

ASX ANNOUNCEMENT | 26 March 2024

# ASKARI METALS LIMITED

## RESPONSE TO ASX QUERY – APPENDIX 3Y



Vinay Agrawal  
Advisor, Listings Compliance (Perth)  
ASX Compliance Pty Ltd  
Level 40 Central Park  
152 – 158 St Georges Terrace  
PERTH WA 6000

By Email: [ListingsCompliancePerth@asx.com.au](mailto:ListingsCompliancePerth@asx.com.au)

Dear Vinay,

### Askari Metals Limited – Response to ASX Query

Askari Metals Limited (“AS2” or the “Company”) refers to ASX’s query letter dated 22 March 2024 and provides the following responses to the specific queries set out in that letter (using the numbering from your query letter).

Capitalised terms which are defined in ASX’s query letter have the same meaning where used in this letter unless the context requires otherwise.

- 1. Noting that the Half Yearly Financial Report for the period ending 31 December 2023 was lodged on MAP on 15 March 2024, were the 175,647 Shares acquired by Mr D’Anna on 5 March 2024 as per the Notice traded during a closed period as described in AS2’s Trading Policy?**

The Company is of the view that the Transaction was conducted in accordance with the Trading Policy.

The basis for this reasoning is that the financial information contained in the Half-Yearly Financial Report for the period ending 31 December 2023 had been disclosed to Shareholders progressively through the disclosure of the Quarterly Cash Flow Reports. Notwithstanding this, Mr D’Anna was not trading within a period of 7 days prior to, and 48 hours after the release of the Half Yearly Financial Report.

The Company notes that whilst the general rule of thumb for closed periods is “two weeks prior to, and 48 hours after the release of the Half Year Report of the Company”, the Company may at its discretion vary this rule in relation to a particular Closed Period as long as Key Management Personnel are not in possession of price sensitive information.

Prior to the trades being placed by Mr D’Anna it was confirmed with Mr D’Anna verbally that Mr D’Anna was not in possession of price sensitive information.



**2. If the answer to the question 1 is “Yes”, Did Mr D’Anna request a written clearance from AS2’s Chairman prior to acquiring the 175,647 Shares?**

Mr D’Anna verbally confirmed approval to trade in the securities of the Company from the Company Secretary during this period on the basis that the Company can, at its discretion, vary the general rule of thumb around closed periods as outlined in the response to question 1, above. No written request was made.

It was noted that Mr D’Anna was not in possession of any price sensitive information and Mr D’Anna was cautioned not to trade in the securities of the Company within a period of 7 days prior to, and 48 hours after the release of the Half Yearly Financial Report for the period ending 31 December 2023.

The Company acknowledges that formal approval in writing was not obtained, The Company also acknowledges that only the Directors of the Company are Key Management Personnel.

Each of the Directors has been reminded of their obligations to seek written permission to trade in the securities of the Company. Notwithstanding any verbal discussions, a verbal discussion must follow with a formal request in writing via email.

**3. Did AS2’s Chairman provide a written acknowledgment to the clearance request made by Mr D’Anna? If so, on what basis given the trade appears to have been conducted during a closed period.**

No. It is noted that Mr D’Anna sought approval through a verbal discussion at which time it was acknowledged that Mr D’Anna was not in possession of any price sensitive information. The Company noted at the time of the request that it fell within a prescribed closed period, however, noted that the Company can, at its discretion, vary the general rule around the release of Half Yearly Financial Reports, on the basis that Mr D’Anna did not have possession of any price sensitive information. Mr D’Anna confirmed that he was not in possession of price sensitive information.

Mr D’Anna has acknowledged his failure to seek written confirmation of the approval to trade in the securities of the Company as is required by the Trading Policy. Mr D’Anna has been reminded of his requirement to confirm all verbal discussions where necessary with formal written clearance as well.

The Company is currently reviewing the actions of Mr D’Anna on the basis that Mr D’Anna failed to confirm his verbal discussions and approval with a formal written clearance as required by the Trading Policy.

In addition, the Company is undertaking a review of its Trading Policy to ensure that it remains relevant noting that peer companies have adopted a reduced closed period around the disclosure of mandatory ASX reporting obligations.

