



Tychean Resources Limited
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7 February 2019

Ms Alex Sutton
Advisor, Listings Compliance
ASX Compliance Pty Limited
20 Bridge Street
SYDNEY NSW 2000

By email: ListingsComplianceSydney@asx.com.au.

ASX ANNOUNCEMENT

APPENDIX 5B QUERY

We refer to your letter dated 4 February 2019 in relation to Tychean Resources Limited's (ASX:TYK, 'the Entity') Appendix 5B.

The Entity responds as follows to your questions:

1. Does TYK expect that it will continue to have negative operating cash flows for the time being and, if not, why not?

Yes. The Entity does not generate income other than interest at present. The Entity will have positive financing cashflows relating to its recently completed Non-renounceable Entitlement Issue reportable in the March 2019 Quarter. It also expects to raise further capital upon shareholder approval of its proposed acquisition transaction.

2. Has TYK taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Yes. The Entity completed a Non-renounceable Entitlement Issue ('Entitlement issue') on 23 January 2019 raising \$195,975.10. The Company has 3 months to place Shortfall available from the Entitlement Issue. The Entity also retains its full placement capacity under listing Rule 7.1 and 7.1A. The Entity is seeking shareholder approval at an Extraordinary General Meeting in February 2019 to issue securities to vendors for the acquisition of IronRinger Pty Ltd. Upon shareholder approval the Company will be looking to raise further Capital.



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3. Does TYK expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

The Entity believes that it is able to continue its current operations and meet its current business objectives for the reasons outlined in questions 1 and 2.

4. Please confirm that TYK is complying with Listing Rule 3.1 and that there is no information about its financial condition that should be given to ASX in accordance with that rule that has not already been released to the market.

The Entity is complying with Listing Rule 3.1. There is no information about its financial condition that should be given to ASX in accordance with that Rule that has not already been released to the market.

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

The Entity confirms that the responses requested by the ASX and provided above, have been made by an officer of the Entity with delegated authority from the Board to respond to the ASX on disclosure matters.

Yours faithfully

A handwritten signature in black ink, appearing to read "Kaitlin Smith", written over a horizontal line.

Kaitlin Smith
Company Secretary



4 February 2019

Ms Kaitlin Smith
Company Secretary
Tychean Resources Ltd.
Ground Floor
70 Hindmarsh Square
Adelaide, SA
5000

By email:

Dear Ms Smith

Tychaen ('TYK'): Appendix 5B Query

ASX refers to TYK's Appendix 5B quarterly report for the period ended 31 December 2018 lodged with ASX Market Announcements Platform on 31 January 2019 (the 'Appendix 5B').

ASX notes that TYK has reported:

- negative net operating cash flows for the quarter of \$0;
- cash at the end of the quarter of \$104,000; and
- estimated cash outflows for the next quarter of \$53,000.

It is possible to conclude, based on the information in the Appendix 5B that if TYK were to continue to expend cash at the rate indicated by the Appendix 5B, TYK may not have sufficient cash to continue funding its operations.

In view of that, ASX asks TYK to respond separately to each of the following questions and requests for information:

1. Does TYK expect that it will continue to have negative operating cash flows for the time being and, if not, why not?
2. Has TYK taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
3. Does TYK expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
4. Please confirm that TYK is complying with Listing Rule 3.1 and that there is no information about its financial condition that should be given to ASX in accordance with that rule that has not already been released to the market.
5. Please confirm that TYK's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of TYK 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 AM Friday February 8**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in TYK'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, TYK'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 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 Rule 3.1 and Listing Rule 3.1A

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. In responding to this letter, you should have regard to TYK'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 TYK'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.

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 TYK's securities under Listing Rule 17.1. 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
- 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*.

Enquiries

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

Kind regards

Alex Sutton
Compliance Adviser, Geology, Listings Compliance (Sydney)