



14 May 2019

Mr. D. Nicholson
Advisor, Listings Compliance (Perth)
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By email: Daniel.Nicholson@asx.com.au; ListingsCompliancePerth@asx.com.au

Appendix 5B

We refer to your letter dated 10 May 2019 in regard to Vector Resources Limited's (the "Company" or "Vector") Appendix 5B for the period ending 31 March 2019 and comment as follows:

1. The Company expects to continue to have negative operating cash flows for the time being, as is normal for a resource company conducting exploration and development activities.
2. As highlighted in the Quarterly Activities Report for the quarter ended 31 March 2019 (lodged on 30 April 2019) the Company is currently in discussions with a number of potential funders in respect of both debt and equity facilities to provide sufficient working capital to enable the Company to fund its ongoing exploration and development activities and to repay the Temorex, MEF I, L.P. and Riverfort Global Opportunities PCC Ltd Convertible Notes early.

Vector have a successful track record of being able to secure adequate funding including capital raisings and convertible note instruments and believes that it will continue to be successful in securing adequate funding.

The Company believes these discussions will be finalised prior to 31 May 2019 and the required funding drawn prior to 30 June 2019 at the latest. The Company is also looking at a number of short-term options to assist in maintaining operations whilst the funding options are being finalised. Vector will ensure that market is informed in line with its continuous disclosure obligations.

3. Yes the Company expects to be able to continue its operations and meet its business objectives with the intended receipt of further funding as noted above.
4. The Company confirms that it is in compliance with Listing Rule 3.1 and that there is no information that should be given to the ASX about its financial condition in accordance with that Rule that has not already been released to the market.
5. The Company's response has been authorised by the Board of Directors.

Yours faithfully

Andrew Steers
Company Secretary



10 May 2019

Reference: 01672

Mr Andrew Steers
Company Secretary

By email: asteers@vectorres.com.au

Dear Mr Steers

Vector Resources Limited ('VEC'): Appendix 5B Query

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

ASX notes that VEC has reported:

- negative net operating cash flows for the quarter of \$1,396,000;
- cash at the end of the quarter of \$68,000; and
- estimated cash outflows for the next quarter of \$1,640,000.

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

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

1. Does VEC expect that it will continue to have negative operating cash flows for the time being and, if not, why not?
2. Has VEC 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 VEC expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
4. Please confirm that VEC 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.
5. Please confirm that VEC'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 VEC 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 **6:00 AM 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 VEC'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, VEC'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. 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 VEC’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 VEC’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 VEC’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*.

Enquiries

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

Yours faithfully

Daniel Nicholson
Adviser, Listings Compliance (Perth)