**4. Is AS2 is of the view that the acquisition of the 175,647 Shares by Mr D’Anna complied with the Trading Policy? If answer to question 4 is “Yes”, please provide the basis for that view.**

The Company is of the view that the Transaction was conducted in accordance with the Trading Policy.

Approval was granted to vary the rule to dealing in the Company’s securities during a closed period because Mr D’Anna confirmed that he was not in possession of any material information that hadn’t already been disclosed to the market and because it was considered that Mr D’Anna should not make any purchases within a period of 7 days prior to, and 48 hours after the release of the Half Yearly Financial Report for the period ending 31 December 2023 in order to comply with the variation to the Trading Policy around these prescribed closed periods.

Refer to the responses provided at question 1, question 2 and question 3 above.



**5. If the answer to question 4 is “No”:**

- a. Please outline the circumstances which led to a breach of AS2’s Trading Policy; and**
- b. Please outline what action AS2 intends to take in response to this non-compliance with the Trading Policy;**

The Company is currently reviewing the actions of Mr D’Anna on the basis that Mr D’Anna failed to confirm his verbal discussions and approval with a formal written clearance as required by the Trading Policy.

The Company acknowledges that Mr D’Anna has failed to obtain written confirmation and clearance following the verbal confirmation and the variation of the general rule around closed periods in relation to the mandatory ASX reporting obligations.

Mr D’Anna has been reminded of his obligations pursuant to the Trading Policy and failure to adhere to these rules in the future may lead to disciplinary actions being taken by the Company.

In addition, the Company is undertaking a review of its Trading Policy to ensure that it remains relevant noting that peer companies have adopted a reduced closed period around the disclosure of mandatory ASX reporting obligations.

**6. Given the Notice was released on 14 March 2024 and the Shares were traded on 5 March 2024, please advise if the Notice complied with ASX Listing Rule 3.19A.2.**

The Company acknowledges that the Notice failed to comply with ASX Listing Rule 3.19A.2.

Unfortunately, the Company formed a view that the date of change of the notifiable interest of Mr D’Anna occurred on the date of settlement, being 7 March 2024.

The Company has acknowledged that the Notice should have been lodged with the ASX no later than 12 March 2024. Each of the Directors and the Company Secretary have been reminded that the date of change of the notifiable interest of a Key Management Personnel is the date that the trade has been made.

The Company notes that in the event settlement does not occur for a particular trade, the Company is required to lodge an adjusted Notice at that time. It is this confusion that led to the settlement date being used rather than the trade date.

The Company and each of its Key Management Personnel are now fully aware of its obligations and duties.

**7. Please advise if the recently updated Corporate Governance policy related to director’s disclosure and recently conducted review of processes and procedures, as per AS2’s 14 February 2024 announcement, are still considered by AS2 adequate to ensure compliance with the ASX listing rules and policies.**

The Company does note, generally, that the recently updated Corporate Governance policy related to director’s disclosure and the recently conducted review of processes and procedures remain adequate to ensure compliance with the ASX listing rules and policies.

The Company notes the failure of Mr D’Anna to follow up from the verbal confirmation received with a formal written clearance. Mr D’Anna has been reminded to review the Trading Policy to ensure adherence with the policies and procedures.



The Company is undertaking a review of its Trading Policy to ensure that it remains relevant noting that peer companies have adopted a reduced closed period around the disclosure of mandatory ASX reporting obligations.

- 8. Please confirm that AS2'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 AS2 with delegated authority from the board to respond to ASX on disclosure matters.**

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 Askari Metals with delegated authority from the Board to respond to ASX on disclosure matters.

Should you require any further clarification, please do not hesitate to contact us.

Yours sincerely,

Gino D'Anna  
Managing Director  
Askari Metals Limited

**This announcement is authorised for release by the board of the Company.**

**- ENDS -**

## **FOR FURTHER INFORMATION PLEASE CONTACT**

### **INVESTORS**

**Gino D'Anna**  
MANAGING DIRECTOR

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### **MEDIA**

**Emily Evans**  
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### **ABOUT ASKARI METALS**

Askari Metals is a focused Southern African exploration company. The Company is actively exploring and developing its Uis Lithium Project in Namibia located along the Cape-Cross – Uis Pegmatite Belt of Central Western Namibia. The Uis project is located within 2.5 km from the operating Uis Tin-Tantalum-Lithium Mine which is currently operated by Andradia Mining Ltd and is favourably located with the deep water port of Walvis Bay being less than 230 km away from the Uis project, serviced by all-weather sealed roads. In March 2023, the Company welcomed Lithium industry giant Huayou Cobalt onto the register who remains supportive of the Company's ongoing exploration initiatives.

