



Audalia Resources Limited
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20 April 2021

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

Attn: Stephanie Patchell, Adviser, Listings Compliance by email: ListingsCompliancePerth@asx.com.au

Dear Ms Patchell,

Price and Volume Query

We acknowledge receipt of ASX's letter dated 20 April 2021 regarding a change in the price of the Company's shares from \$0.025 on 19 April 2021 to a high of \$0.075 today, 20 April 2021, and significant increase in trading volume on 20 April 2021 (**ASX's Letter**).

In response to each of your questions, we advise 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. Audalia considers that the recent increase in price and trading volume are a result of the following:
 - (a) The Company announced in an ASX release dated 8 March 2021 that the Environmental Review Document (**ERD**) for the Medcalf Project had been released by the Environmental Protection Authority.
 - (b) As part of the public review process, Audalia has advertised the ERD in local and regional newspapers at commencement of the public review period on 8 March 2021 and again on 19 April 2021.
 - (c) The ERD and the primary environmental approvals process is integral to the regulatory approvals and permits required to develop the Medcalf Project.
4. The Company confirms that, to its best knowledge and belief, it is in compliance with ASX Listing Rules and in particular, Listing Rule 3.1.
5. The Company confirms that these responses to ASX's Letter have been authorised and approved by the Board of Directors.

Yours sincerely,
AUDALIA RESOURCES LIMITED

Karen Logan
Company Secretary



20 April 2021

Reference: 33666

Ms Karen Logan
Company Secretary
Audalia Resources Limited

By email: karen.logan@themiscorporate.com

Dear Ms Logan

Audalia Resources Limited ('ACP'): Price and Volume Query

ASX refers to the following:

- A. The change in the price of ACP's securities from a low of \$0.025 at the close of trade on 19 April 2021 to a high of \$0.075 today, 20 April 2021.
- B. The significant increase in the volume of ACP's securities traded on 20 April 2021.

Request for information

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

1. Is ACP 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 ACP relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in ACP's securities would suggest to ASX that such information may have ceased to be confidential and therefore ACP 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 ACP may have for the recent trading in its securities?
4. Please confirm that ACP is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that ACP'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 ACP 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 **11.00am AWST today, Tuesday, 20 April 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 within the exceptions mentioned in Listing Rule 3.1A, ACP'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 ACP to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@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 ACP'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 ACP's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

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

Stephanie Patchell
Adviser, Listings Compliance (Perth)