monday, 23 October 2017 (the "Appendix 3B & Cleansing Statement"), which purports to 'cleanse' for secondary sale purposes the securities issued under the Appendix 3B & Cleansing Statement.

ASX asks that you answer the following questions in a format suitable for release to the market in accordance with Listing Rule 18.7A.

1. ASX understands that the Entity is purporting to rely on section 708A(5) "Case 1" of the *Corporations Act 2001* (Cth) (the "Act") as the basis for issuing a 'cleansing notice' for secondary trading purposes, and not a disclosure document under Part 6D.2 of the Act, in relation to the issue of securities made under the Cleansing Statements. Please confirm that this is correct and, if so, please explain how the Entity was able to rely on this section of the Act given that it appears that the Entity does not satisfy section 708A(5)(b) of the Act because trading in the Entity's securities have been suspended for more than 5 days during the 12 months ending on 23 October 2017. If ASX's understanding is not correct, please advise the basis on which the Entity considers the Cleansing Statements to be valid and effective.
2. Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
3. Please confirm that the Entity'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 the Entity 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, 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 6.00 am WST on Monday, 30 October 2017**. 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 [tradinghaltspert@asx.com.au](mailto:tradinghaltspert@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*.

Please contact me if you have any queries or concerns about the above.

Yours sincerely

*[sent electronically without signature]*

Sebastian Bednarczyk  
**Senior Adviser, ASX Listings Compliance (Perth)**

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