



29 June 2018

Mr Emerson Walker
Advisor, Listings Compliance (Perth)
ASX Limited
Level 40 Central Park
152-158 St Georges Terrace
Perth WA 6000

Dear Mr Walker

RE: Aware Letter

We refer to your letter dated 28 June 2018 sent to our office, requesting further information regarding the announcement released to market on 28 June 2018 following your earlier price query.

Using the numbering in your letter we respond as follows:

1. At 10.47am on Monday 25 June 2018, an email was distributed to the Board of BCK outlining a proposal to consider disposing of the Luchun copper mine located in the People's Republic of China. The proposal indicated that the Company had not commenced a sale process and had not had any discussions with potential purchasers, but that the intended disposal would be for a minimal nominal sum, primarily to get the mine off of the accounts of Brockman. The email also sought to determine Directors availability for a Board Meeting proposed to discuss the matter, tentatively scheduled for 10.30am on Wednesday 27 June 2018. The Board Meeting was held at 10.30am on Wednesday 27 June 2018, as originally proposed and the resolution to dispose of the mine was passed. The Meeting concluded at approximately 11.15am on 27 June 2018.
2. BCK does not consider the proposed disposal to be information that a reasonable person would expect to have a material effect on the price or value of its securities.
3. The Company forms this view for the following reasons:
 - i) There was and is no certainty that the proposed disposal can be executed;
 - ii) The mine is a non-core asset that has been on care and maintenance for almost two years;
 - iii) The mine value has been written down to zero;
 - iv) The proposed disposal was to be for a nominal sum, perhaps as little as HK\$1, simply to remove the mine from the structure of the Company and not to generate cash for the Company, and

於百慕達註冊之有限公司

Incorporated in Bermuda with limited liability

香港交易所上市編號 HKEx Stock Code: 159

澳洲證券交易所股票號碼 ASX Stock Code: BCK

HONG KONG 香港金鐘夏慤道 16 號遠東金融中心 39 樓 3903B 室

Suite 3903B, 39 F, Far East Finance Centre, 16 Harcourt Road, Admiralty Hong Kong

電話 Tel: (852) 3766 1079 傳真 Fax: (852) 3007 9138

AUSTRALIA Level 2, 56 Ord Street Perth WA 6005, Australia 電話 Tel: (61) 8 9389 3000 傳真 Fax: (61) 8 9389 3033


- v) The disposal of the mine was only raised in response to your initial price query because of the comments in your question 1(b) relating to whether earnings might be different from the previous corresponding period, regardless of the fact that BCK has not provided any earnings guidance nor is it covered by analysts. The disposal of the mine may generate a non-cash accounting profit for the Company due to the reversal of liabilities associated with the mine (to be confirmed by the auditor whether this would be "above or below the line". This would mean that the reported earnings for the Company (if the transaction was to proceed) may be materially less negative (or possibly even positive) for that period. The Company does not consider that this would be price sensitive as the Company, being a junior explorer, is not traded on earnings but on progress in exploration and development activities.

Further, the Company considers that its view that the information regarding the proposed transaction is/was not price sensitive to be supported by the following:

- i) The price rise notified by ASX was on very low volumes (by value). The total value of trades in BCK for the five trading days up to and including Wednesday 27 June was approximately \$42,500 (based on ASX website data and assuming all sales at closing price) or \$8,500 per day;
- ii) There was no significant increase in price or volume following the release of the announcement (total value for the two days ending 29 June is approximately \$13,600 (average \$6,800/day) at prices equal to or lower than the peak price reached on 27 June), and
- iii) The price rise notified by ASX was restricted to the Australian market and in contrast the price of securities on the Hong Kong market had been in steady decline for the previous week (including after the release of the announcement).

- 4. Not applicable.
- 5. We confirm that the Company is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
- 5. We confirm that the above responses to your questions have been authorised and approved in accordance with the Company's published continuous disclosure policy.

Yours sincerely



Colin Paterson
Director



28 June 2018

Mr Colin Paterson

Company Secretary
Brockman Mining Limited
Level 2, 56 Ord Street
West Perth WA 6005

Dear Mr Paterson

Brockman Mining Limited ("BCK"): aware query

ASX Limited ("ASX") refers to the following:

- A. The Trading Halt and Request for Trading Halt lodged on the ASX Market Announcements Platform and released at 10:20 am on 28 June 2018 ("Relevant Date");
- B. The announcement entitled "Response to ASX Price Query" (which includes ASX's price query letter of 27 June 2018 and BCK's response of 28 June 2018) lodged on the ASX Market Announcements Platform and released at 11:05 am on the Relevant Date disclosing, among other things, that:
 - a) on 27 June 2018, BCK resolved to consider a disposal of the Luchun copper mine in the People's Republic of China;
 - b) BCK is not aware of any other explanation for the recent trading in its securities; and
 - c) BCK is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
- C. BCK's announcement entitled "Business Update" lodged on the ASX Market Announcements Platform and released at 11:05 am on the Relevant Date disclosing the fact that, on 27 June 2018, BCK resolved to consider a disposal of the Luchun copper mine in the People's Republic of China (the "Proposed Disposal").
- D. Listing Rule 3.1, which 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.
- E. 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"*.
- F. 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:

Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000

GPO Box D187
Perth WA 6840

Customer service 13 12 79
asx.com.au

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.”

- G. 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.”

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

1. When did BCK first become aware of the Proposed Disposal? In answering this question, please specify the date and time that BCK became aware.
2. Does BCK consider the Proposed Disposal to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
3. If the answer to question 2 is “no”, please advise the basis for that view.
4. If the answer to question 2 is “yes” and BCK first became aware of the Proposed Disposal before the Relevant Date, did BCK make any announcement prior to 28 June 2018 which disclosed the Proposed Disposal? If so, please provide details. If not, please explain why the Proposed Disposal was not released to the market at an earlier time, commenting specifically on when you believe BCK was obliged to release the Proposed Disposal under Listing Rules 3.1 and 3.1A and what steps BCK took to ensure that the Proposed Disposal was released promptly and without delay.
5. Please confirm that BCK is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that BCK’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 BCK 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 half an hour before the start of trading (ie before 7.30 a.m. WST) on Tuesday, 3 July 2018.

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 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 Rules 3.1 and 3.1A

In responding to this letter, you should have regard to BCK'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 BCK's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, providing the information requested in this letter.

Further, 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, BCK's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in this letter and may require BCK to request a trading halt immediately.

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 will require the request for the 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 do not respond to this letter by the deadline set out above or if ASX does not consider your response to be satisfactory, ASX is likely to suspend trading in BCK's securities under Listing Rule 17.3.

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

Yours sincerely

[Sent electronically without signature]

Emerson Walker

Advisor, Listings Compliance (Perth)