

## Response to ASX Price Query

22 March 2021

Ms Isabella Wong  
Adviser, Listings Compliance (Sydney)  
ASX Limited  
20 Bridge Street  
Sydney NSW 2000

By email: [ListingsComplianceSydney@asx.com.au](mailto:ListingsComplianceSydney@asx.com.au)

Dear Ms Wong

### Xanadu Mines Limited ('XAM'): Price - Query

I refer to your attached Price Query Letter received today and set out below, is the Company's response to the ASX's Request for Information.

1. *Is XAM 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?*

#### XAM's Response

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. *If the answer to question 1 is "yes".*

(a) *Is XAM relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in XAM's securities would suggest to ASX that such information may have ceased to be confidential and therefore XAM may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.*

#### XAM's Response

Not applicable

(b) *Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).*

#### XAM's Response

Not applicable

(c) *If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?*

#### XAM's Response

Not applicable

3. *If the answer to question 1 is “no”, is there any other explanation that XAM may have for the recent trading in its securities?*

**XAM’s Response**

The Company is not aware of any specific information or explanation that could explain the recent trading in its securities, however it can advise the following information:

- a) the Company is finalising an Announcement to be issued to ASX on Tuesday, 23 March 2021, which provides updated drilling results for one drill hole at its Red Mountain joint venture with with the Japan Oil, Gas and Metals National Corporation (**JOGMEC JV**) copper-gold project, XAM does not consider this Announcement will be price sensitive;
  - b) as advised in its latest ASX Announcement dated 1 March 2021, the Company is in the process of assessing further drilling results from its Kharmagtai project, and anticipates that it will be in a position to provide the following Announcements:
    - i) Exploration Target Update and Phase 2 Drilling Program Structure (by the end of March 2021); and
    - ii) Kharmagtai Stockwork Hill Follow-Up Drill Results (during the month of April 2021).
  - c) there has been recent strong interest in XAM’s stock as market participants anecdotally appear to be rebalancing investments out of other sector participants and into XAM.
4. *Please confirm that XAM is complying with the Listing Rules and, in particular, Listing Rule 3.1.*

**XAM’s Response**

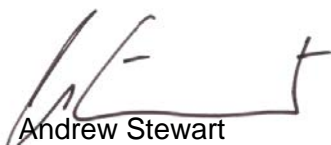
The Company confirms that it is compliant with the Listing Rules and, in particular, Listing Rule 3.1.

5. *Please confirm that XAM’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 XAM with delegated authority from the board to respond to ASX on disclosure matters.*

**XAM’s Response**

The Company confirms that the 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 XAM with delegated authority from the board to respond to ASX on disclosure matters.

Yours sincerely



Andrew Stewart  
Chief Executive Officer



22 March 2021

Mr Phil Mackey  
Company Secretary  
Xanadu Mines Limited  
Level 12, 680 George Street  
Sydney NSW 2000  
By Email: [mackey@companymatters.com.au](mailto:mackey@companymatters.com.au)

Dear Mr Mackey

### **Xanadu Mines Limited ('XAM'): Price - Query**

ASX refers to the following:

- A. The change in the price of XAM's securities from a low of \$0.051 on Wednesday, 17 March 2021 to an intra-day high of \$0.068 today.
- B. The significant increase in the volume of XAM's securities traded today.

### **Request for information**

In light of this, ASX asks XAM to respond separately to each of the following questions and requests for information:

1. Is XAM 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. If the answer to question 1 is "yes".
  - (a) Is XAM relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in XAM's securities would suggest to ASX that such information may have ceased to be confidential and therefore XAM may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
  - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
  - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that XAM may have for the recent trading in its securities?
4. Please confirm that XAM is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that XAM'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 XAM 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 **3.30 PM AEDT Monday, 22 March 2021**. 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

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within the exceptions mentioned in Listing Rule 3.1A, XAM'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 XAM to request a trading halt immediately.

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.

### **Trading halt**

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in XAM'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 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*.

### **Suspension**

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

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

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

### **Release of correspondence between ASX and entity**

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

### **Questions**

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

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**Isabella Wong**  
Adviser, Listings Compliance (Sydney)