



**HORSESHOE METALS**  
LIMITED

26 February 2013

Sebastian Bednarczyk  
Senior Adviser, Listings Compliance (Perth)  
ASX Compliance Pty Limited  
Level 8, Exchange Plaza, 2 The Esplanade  
PERTH WA 6000

Transmission via facsimile: (08) 9221 2020

Dear Sebastian

**PRICE AND VOLUME QUERY**

Further to your correspondence dated 26 February 2013 regarding the change in the price of the securities of Horseshoe Metals Ltd (“**Horseshoe**” and “**the Company**”) from a closing price on 25 February 2013 of 17 cents to an intra-day high today, 26 February 2013 of 22 cents and the increase in volume of securities traded today, I wish to respond as follows:

1. The Company is not aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company.
2. The Company has previously announced in its December 2012 quarterly report that a maiden JORC compliant Mineral Resource estimation for the Rinaldi Prospect at its Kumarina Project is expected to be available in February 2013. Whilst work on this Mineral Resource estimation is well advanced, the Company is not yet in a position to release an announcement to the market. The Company expects to be in a position to release the finalised estimation within the next week.
3. The directors of Horseshoe are not aware of any specific explanation for the price change and increase in volume in the securities of the Company. However, the Company has been proactively marketing the merits of its two Western Australian copper projects at Horseshoe Lights and Kumarina in the last few weeks at a number of events and across various media outlets, which may be stimulating market interest; and
4. The directors of Horseshoe confirm that the Company is in compliance with the ASX Listing Rules and, in particular, listing rule 3.1.

Please do not hesitate to contact me with any further queries relating to this matter during office hours on (08) 9481 5866.

Yours faithfully

**HORSESHOE METALS LIMITED**

**NEIL MARSTON**  
Managing Director



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26 February 2013

Damian Delaney  
Company Secretary  
Horseshoe Metals Limited  
11 Colin Grove  
WEST PERTH WA 6005

By Email: [info@horseshoemetals.com.au](mailto:info@horseshoemetals.com.au)

Dear Damian,

### Horseshoe Metals Limited (the "Company")

#### PRICE AND VOLUME QUERY

We have noted a change in the price of the Company's securities from \$0.17 on 25 February 2013 to a high of \$0.22 today. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price and volume change, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?

Please note that as recent trading in the Company's securities could indicate that information has ceased to be confidential, the Company is unable to rely on the exceptions to listing rule 3.1 contained in listing rule 3.1A when answering this question.

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price and volume change in the securities of the Company?

4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by **email or facsimile number (08) 9221 2020**. It should not be sent to the 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 5:00 pm (W.S.T) on Tuesday, 26 February 2013**.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

### **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 listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – 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.

### **Trading halt**

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- 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.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please do not hesitate to contact me.

Yours sincerely,

*[sent electronically without signature]*

Sebastian Bednarczyk  
**Senior Adviser, Listings Compliance (Perth)**