



7 December 2021

Ms Nicola Mullen
ASX Adviser
ASX Compliance Pty Limited
Level 40 Central Park
Perth WA 6000

Dear Nicola

RE: RESPONSE TO ASX APPENDIX 5B QUERY

Mindax Limited ("Company") (ASX: MDX) refers to your letter dated 2 December 2021 ("Letter") in relation to the Company's Quarterly Cashflow Report in the form of Appendix 5B for the period ended 30 September 2021 ("Appendix 5B").

Set out below are the Company's responses:

1. ***On the basis the Company proposes to reduce net operating cash flows next quarter please:***

- 1.1 ***provide the breakdown of what portion of net cash used in operating activities was contributed to the Norton Gold Transaction during the September 2021 quarter; and***

Response:

2. The Company expects it will decrease the current level of cash used in operating activities following the Completion of the Norton Gold Transaction. Expenditure in relation to exploration commitments previously borne by the Company are now borne by Yilgiron Pty Ltd (**Yilgiron**). Cash of approximately \$310,000 was contributed to the Norton Gold Transaction during the September Quarter. Mindax Limited incurred expenditure of approximately \$570,000 for the calendar year to 30 September 2021 and was re-imbursed by Yilgiron after the end of the September 2021 quarter (and will show as an in flow in the December quarter Appendix 5B).
3. ***As at the date of this letter what is MDX's cash position.***

Response:

As at 2 December 2021, the Company had \$1,078,758 in available cash reserves. The Company confirms the reimbursement of expenditure, mentioned in response to query 2 above, was received on 26 October 2021 (i.e. outside of the period covered by the 30 September 2021 Appendix 5B).

4. ***Has the MDX 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?***

Response:

The Company is currently reviewing project acquisition opportunities. Subject to the outcome of those reviews and continued positive outlook for equity markets, domestically and internationally, the Company believes it is likely to be successful in securing further funding.

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

Response:

Yes. The current cash balance and reduced commitments provide sufficient funding to allow the business objectives to be met.

6. ***Please confirm that MDX 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.***

Response:

The Company confirms that it is in compliance with Listing Rule 3.1. The Company does not consider any information about its financial condition needs to be given to ASX to comply with that rule.

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

Response:

I confirm the responses to the questions above have been authorised and approved by the Chair of MDX with delegated authority from the board to respond to ASX on disclosure matters.

Yours faithfully



Dennis Wilkins
Company Secretary



2 December 2021

Mr Dennis Wilkins
Company Secretary
Mindax Limited

By Email: dennis@dwcorporate.com

Dear Mr Wilkins

Mindax Limited ('MDX'): Appendix 5B Query

ASX refers to the following:

- A. MDX's Appendix 5B quarterly reports for the period ended 30 September 2021 lodged on MAP on 29 October 2021 (the 'Appendix 5B'), in which MDX has disclosed:
- i. net cash used in operating activities for the quarter of \$287,000;
 - ii. net cash used in investing activities, specifically for exploration & evaluation of \$290,000;
 - iii. total cash balance at the end of the quarter of \$612,000;
 - iv. estimated quarters of funding available of 1.1 quarters;
 - v. the following responses to the questions in section 8.8 of the Appendix 5B as set out below:
 - a. Q1 - Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?
 - b. A1 - *No, the Company expects it will decrease the current level of cash used in operating activities following the Completion of the Norton Gold Transaction during the September 2021 quarter*
 - c. Q2 - Has the entity 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?
 - d. A2 - *The Company understands it will be required to raise further funds. No steps have been taken to raise funds as at the date of this Appendix 5B.*
 - e. Q3 - Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
 - f. A3 - *Yes, the Company expects to be able to continue its operations and to meet its business objectives on the basis that the Company will be able to raise further funds as required.*

(together, the 'Responses').

Request for Information

ASX does not consider the Responses have adequately addressed the questions posed in section 8.8 of the Appendix 5B form. In view of that and compared to MDX's working capital position as at 12 May 2021, ASX asks MDX to answer separately each of the following questions and provide the following confirmations in a format suitable for release to the market under Listing Rule 18.7A:

1. On the basis the Company proposes to reduce net operating cash flows next quarter please:

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- 1.1 provide the breakdown of what portion of net cash used in operating activities was contributed to the Norton Gold Transaction during the September 2021 quarter; and
 2. As at the date of this letter what is MDX's cash position.
 3. Has the MDX 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?
 4. Does MDX expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
 5. Please confirm that MDX 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.
 6. Please confirm that MDX'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 MDX 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 **3:00 PM AWST on Tuesday, 7 December 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, MDX'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 MDX 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.

Suspension

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

Listing Rules 3.1 and 3.1A

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

Nicola Mullen

Adviser, Listings Compliance (Perth)