



CARBINE RESOURCES
LIMITED

22 January 2020

Elizabeth Harris
Manager, Listings Compliance (Perth)
Australian Securities Exchange
Level 40, Central Park
152-158 St George's Terrace
Perth WA 6000

Dear Elizabeth,

CARBINE RESOURCES LIMITED (ASX: CRB) – RESPONSE TO ASX PRICE QUERY

Carbine Resources Limited (ASX: CRB) (the **Company**) refers to your Price Query Letter dated 21 May 2019 and provides the following responses:

- 1. Is CRB 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?*

As announced to the ASX on 30 April 2019, 30 July 2019 and 28 October 2019, , CRB has been in discussions with respect to a proposed material transaction (**Proposed Transaction**), which now has reached an advanced stage of negotiations and will be disclosed to the market in an accompanying announcement in accordance with its continuous disclosure obligations.

Although CRB is not aware of any loss of confidentiality regarding the Proposed Transaction, it is possible that the trading in CRB's securities prior to entering the trading halt on 21 May 2019 may in some part be explained by these negotiations. However, CRB is firmly of the view that such negotiations did not affect the trading activity in its securities prior to entering into a trading halt and that details of the Proposed Transaction remain confidential, other than to the extent that they are being disclosed in this letter and the accompanying market announcement.

The Proposed Transaction is the acquisition of Cockatoo Iron NL (and its subsidiaries) which is the registered holder or applicant of mining tenements located on Cockatoo Island, north of Western Australia, which are prospective for iron ore (Cockatoo Island Project).

CRB has sought in-principle advice from ASX and ASX has determined that as the Transaction will amount to a significant change in the nature and scale of the



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Company's activities, the Company is required to obtain the approval of its Shareholders for the Proposed Transaction, and must re-comply with Chapters 1 and 2 of the Listing Rules. In accordance with ASX's policy for entities undertaking re-compliance transactions, the Company's securities will remain suspended from trading on ASX until the Company has complied with Chapters 1 and 2 of the Listing Rules in accordance with Listing Rule 11.1.3.

As these negotiations have now been finalised, CRB will, at the same time as this response, release the accompanying announcement to the market detailing the material terms of the Proposed Transaction.

2. *If the answer to question 1 is "yes"*

a) *Is CRB relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?*

CRB has relied on Listing Rule 3.1A with respect to the information on the Proposed Transaction which is not otherwise disclosed in its response to question 1 and notes, however, that the Proposed Transaction will be disclosed to the market at the same time as this response.

b) *Can an announcement be made immediately?*

Yes, a market announcement with respect to the Proposed Transaction accompanies this response.

c) *If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?*

Not applicable. A market announcement with respect to the Proposed Transaction accompanies this response.

3. *If the answer to question 1 is "no", is there any other explanation that CRB may have for the recent trading in its securities?*

Not applicable.

4. *Please confirm that CRB is in compliance with Listing Rules and, in particular, Listing Rule 3.1*

CRB confirms that it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.



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5. *Please confirm that CRB'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 CRB with delegated authority from the Board to respond to ASX on disclosure matters.*

CRB confirms that its responses to the questions above have been authorised and approved by its Board.

Yours sincerely

Oonagh Malone

Company Secretary





21 May 2019

Mr Matthew O'Hara
Director
Carbine Resources Limited
Suite 23
513 Hay Street
SUBIACO WA 6008

By email: mohara@konkera.com.au

Dear Mr O'Hara

Carbine Resources Limited ('CRB'): Price Query

We note the change in the price of CRB's securities from a low of \$0.03 on Wednesday 8 May 2019 to a high of \$0.042 today, Tuesday 21 May 2019.

We also note the significant increase in the volume of CRB's securities traded from 9 May 2019 to 21 May 2019.

Request for Information

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

1. Is CRB 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 CRB relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in CRB's securities would suggest to ASX that such information may have ceased to be confidential and therefore CRB 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 CRB may have for the recent trading in its securities?
4. Please confirm that CRB is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that CRB'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 CRB 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 **4:00 PM AWST today Tuesday 21 May 2019**. If we do not have your response by

then, ASX will likely suspend trading in CRB'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, CRB'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 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 CRB'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 CRB'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 CRB'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 CRB'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

Elizabeth Harris

Principal Adviser, Listings Compliance (Perth)