

28 February 2017

Ms Hayley Pratt  
Advisor, Listings Compliance (Perth)  
ASX Compliance Pty Ltd  
20 Bridge Street  
Sydney NSW 2000

By email: [Hayley.Pratt@asx.com.au](mailto:Hayley.Pratt@asx.com.au)

Dear Ms Pratt

### **Appendix 5B Query**

With reference to your letter of 23 February 2017 we make the following responses:

1. We generally expect to have negative operating cash flows due to our research and exploration activities. We do get an annual injection from the ATO by way of our research and development activities and are expecting to receive in the vicinity of \$90,000 from the ATO in the June quarter.
2. As announced today we have engaged Martin Place Securities to use best endeavours to place up to \$200,000, before costs, from sophisticated and professional investors. As of today their book build has achieved \$100,000 of funding. We expect the book build to be completed by Friday 3<sup>rd</sup> March. Martin Place Securities has indicated they are willing to place a further \$100,000 to \$150,000 before 30 June. We expect the current \$200,000 will be less than 8% of our issued capital and we will have the capacity to place more shares without the need for shareholder approval.
3. Truscott does expect to be able to continue its operations and to meet its business objectives. The basis of this belief is the expected cash inflows of up to \$440,000 in the 4 months to 30 June.
4. Director fees are currently not paid in cash with performance rights, subject to shareholder approval, being issued as compensation. The Company's ongoing minimum annual exploration expenditure on its tenements is \$165,500 and this expenditure is achievable based on the expected cash inflows.
5. We confirm that we are in compliance with Listing Rule 3.1 and that there is no information about our financial condition that should be given to ASX in accordance with that Rule that has not already been released to the market. In all of our recent quarterly activity reports, as well as our 2016 annual report, we have advised that we are having ongoing discussions with interested parties in relation to funding our projects. These are confidential/commercial



discussions that are ongoing and will be fully disclosed once an agreement is reached. The announcement today of a placement to sophisticated and professional investors was the one referred to in our 2016 annual report.

6. I confirm that the above responses have been authorised and approved by the Board in accordance with its published continuous disclosure policy.

Yours sincerely



Michael J Povey  
Executive Director  
Truscott Mining Corporation Ltd



23 February 2017

Mr Michael Povey  
Company Secretary  
Truscott Mining Corporation Limited  
PO Box 2805  
WEST PERTH WA 6872

By email: [m.povey@truscottmining.com.au](mailto:m.povey@truscottmining.com.au)

Dear Mr Povey

**Truscott Mining Corporation Limited (“TRM”): Appendix 5B Query**

I refer to TRM’s Appendix 5B quarterly report for the period ended December 2016 lodged with ASX Market Announcements Platform on 30 January 2017 (the “Appendix 5B”).

ASX notes that TRM has reported:

- negative net operating cash flows for the quarter of \$76,000;
- cash at the end of the quarter of \$13,000;
- estimated cash outflows for the next quarter of \$45,000; and
- an unsecured interest free loan with a total facility amount at quarter end of \$60,000 of which \$10,000 was drawn at quarter end.

It is possible to conclude, based on the information in the Appendix 5B that if TRM were to continue to expend cash at the rate indicated by the Appendix 5B, TRM may not have sufficient cash to continue funding its operations. In view of that, ASX asks TRM to respond separately to each of the following questions and requests for information:

1. Does TRM expect that it will continue to have negative operating cash flows for the time being and, if not, why not?
2. Has TRM 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?
3. Does TRM expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
4. Please provide any other information that TRM considers may be relevant to ASX forming an opinion on whether TRM is in compliance with Listing Rule 12.2 (a listed entity’s financial condition must, in ASX’s opinion, be adequate to warrant the continued quotation of its securities and its continued listing).

5. Please confirm that TRM is in compliance 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 TRM'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 TRM 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, and in accordance with Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than **12:00 pm WST on Tuesday 28 February 2017**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in TRM's securities under Listing Rule 17.3.

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, TRM'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.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at Hayley.Pratt@asx.com.au and to tradinghaltsperth@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.

### **Listing Rule 3.1**

Listing Rule 3.1 requires a listed entity to give ASX immediately 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. Exceptions to this requirement are set out in Listing Rule 3.1A.

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

### **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 TRM's securities under Listing Rule 17.1.

If you wish to request 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 may 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*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely,

*[sent electronically without signature]*

Hayley Pratt  
**Adviser, Listings Compliance (Perth)**