The Company has also recently acquired the Matemanga Uranium Project in Southern Tanzania which is strategically located less than 70km south of the world-class Nyota Uranium Mine. Askari Metals is actively engaged in due diligence to acquire further uranium projects in this emerging tier-1 uranium province.

The Company is currently assessing its options for a spin-out divestment strategy of the Australian projects which includes highly prospective gold, copper, lithium and REE projects.

**For more information please visit: [www.askarimetals.com](http://www.askarimetals.com)**





22 March 2024

Reference: 91143

Mr Gino D'Anna  
Executive Director and CEO  
Askari Metals Limited

By email:

Dear Mr D'Anna

### Askari Metals Limited ('AS2'): Securities Trading Policy Query Letter

ASX refers to the following:

- A. AS2's announcement entitled 'Appendix 3Z and Appendix 3X – Askari Metals Limited' lodged on the ASX Market Announcements Platform ('MAP') on 14 February 2024 at approximately 19.13 AEST, which stated, among other things:

*"Askari Metals Limited (ASX: AS2) ("Askari Metals" or "Company") refers to the lodgement of the Appendix 3Z – Final Directors Interest Notice in relation to Mr Chris Evans and the Appendix 3X – Initial Directors Interest Notice in relation to Mr Joseph Clarry, together referred to as the Notices.*

*The Company notes that there has been a delay in lodging the Notices which was due to an internal administrative oversight as well as delays caused by extensive overseas travel.*

*The Company has an internal Corporate Governance policy in place which mandates the disclosure of its directors. Effective channels of communication have been implemented with all relevant correspondence directed to the Company Secretary. Unfortunately, due to extensive overseas travel, an internal administrative oversight arose which delayed the disclosure of the Notices until recently.*

*The Corporate Governance policy related to directors' disclosure was recently updated and circulated to all directors. The Company considers that the procedure and arrangements are adequate and comply with the ASX listing rules.*

*The Company has reviewed its processes and will ensure that disclosures are released to ASX in accordance with the requirements of the ASX listing rules in the future. The Company is satisfied that its procedures are adequate to ensure compliance with the ASX listing rules."*

- B. AS2's Appendix 3Y lodged on MAP on 14 March 2024 for Mr Gino D'Anna ('Notice') disclosed the following, among other things:

- (i) Mr D'Anna acquired 175,647 AS2 ordinary securities ('Shares') via an on-market purchase for a consideration of \$14,795;
- (ii) The Shares were traded on 5 March 2024 and settled on the 7 March 2024; and
- (iii) AS2's responses at **Part 3 - \*Closed period** of the Notice:

|  |  |
|--|--|
| <b>Were the interests in the securities or contracts detailed above traded during a *closed period where prior written clearance was required?</b> | No – Trading block-out period effective 8 March 2024 until 19 March 2024 (inclusive) |
| <b>If so, was prior written clearance provided to allow the trade to proceed during this period?</b>   |  |
| <b>If prior written clearance was provided, on what date was this provided?</b>  |  |

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C. AS2's Half Yearly Financial Report for the period ending 31 December 2023 lodged on MAP on 15 March 2024.

D. Listing Rule 3.19A.2 requires an entity to tell ASX the following:

*A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.*

E. Listing rule 3.19B states that:

*An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.*

F. ASIC Regulatory Guide 193 – Notification of Director's Interests in Securities – Listed Companies, in particular:

*193.17 Generally the change to a director's relevant interest occurs at the time they: (a) enter into an agreement to purchase the securities (i.e. in the case of a trade on market, the day of the trade) and also when they (b) dispose of securities, that is when they cease to hold the securities (settlement of a market trade).*

G. Schedule 9 – Trading Policy of AS2's share trading policy ('Trading Policy'), available on its website, which states, among other things, under:

**"1. Introduction**

*These guidelines set out the policy on the sale and purchase of securities in the Company by its Key Management Personnel (as defined in the ASX Listing Rules).....*

*The Company has determined that its Key Management Personnel are its Directors, executives and those employees directly reporting to the Managing Director.....*

*The purpose of these guidelines is to assist Key Management Personnel to avoid conduct known as 'insider trading'.....*

**4.1 General rule**

*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**).*

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**5. Approval and Notification Requirements**

**5.1 Approval requirements**

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(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.

