



18 May 2020

Ms Stephanie Patchell  
Adviser, Listings Compliance (Perth)  
ASX Limited  
Level 40, Central Park  
152 – 158 St Georges Terrace  
PERTH WA 6000

**By email: ListingsCompliancePerth@asx.com.au.**

Dear Stephanie,

**VOLT RESOURCES LIMITED – AWARE QUERY**

We refer to the questions and requests for information set out in your letter to Volt Resources Limited (**Volt** or the **Company**) dated 14 May 2020 (**Aware Query**) and respond as follows.

Unless otherwise defined below, capitalised terms have the meaning given to them in your Aware Query.

***Acquisition***

1. Noting the increase in VRC's share price on 14 May 2020 following the release of the Announcement, does VRC consider the Acquisition to be information that a reasonable person would expect to have a material effect on the price or value of its securities?

*Yes.*

2. If the answer to question 1 is "no", please advise the basis for that view.

*Not applicable.*

3. When did VRC first become aware of the Acquisition?

*The Company commenced discussions with Kabunga Holdings Pty Ltd in regards to the potential transaction the subject of the Acquisition on Tuesday, 5 May 2020.*

4. If VRC first became aware of the Acquisition before 8 May 2020, being the date of the trading halt request, did VRC make any announcement prior to the trading halt request which disclosed details of the Acquisition? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe VRC was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps VRC took to ensure that the information was released promptly and without delay.

*As an ASX-listed company focussed on the exploration and development of resource projects in Africa, the Company is presented with a range of potential new business opportunities from time to time.*

*On 5 May 2020, the Company's Chairman Mr Asimwe Kabunga notified the Company of the potential opportunity to acquire the Guinea gold project the subject of the Acquisition from Kabunga Holdings Pty Ltd. At that time, Mr Kabunga also introduced potential investors to the Company who may be interested in participating in an equity fundraising, should the Acquisition proceed.*

*At that time, discussions regarding the potential opportunity and any equity fundraising were preliminary in nature and there was no certainty that any transaction would ultimately eventuate. When combined with the amount of the consideration being discussed in connection with the potential transaction (which was below the levels commonly presumed to be material for the purposes of accounting standards), Volt formed the view that the information relating to the potential Acquisition was, at that time, not materially price sensitive information requiring disclosure under Listing Rule 3.1.*

*Volt continued to progress negotiations with Kabunga Holdings Pty Ltd and the potential new equity investors. When those discussions progressed to the stage that there was a greater likelihood of the proposed Acquisition proceeding, Volt requested a trading halt before the commencement of trading on 8 May 2020. This was despite the proposed consideration in connection with the proposed transaction remaining below levels that may be presumed to be material.*

*The Company commenced negotiating the formal transaction agreements with Kabunga Holdings Pty Ltd on 8 May 2020 and commenced consulting with ASX regarding the key terms of the transaction on Monday, 11 May 2020. Those negotiations continued until binding transaction documentation was executed after the close of trading on Wednesday, 13 May 2020 with the Acquisition being announced to ASX pre-open of trading on Thursday, 14 May 2020.*

## **Placement**

5. Noting the increase in VRC's share price on 14 May 2020 following the release of the Announcement, does VRC consider the Placement to be information

that a reasonable person would expect to have a material effect on the price or value of its securities?

*No. Having regard to the relatively small amount of funds raised pursuant to the Placement, the Company considers that the increase in the share price on 14 May 2020 is more likely to be due to announcing the Acquisition, rather than the Placement.*

6. If the answer to question 5 is “no”, please advise the basis for that view.

*The Company does not consider the amount raised pursuant to the Placement to be material to the price or value of Volt securities.*

*In any event, the Company disclosed in its 31 March 2020 Quarterly Report released to ASX on 30 April 2020 the following:*

*“While the Company progresses its fund raising activities for the Stage 1 development, it is currently advancing with proposals to raise a smaller amount of funds for corporate and working capital purposes.”*

*As such, the market had already been made aware of the potential for Volt to raise a relatively small amount of funds for corporate and working capital purposes.*

7. When did VRC first become aware of the Placement?

*As set out above, Volt became aware of the potential to raise equity through the Placement at the time that the potential transaction the subject of the Acquisition was presented to the Company (being 5 May 2020).*

*Volt progressed discussions with the new investors the subject of the Placement on 8 May 2020 when there was increased certainty that the proposed Acquisition would proceed (noting that the willingness of the new investors to participate in the equity fundraising was dependent on the Company agreeing binding terms to proceed with the Acquisition).*

8. If VRC first became aware of the Placement before 8 May 2020, being the date of the trading halt request, did VRC make any announcement prior to the trading halt request which disclosed details of the Placement? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe VRC was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps VRC took to ensure that the information was released promptly and without delay.

