

11 February 2015

**Mr Ben Tippet**  
**Adviser, Listings Compliance (Perth)**  
**Level 40, Central Park,**  
**152-158 St Georges Terrace**  
**Perth WA 6000**

Dear Mr Tippet

**RESPONSE TO ASX QUERY**

I refer to your letter of 6 February 2015 and provide the following response to the questions raised in your letter:

1. *Is it possible to conclude on the basis of the information provided that if the Company were to continue to expend cash at the rate for the quarter (and at the rate anticipated for the next quarter) indicated by the Appendix 5B, the Company may not have sufficient cash to fund its activities. Is this the case, or are there other factors that should be taken into account in assessing the Company's position?*

**Response:** The Company tightly manages its cash resources to ensure that sufficient funds are available for its operations. At the general meeting held on 27 November 2014, shareholders approved the issue of convertible notes to raise up to \$1,250,000 to fund its ongoing operations. It is anticipated that these funds will be sufficient for the planned program.

2. *Does the Company expect that in the future it will have negative operating cash flows similar to that reported in the Appendix 5B for the quarter and, if so, what steps has it taken to ensure that it has sufficient funds to continue its operations at that rate?*

**Response:** It is anticipated that the Company's negative operating cash flows will be similar to that reported in the Appendix 5B, and the response supplied for question 1 also applies to this question in terms of the source of the funds that will be utilised to meet these expenses.

3. *What steps has the Company taken, or what steps does it propose to take, to enable it to continue to meet its business objectives?*

**Response:** Refer to the answers to questions 1 and 2.

4. *Can the Company confirm that it is in compliance with the listing rules, and in particular, listing rule 3.1?*

**Response:** The Company confirms that it is in compliance with the listing rules, and in particular, listing rule 3.1.

5. *Please comment on the Company's compliance with listing rule 12.2, with reference to the matters discussed in the note to the rule.*

**Response:** The Company confirms that it is in compliance with listing rule 12.2 and the note thereto. It is anticipated that the consolidated balance sheet as at 31 December 2014 will show a positive net asset position and access to funding as outlined above will be sufficient to meet the Company's requirements.

Yours sincerely,

<Lodged electronically>

**Norman Grafton**  
**Company Secretary**  
**Blaze International Limited**



ASX Compliance Pty Limited  
ABN 26 087 780 489  
Level 40, Central Park  
152 – 158 St Georges Terrace  
PERTH WA 6000

GPO Box D187  
PERTH WA 6840

Telephone 61 8 9224 0000  
[www.asx.com.au](http://www.asx.com.au)

6 February 2015

Norman Grafton  
Company Secretary, Blaze International Ltd  
Level 1, 8 Parliament Place  
WEST PERTH WA 6005

Dear Norman

**Blaze International Ltd (“Company”)**

I refer to the Company’s Quarterly Report in the form of Appendix 5B for the period ended 31 December 2014, released to ASX Limited (“ASX”) on 30 January 2015, (the “Appendix 5B”).

ASX notes that the Company has reported the following.

1. Receipts from product sales of nil.
2. Net negative operating cash flows for the quarter of \$299,000.
3. Cash at end of quarter of 32,000.
4. Estimated cash outflows for the next quarter of \$130,000 on exploration and administration.

In light of the information contained in the Appendix 5B, please respond to each of the following questions.

1. It is possible to conclude on the basis of the information provided that if the Company were to continue to expend cash at the rate for the quarter (and at the rate anticipated for the next quarter) indicated by the Appendix 5B, the Company may not have sufficient cash to fund its activities. Is this the case, or are there other factors that should be taken into account in assessing the Company’s position?
2. Does the Company expect that in the future it will have negative operating cash flows similar to that reported in the Appendix 5B for the quarter and, if so, what steps has it taken to ensure that it has sufficient funds in order to continue its operations at that rate?
3. What steps has the Company taken, or what steps does it propose to take, to enable it to continue to meet its business objectives?
4. Can the Company confirm that it is in compliance with the listing rules, and in particular, listing rule 3.1?
5. Please comment on the Company’s compliance with listing rule 12.2, with reference to the matters discussed in the note to the rule.

### **Listing rule 3.1**

Listing rule 3.1 requires an 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. The exceptions to this requirement are set out in the rule.

In responding to this letter you should consult listing rule 3.1 and the guidance note titled "Continuous disclosure: listing rule 3.1".

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

This letter and your response will be released to the market. If you have any concerns about your response being released, please contact me immediately. Your response should be sent to **Ben.Tippett@asx.com.au**. It should not be sent to the ASX Market Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than **3.00 pm WST on Wednesday 11 February 2015**.

If you are unable to respond by the time requested you should consider a request for a trading halt in the Company's securities.

If you have any queries please let me know.

Yours sincerely,

*[sent electronically without signature]*

Ben Tippett  
**Adviser, Listings Compliance (Perth)**