

7 August 2023

Mr Alan Zhao
Compliance Officer, Listings Compliance
ASX Limited
20 Bridge Street
Sydney NSW 2000

By Email: ListingsComplianceSydney@asx.com.au

Dear Mr Zhao.

Red Metal Limited ('RDM'): Securities Trading Policy Query

I refer to your letter dated 7 August 2023 referring to the recent purchase of RDM securities by Mr Joshua Pitt.

I note that section 4.1 of RDM's securities trading policy states:

"Key Management Personnel must not, except in exceptional circumstances, deal in securities of the Company during the following periods:

- (a) two weeks prior to, and 48 hours after the release of the Company's Annual Report;*
 - (b) two weeks prior to, and 48 hours after the release of the Half Year Report of the Company; and*
 - (c) two weeks prior to, and 48 hours after the release of the Company's quarterly reports (if applicable),*
- (together the Closed Periods).*

The Company may at its discretion vary this rule in relation to a particular Closed Period by general announcement to all Key Management Personnel either before or during the Closed Periods. However, if a Key Management Personnel is in possession of price sensitive information which is not generally available to the market, then he or she must not deal in the Company's securities at any time it is in possession of such information."

I advise that at a RDM Board Meeting held on 20 July 2023 (with all directors present), RDM's securities trading policy was discussed, and in particular the two weeks prior to and 48 hours after the release of the Company's quarterly reports being classified as a Closed Period. It was noted that quarterly reports very rarely contain any price sensitive information which is not generally available to the market, as such price sensitive information would be the subject of a standalone news release in accordance with Listing Rule 3.1 and general ASX disclosure policy. It was also noted the upcoming June 2023 quarterly report would not include any price sensitive information which is not generally available to the market. It was resolved by the RDM Board to vary the Closed Period rule such that that the period prior to and 48 hours after the release of the June 2023 Quarterly Report would not be considered a Closed Period. Mr Pitt expressed interest in buying RDM securities and received approval from the Board to do so, subject to the release of an upcoming announcement regarding completion of a drilling program at the Company's Sybella Project.

In response to the questions in your letter dated 7 August 2023:

1. As noted above, the request for approval to buy RDM securities was made by Mr Pitt (and approved by the Board) at the RDM Board Meeting held on 20 July 2023.
2. As noted above, the RDM Board varied the Closed Period in respect of the June 2023 Quarterly Report, and as such the Transactions did not occur during a Closed Period.
3. As noted above, the RDM Board varied the Closed Period in respect of the June 2023 Quarterly Report.
4. Not applicable.
5. I confirm that RDM is complying with the Listing Rules and in particular Listing Rule 3.1.
6. I confirm that RDM's responses above to ASX's questions have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of RDM with delegated authority from the board to respond to ASX on disclosure matters.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'P. Flint', with a stylized flourish at the end.

Patrick Flint
Company Secretary



7 August 2023

Reference: 77458

Mr Patrick John Flint
Company Secretary
Red Metal Limited
Level 15
323 Castlereagh Street
Sydney NSW 2000

By email only

Dear Mr Flint

Red Metal Limited ('RDM'): Securities Trading Policy Query

ASX refers to the following:

- A. RDM's Appendix 3Y released on the ASX Market Announcements Platform ('MAP') on 3 August 2023 which disclosed that RDM director, Mr Joshua Pitt, purchased 815,070 RDM securities on 28 July 2023, 31 July 2023 and 1 August 2023 (the 'Transactions').
- B. RDM's Quarterly Activities/Appendix 5B Cash Flow Report ('Quarterly Report'), lodged on MAP on 31 July 2023.
- C. RDM's securities trading policy, available on its website¹ (the 'Trading Policy'), which states (relevantly):

At section 4.1:

"Key Management Personnel must not, except in exceptional circumstances, deal in securities of the Company during the following periods:

...

(c) two weeks prior to, and 48 hours after the release of the Company's quarterly reports (if applicable)"

At section 5.1

"(a) Any Key Management Personnel (other than the Chairman of the Board) wishing to buy, sell or exercise rights in relation to the Company's securities must obtain the prior written approval of the Chairman of the Board or the Board before doing so."

At section 5.2

"(a) All requests to buy or sell securities as referred to in paragraph 5.1 must include the intended volume of securities to be purchased or sold and an estimated time frame for the sale or purchase.

(b) Copies of written approvals must be forwarded to the Company Secretary prior to the approved purchase or sale transaction."

Request for information

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

¹ <https://redmetal.com.au/wp-content/uploads/2022/05/Corporate-Governance-Plan-RDM-220921.pdf>

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1. Please provide a copy of the request for approval to trade from Mr Pitt to RDM's Chairman, and the subsequent approval, as required by section 5.1 of the Trading Policy (not for release to market).
 2. ASX notes that the Transactions occurred within the two weeks prior to and 48 hours after the release of RDM's Quarterly Report. If approval was given to Mr Pitt to carry out the Transactions, please explain why this was the case, given RDM's securities appear to have been in a closed period at that time.
 3. Is RDM of the view that the Transactions complied with section 4.1 of the Trading Policy? If so, please explain the basis for that view.
 4. If a breach of the Trading Policy was identified in questions 1-3 above, please outline what disciplinary and/or remedial action RDM intends to take as a result of this breach.
 5. Please confirm that RDM is complying with the Listing Rules and, in particular, Listing Rule 3.1.
 6. Please confirm that RDM'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 RDM 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 Tuesday, 8 August 2023**. 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, RDM'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 RDM to request a trading halt immediately.

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.

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 RDM'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 RDM's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to RDM'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 RDM'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

ASX reserves the right to release all or any part 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

Alan Zhao
Compliance Officer, Listings Compliance