*See the responses to questions 6 and 7 above.*

9. Please confirm that VRC is complying with the Listing Rules and, in particular, Listing Rule 3.1.

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

10. Please confirm that VRC'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 VRC with delegated authority from the board to respond to ASX on disclosure matters.

*The Company confirms that its responses to the questions above have been authorised by the Board.*

Yours sincerely,

**VOLT RESOURCES LIMITED**

A handwritten signature in black ink, appearing to read 'T. Matthews', with a stylized flourish at the end.

**Trevor Matthews**  
Managing Director



14 May 2020

Reference: 18189

Ms Susan Hunter  
Company Secretary  
Volt Resources Limited

**By email: [shunter@huntercorporate.com.au](mailto:shunter@huntercorporate.com.au)**

Dear Ms Hunter

**Volt Resources Limited ('VRC'): Aware Query**

ASX refers to the following:

- A. The increase in the price of VRC's securities from a low of \$0.006 to an intraday high of \$0.009 on 7 May 2020, representing a 60% increase, and the increase in the volume of securities traded on that day.
- B. The Company's request for a trading halt pending release of an announcement regarding a capital raising and a potential corporate transaction provided to ASX and released on the ASX Market Announcements Platform ('MAP') at 9.34am AEST on 8 May 2020.
- C. VRC's announcement entitled "Gold Project Acquisition and Capital Raising" lodged on MAP and released at 9.23am AEST, on 14 May 2020, in order to lift the trading halt (the 'Announcement'), disclosing that VRC had:
  - (a) entered into a Share Sale Deed to acquire a gold project located in Guinea, Africa ('Acquisition'); and
  - (b) completed a capital raising of \$800,000 before costs through a share placement to sophisticated investors ('Placement').
- D. The increase in the price of VRC's securities from a low of \$0.008 at the close of trade on 7 May 2020 to an intraday high of \$0.012 on 14 May 2020, representing a 50% increase, and the increase in the volume of securities traded on 14 May 2020.
- E. Listing Rule 3.1, which requires a listed entity to immediately give ASX 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.
- F. 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."*
- G. 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:*

*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."*

H. 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."*

### **Request for Information**

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

#### *Acquisition*

1. Noting the increase in VRC's share price on 14 May 2020 following the release of the Announcement, does VRC consider the Acquisition to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is "no", please advise the basis for that view.
3. When did VRC first become aware of the Acquisition?
4. If VRC first became aware of the Acquisition before 8 May 2020, being the date of the trading halt request, did VRC make any announcement prior to the trading halt request which disclosed details of the Acquisition? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe VRC was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps VRC took to ensure that the information was released promptly and without delay.

#### *Placement*

5. Noting the increase in VRC's share price on 14 May 2020 following the release of the Announcement, does VRC consider the Placement to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
6. If the answer to question 5 is "no", please advise the basis for that view.
7. When did VRC first become aware of the Placement?
8. If VRC first became aware of the Placement before 8 May 2020, being the date of the trading halt request, did VRC make any announcement prior to the trading halt request which disclosed details of the Placement? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe VRC was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps VRC took to ensure that the information was released promptly and without delay.

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9. Please confirm that VRC is complying with the Listing Rules and, in particular, Listing Rule 3.1.
  10. Please confirm that VRC'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 VRC 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 **4.00pm WST on Tuesday, 19 May 2020**.

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, VRC'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 and may require VRC 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 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*.

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**

In responding to this letter, you should have regard to VRC'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 VRC'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.

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### **Suspension**

If you are unable to respond to this letter by the time specified above ASX will likely suspend trading in VRC'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

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**Stephanie Patchell**  
Adviser, Listings Compliance (Perth)