



22 May 2019

Mr Daniel Nicholson  
Advisor Listings Compliance (Perth)  
ASX Compliance Pty Ltd  
Level 40, Central Park  
152-158 St George's Terrace  
PERTH WA 6000

Via Email: tradinghaltspert@asx.com.au

Dear Daniel,

#### **RESPONSE TO ASX PRICE AND VOLUME QUERY**

AVZ Minerals Limited (ASX: AVZ) ("the Company") refers to your Price and Volume Query Letter dated 21 May 2019 and provides the following responses:

1. No, the Company is not aware of any information concerning it that has not been announced which, if known, could be an explanation for the recent trading in the securities of the Company.

However, as previously advised to the market, the Company has been finalising the Extended Scoping Study for 5 Mtpa and it is expected to be completed and announced within this month. The Extended Scoping Study for 5 Mtpa announcement is still subject to regulatory approval and final sign off by the respective independent consultants. The Company now expects the relevant approvals to be received and the announcement in relation to the Extended Scoping Study for 5 Mtpa be released within the next few days.

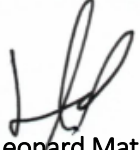
2. Not applicable.
3. Other possible reason for the recent trading of AVZ securities include:

#### **Significant Upgrade in Measured & Indicated Mineral Resource**

On 8<sup>th</sup> May 2019, the Company announced a significant upgrade in Measured and Indicated Mineral Resource categories for a combined total of some 269Mt with grades of 1.65% Li<sub>2</sub>O, including tin and tantalum at 816ppm Sn (220kt Sn in cassiterite) and 36ppm Ta (9.6kt Ta as Ta<sub>2</sub>O<sub>5</sub>). The report also shows a reduction in average Fe<sub>2</sub>O<sub>3</sub> content (a potential deleterious element) from 0.99% to 0.96% Fe<sub>2</sub>O<sub>3</sub>.

4. The Company confirms it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
5. The Company confirms that its response has been authorised and approved by officers of the Company that have delegated authority from the Board to respond to ASX disclosure matters.

Yours sincerely,



Leonard Math  
Company Secretary



21 May 2019

Mr Leonard Math  
Company Secretary  
AVZ Minerals Limited  
Level 2, Suite 9 389 Oxford Street  
Mount Hawthorn WA 6016

By email: [lmath@avzminerals.com.au](mailto:lmath@avzminerals.com.au)

Dear Mr Math

### **AVZ Minerals Limited ('AVZ'): Price and Volume Query**

We note the change in the price of AVZ's securities from \$0.042 at the close of trading on Monday, 20 May 2019 to a high of \$0.053 at the close of trading today, Tuesday 21 May 2019.

We also note the significant increase in the volume of AVZ's securities traded from 20 May to 21 May 2019.

### **Request for Information**

In light of this, ASX asks AVZ to respond separately to each of the following questions and requests for information:

1. Is AVZ aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes".
  - (a) Is AVZ relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in AVZ's securities would suggest to ASX that such information may have ceased to be confidential and therefore AVZ may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
  - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
  - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that AVZ may have for the recent trading in its securities?
4. Please confirm that AVZ is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that AVZ'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 AVZ 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 Thursday, 23 May 2019**. If we do not have your response by then, ASX will likely suspend trading in AVZ'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, AVZ'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 Rules 3.1 and 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 AVZ'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 AVZ'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, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in AVZ's securities under Listing Rule 17.1. If you wish 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*.

### **Suspension**

If you are unable to respond to this letter by the time specified above ASX will likely suspend trading in AVZ's securities under Listing Rule 17.3.

---

**Enquiries**

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

Yours sincerely

---

**Daniel Nicholson**  
Adviser, Listings Compliance (Perth)