(b) If the Chairman of the Board wishes to buy, sell or exercise rights in relation to the Company's securities, the Chairman of the Board must obtain the prior approval of the Board before doing so.

### **5.2 Approvals to buy or sell securities**

(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.

### **5.3 Notification**

Subsequent to approval obtained in accordance with paragraphs 5.1 and 5.2, any Key Management Personnel who (or through his or her Associates) buys, sells, or exercises rights in relation to Company securities must notify the Company Secretary in writing of the details of the transaction within two (2) business days of the transaction occurring. This notification obligation operates at all times and includes applications for acquisitions of shares or options by employees made under employee share or option schemes and also applies to the acquisition of shares as a result of the exercise of options under an employee option scheme.

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### **5.5 Exemption from Closed Periods restrictions due to exceptional circumstances**

Key Management Personnel who are not in possession of inside information in relation to the Company, may be given prior written clearance by the Managing Director (or in the case of the Managing Director, by all other members of the Board) to sell or otherwise dispose of Company securities in a Closed Period where the person is in severe financial hardship or where there are exceptional circumstances as set out in this policy.

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### **6. ASX notification for Directors**

The ASX Listing Rules require the Company to notify the ASX within 5 business days after any dealing in securities of the Company (either personally or through an Associate) which results in a change in the relevant interests of a Director in the securities of the Company. The Company has made arrangements with each Director to ensure that the Director promptly discloses to the Company Secretary all the information required by the ASX."

#### **H. Guidance Note 27: Trading Policies which states:**

*Implicit in the requirement for an entity to have a trading policy is that it should also have appropriate measures to ensure that its KMP are aware of, and understand, their obligations under the policy and to monitor and enforce compliance with the policy. For it not to do so would be a failure to comply with its obligation under Listing Rule 19.2 to honour the spirit, intention and purpose of the Listing Rules.*

#### **Request for information**

Having regard to the above, ASX asks AS2 to respond separately to each of the following questions and requests for information:

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1. Noting that the Half Yearly Financial Report for the period ending 31 December 2023 was lodged on MAP on 15 March 2024, were the 175,647 Shares acquired by Mr D'Anna on 5 March 2024 as per the Notice traded during a closed period as described in AS2's Trading Policy?
  2. If the answer to the question 1 is "Yes", Did Mr D'Anna request a written clearance from AS2's Chairman prior to acquiring the 175,647 Shares?
  3. Did AS2's Chairman provide a written acknowledgment to the clearance request made by Mr D'Anna? If so, on what basis given the trade appears to have been conducted during a closed period.
  4. Is AS2 is of the view that the acquisition of the 175,647 Shares by Mr D'Anna complied with the Trading Policy? If answer to question 4 is "Yes", please provide the basis for that view.
  5. If the answer to question 4 is "No":
    - 5.1 Please outline the circumstances which led to a breach of AS2's Trading Policy; and
    - 5.2 Please outline what action AS2 intends to take in response to this non-compliance with the Trading Policy;
  6. Given the Notice was released on 14 March 2024 and the Shares were traded on 5 March 2024, please advise if the Notice complied with ASX Listing Rule 3.19A.2.
  7. Please advise if the recently updated Corporate Governance policy related to director's disclosure and recently conducted review of processes and procedures, as per AS2's 14 February 2024 announcement, are still considered by AS2 adequate to ensure compliance with the ASX listing rules and policies.
  8. Please confirm that AS2'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 AS2 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 **2 PM AWST Tuesday, 26 March 2024**. 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, AS2'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 AS2 to request a trading halt immediately.

Your response should be sent by e-mail to **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow ASX 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 AS2's securities under Listing Rule 17.3.

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

In responding to this letter, you should have regard to AS2'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 AS2'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.



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**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.

Yours sincerely

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ASX Compliance