

14 May 2019

James Rowe  
Manager, Listings Compliance (Perth)  
Australian Securities Exchange

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

Dear James,

**Response to ASX Query on March 2019 Quarter Cashflow Report**

We refer to your letter dated 10 May 2019 in relation to the Company's Quarterly Cashflow Report for the period ended 31 March 2019, and respond as follows:-

Question 1

Yes

Question 2

The Company is currently revising the exploration portfolio and finalising plans to raise additional funds and the Directors are confident that a capital raising will be successfully completed. Further the Company is continuing discussions with a number of parties around joint venture arrangements in order to fund exploration and when the Company is in a position to release any material information to the market, it will do so.

Question 3

Refer to response above.

Question 4

The Company expects to be able to continue its operations and to meet its business objectives on the basis of raising additional funds as described above.

Question 5

The Company confirms that it is in compliance with the Listing Rules and in particular Listing Rule 3.1.

Question 6

The responses above have been authorised and approved by the Company's Board.

Brett Tucker  
**Company Secretary**



10 May 2019

Mr Brett Tucker  
Company Secretary  
Alderan Resources Limited  
Ground Floor, 16 Ord Street  
West Perth WA 6005

By email: btucker@ventnorcapital.com

Dear Mr Tucker

**Alderan Resources Limited ('AL8'): Appendix 5B Query**

ASX refers to AL8's Appendix 5B quarterly report for the period ended 31 March 2019 lodged with ASX Market Announcements Platform ('MAP') on 30 April 2019 (the 'Appendix 5B').

ASX notes that AL8 has reported:

- negative net operating cash flows for the quarter of \$502,000;
- cash at the end of the quarter of \$339,000; and
- estimated cash outflows for the next quarter of \$330,000.

It is possible to conclude, based on the information in the Appendix 5B that if AL8 were to continue to expend cash at the rate indicated by the Appendix 5B, AL8 may not have sufficient cash to continue funding its operations.

In view of that, ASX asks AL8 to respond separately to each of the following questions and requests for information:

1. Does AL8 expect that it will continue to have negative operating cash flows for the time being and, if not, why not?
2. ASX refers to the following in AL8's Quarterly Activities Report for the period ended 31 March 2019 lodged with MAP on 30 April 2019:

*In February 2019 the Company announced board and management changes consistent with its ongoing cost reduction program. Alderan's board and management is continuing to explore options to secure long term funding for exploration at Frisco, White Mountain and at Star Range, and continues discussions with a number of potential development partners.*

Please provide an update on these discussions and the options being explored to secure funding.

3. Has AL8 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 AL8 expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
5. Please confirm that AL8 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 AL8'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 AL8 with delegated authority from the board to respond to ASX on disclosure matters.

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### 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 Tuesday, 14 May 2019**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in AL8'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, AL8'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 [ListingsCompliancePerth@asx.com.au](mailto: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.

### Listing Rule 3.1 and Listing Rule 3.1A

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 AL8'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 AL8'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 AL8'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*.

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**Enquiries**

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

Yours sincerely

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**James Rowe**  
Manager, Listings Compliance (Perth)