



10 February 2015

Charlotte Hope
Senior Adviser, Listings Compliance (Sydney)
20 Bridge Street
Sydney NSW 2000

By email only: charlotte.hope@asx.com.au

Dear Charlotte

Australia United Mining Limited (the Company)

We refer to your letter to the Company dated 4 February 2015 regarding the Company's Appendix 5B for the quarter ended 31 December 2014.

We respond to each of your queries as follows (adopting your numbering):

1. **(Cash to fund future activities)** The Board is aware that the Company's cash reserves are limited relative to the Company's current operating expenses. The Company continues to take steps to improve its cash flow position by streamlining corporate costs and seeking to raise further equity capital. In particular, the Company is in the process of finalising discussions and documentation in relation to a proposed capital raising, the details of which will be announced to the market shortly when the Company is in a position to do so.
2. **(Negative operating cash flows)** In the absence of extraordinary items, the Board expects the Company to report an improved but still negative cash flow for the current quarter. The Board continues to explore debt and equity capital raising opportunities for the Company, and is in the process of finalising discussions and documentation in relation to a proposed capital raising, as stated in paragraph 1.
3. **(Ability to meet business objectives)** The Company continues to execute its business plan in relation to its exploration projects, and in particular continues with its development of a regional exploration and mining strategy in both Queensland and NSW, as described in the Company's quarterly activities report for the period ended 31 December 2014, with the aim of developing future JORC compliant resources.
4. **(Compliance with Listing Rules)** The Board confirms that the Company is in compliance with the Listing Rules, particularly Listing Rule 3.1. The Board further confirms that any determinations made by the Board in relation to any capital raising will be notified to the ASX in accordance with the Listing Rules.
5. **(Compliance with Listing Rule 12.2)** The Board confirms that the Company is in compliance with Listing Rule 12.2, and refers once more to the response given in relation to the questions above.

We trust this information addresses your concerns.

Yours sincerely

Edward McCormack
Company Secretary



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4 February 2015

Ms Alyn Tai
Corporate Counsel
Level 1
61 Spring Street
Melbourne Vic 3000

Dear Ms Tai,

Australia United Mining Limited (the "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 customers of \$NIL.
2. Net negative operating cash flows for the quarter of \$575,000.
3. Cash at end of quarter of \$222,000.
4. Estimated cash outflows for the next quarter of \$700,000

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 indicated by the Appendix 5B, taking into account future administration costs, 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 may 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 me by email. It should not be sent to ASX Market Announcements.

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 **9.30 am A.E.D.T. on Tuesday, 10 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 do not hesitate to contact me.

Yours sincerely,

[Sent electronically without signature]

Charlotte Hope
Senior Adviser, Listings Compliance (Sydney)