

20 September 2022

Shannon Nicholson
Principal Adviser
ASX Compliance Pty Ltd
Level 40, Central Park
152-158 St Georges Tce
Perth WA 6000

By email: listingscomplianceperth@asx.com.au

Dear Ms. Nicholson

Hartshead Resources NL (ASX:HHR) – Response to Aware Query

Hartshead Resources NL (**HHR** or the **Company**) refers to the ASX General Aware Query letter dated 15 September 2022.

The Company provides the following responses to the letter.

1. *Does HHR consider the Shell Agreement to be information that a reasonable person would expect to have a material effect on the price or value of its securities?*

HHR Response: Yes.

2. *If the answer to question 1 is “no”, please advise the basis for that view.*

HHR Response: N/A

3. *Please provide details of the time and date that:*

- 3.1. *Discussions between the parties commenced regarding the Shell Agreement;*

HHR Response: Discussions between Hartshead and Shell regarding Shell infrastructure commenced in 2021, with the initial formal workshop occurring in July 2021.

Specific discussion regarding the engineering study commenced in March 2022.

- 3.2. *The Shell Agreement was executed;*

HHR Response: Monday, 22 August 2022 at 2:50pm WST.

- 3.3. *CPS Capital was engaged as lead manager and broker to the Capital Raising;*

HHR Response: Monday, 22 August 2022 at approximately 10:48am WST (**Lead Manager Mandate**).

- 3.4. *CPS Capital commenced the Capital Raising process;*

HHR Response: Following execution of the Lead Manager Mandate.

3.5. The Capital Raising was completed;

HHR Response: The Capital Raising closed at 12.30pm WST, Tuesday, 23 August 2022.

4. *If HHR entered into the Shell Agreement before 22 August 2022, did HHR make any announcement prior to the relevant date which disclosed the Shell Agreement? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe HHR was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps HHR took to ensure that the information was released promptly and without delay.*

HHR Response: Not applicable.

5. *Please confirm that HHR is complying with the Listing Rules and, in particular, Listing Rule 3.1.*

HHR Response: Confirmed.

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

HHR Response: Confirmed.

Matthew Foy
Company Secretary
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e: info@hartshead-resources.com



15 September 2022

Reference: 56908

Mr Matthew Foy
Company Secretary
Hartshead Resources NL

By email: matt.foy@ftcorporate.com.au

Dear Mr Foy

Hartshead Resources NL ('HHR'): General – Aware Query

ASX refers to the following:

- A. The change in price of HHR's securities from a closing price of \$0.026 on 9 August 2022 to an intraday high of \$0.035 on 11 August 2022.
- B. ASX's Price Query letter and HHR's Response to ASX's Price Query letter ('Response') released together on the ASX Market Announcements Platform ('MAP') at 2:07 pm AEST on 11 August 2022 in which HHR confirmed in the Response that it was 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.
- C. The trading halt placed on HHR's securities on 22 August 2022 at HHR's request, pending an announcement in relation to a material capital raise.
- D. HHR's announcement entitled "*Agreement With Shell For Phase I Development Gas Offtake Engineering Study*" released on MAP at 7:08 PM AEST on 22 August 2022, marked as non-sensitive, disclosing the agreement reached with Shell UK Exploration & Production Limited ('Shell') to conduct an Engineering Study for the preferred offtake route and agreed tie-in of HHR's Phase I gas field development to Shell's infrastructure ('Shell Engineering Study') ('Shell Agreement').
- E. The suspension from quotation of HHR's securities on 24 August 2022, at HHR's request, pending an announcement in relation to a material capital raise.
- F. HHR's announcement entitled "*Completion of Placement to raise A\$11 Million*" released on MAP at 9:48 AM AEST on 25 August 2022, which disclosed amongst other things:
 - (i) the completion of an over-subscribed placement to raise A\$11 million (before costs) at a price of A\$0.0275 per share ('Capital Raising') supported by a combination of Australian and UK institutional and family office investors;
 - (ii) that the placement proceeds will be applied to the Shell Engineering Study, Geotechnical Survey and to fast track the Front-End Engineering & Design stage of the Phase 1 field development of the Anning and Somerville gas fields;
 - (iii) CPS Capital Group Pty Ltd ('CPS Capital') acted as Lead Manager and Broker to the placement and will receive a fee of 6% of the total amount raised by CPS Capital; and
 - (iv) that given the level of interest shown in the capital raise from a spectrum of UK investors and funds, management now intends to explore the merits of a dual listing of the company's shares on the AIM market of the London Stock Exchange.
- G. Listing Rule 3.1, which requires a listed entity to immediately give ASX 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.

H. The definition of “aware” in Chapter 19 of the Listing Rules, which states that:

“an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity” and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B “When does an entity become aware of information.”

I. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

“3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:

3.1A.1 One or more of the following applies:

- It would be a breach of a law to disclose the information;*
- The information concerns an incomplete proposal or negotiation;*
- The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- The information is generated for the internal management purposes of the entity; or*
- The information is a trade secret; and*

3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and

3.1A.3 A reasonable person would not expect the information to be disclosed.”

J. ASX’s policy position on the concept of “confidentiality”, which is detailed in section 5.8 of Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B. In particular, the Guidance Note states that:

“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.”

Request for information

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

1. Does HHR consider the Shell Agreement to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is “no”, please advise the basis for that view.
3. Please provide details of the time and date that:
 - 3.1 discussions between the parties commenced regarding the Shell Agreement;
 - 3.2 the Shell Agreement was executed;
 - 3.3 CPS Capital was engaged as lead manager and broker to the Capital Raising (please provide a copy of the mandate agreement, not for release to the market);
 - 3.4 CPS Capital commenced the Capital Raising process; and

3.5 the Capital Raising was completed.

4. If HHR entered into the Shell Agreement before 22 August 2022, did HHR make any announcement prior to the relevant date which disclosed the Shell Agreement? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe HHR was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps HHR took to ensure that the information was released promptly and without delay.
5. Please confirm that HHR is complying with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that HHR'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 HHR 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 **9:30 AM AWST Tuesday, 20 September 2022** by sending it to ListingsCompliancePerth@asx.com.au. 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, HHR'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 HHR 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, you should discuss with us whether it is appropriate to request a trading halt in HHR'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 HHR's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

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

Shannon Nicholson

Principal Adviser, Listings Compliance (Perth)