

159 Stirling Highway
Nedlands WA 6009
Postal: PO Box 1104, Nedlands WA 6909

P: (08) 9386 4699
F: (08) 9386 9473
www.rewardminerals.com

12 December 2013

Mrs Sandra Wutete
ASX Limited
Exchange Plaza
2 The Esplanade
PERTH WA 6000

Email: Sandra.Wutete@asx.com.au

Dear Sandra

We refer to your letter dated 11 December 2013 and respond to each of the questions set out in that letter below.

- 1. Does the Entity consider the information contained in the Announcement to be information that a reasonable person would expect to have a material effect on the price or value of its securities?**

Yes, however while the Company believes that the analytical results obtained for fifteen brine samples collected on a recent field trip and released on 10 December 2013 are encouraging it did not anticipate a significant rise in the Company's share price in the event of release of the results particularly in the current market conditions.

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

Not applicable.

- 3a. If the answer to question 1 is "yes", when did the Entity first become aware of the information contained in the Announcement?**

The Company received a transmission from the laboratory on 27 November 2013 with some reported analytical data. However, the data was incomplete and related to samples that had been diluted by the Company's Metallurgist prior to submission to the laboratory hence not in an assessable form. The results corrected for dilution factors were emailed to Dr Ruane (Managing Director of Reward Minerals Ltd) on Sunday, 1 December 2013.

Upon receipt on 2 December 2013, Dr M Ruane commenced compilation of the data, checking information accuracy and cross referencing to data sampling of other tenements held by the Company. Following this due diligence M Ruane collated the information in a meaningful form for reporting and then commenced preparation of the ASX release. This involved preparation of Figures 1 and 2 of the

release by consultants to the Company which were only received in acceptable form on 9 December 2013.

Delays in receiving the Figures in a form required under the new JORC requirements and preparation of the JORC Compliance schedule itself significantly affected the timing of the release as the Company had not undertaken the task previously.

- 3b. If the answer to question 1 is “yes”, and the Entity first became aware of the Potash Brine Analyses prior to the Price Query, did the Entity make any announcement prior to the relevant date which disclosed the information? 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 the entity was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps the Entity took to ensure that the information was released promptly and without delay.**

The Company commenced preparation of the release immediately after the meaningful results came to hand but did not request a Trading Halt as it did not anticipate a significant short term rise in the Company's share price even upon release of the Announcement.

In the September 2013 Quarterly Activities Report, the Company referred to expansion of its Tenement holdings in the North West of WA and potential for Potash resources in the areas of the new applications. It is possible that this may have renewed interest in the Company and placed it on the watch list of former and new investors. Reward Minerals Ltd securities have always been very volatile as the stock is tightly held and thinly traded and any new interest has the ability to move the share price markedly on low volume.

In this context, the Reward shares were thinly traded early in the week commencing 2 December 2013 and the Company did not believe that share purchases were in any way related to the results of the limited brine sampling program subsequently released being available or used as the basis for purchase of Company securities.

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

We confirm that Reward Minerals Ltd is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

Yours sincerely



Michael Ruane
Director
On behalf of the Board



ASX Compliance Pty Limited
ABN 26 087 780 489
Level 8 Exchange Plaza
2 The Esplanade
PERTH WA 6000

GPO Box D187
PERTH WA 6840

Telephone 61 8 9224 0000
Facsimile 61 8 9221 2020
www.asx.com.au

11 December 2013

Ms Bianca Taveira
Company Secretary
Reward Minerals Limited
159 Stirling Highway
NEDLANDS WA 6009

By email: bianca.taveira@intermin.com.au

Dear Bianca

Reward Minerals Limited (the “Entity”): ASX aware query

ASX Limited (“ASX”) refers to the following:

1. The recent change in the price of the Entity’s securities from a closing price of \$0.32 on Tuesday, 3 December 2013 to a close of \$0.50 on Tuesday, 10 December 2013.
2. The price query letter from ASX dated 10 December 2013 in which ASX queried the recent increased price movement in the Entity’s securities (“Price Query”).
3. The Entity’s response to the price query letter dated 10 December 2013 (“Response to ASX”) in which the Company stated, among other things, that it was aware of information that could be an explanation for the recent trading in the securities of the Entity.
4. The Entity’s announcement entitled “Highly Encouraging Potash Brine Analyses Received From Sampling on Recently Acquired Tenements in North West, Western Australia” lodged with ASX Market Announcements Platform and released at 6:11pm (EST) on Tuesday, 10 December 2013 (the “Announcement”), disclosing that:
 - a. Samples of near surface brines from Lakes in the Telfer-Lake Disappointment area of Western Australia have returned encouraging Potassium values.
 - b. The Potassium levels obtained are regarded by the Entity as extremely encouraging and significant in relation to the recent expansion in the Entity’s tenement holdings in the Lake Disappointment – Lake Waukarlycarly paleo drainage system in North West, Western Australia.(the “Potash Brine Analyses”).
5. Listing Rule 3.1, which 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.
6. The definition of “aware” in Chapter 19 of the Listing Rules. This definition 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.”

Additionally, you should refer to section 4.4 in Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B “When does an entity become aware of information”*.

7. 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 requirements 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.”

5. 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 “Listing Rule 3.1A.2 – the requirement for information to be confidential”*. 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.”

Having regard to the above, we ask that you answer the following questions in a format suitable for release to the market in accordance with Listing Rule 18.7A:

1. Does the Entity consider the information contained in the Announcement 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. If the answer to question 1 is “yes”, please advise the following:
 - a. When did the Entity first become aware of the information contained in the Announcement? Please include details of the relevant time and circumstances of the Entity becoming aware of the Potash Brine Analyses.
 - b. If the Entity first became aware of the Potash Brine Analyses prior to the Price Query, did the Entity make any announcement prior to the relevant date which disclosed the information? 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 the entity was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps the Entity took to ensure that the information was released promptly and without delay.
4. Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than 3:00pm (WST) tomorrow, being Thursday, 12 December 2013. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Entity'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, the Entity'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 Sandra.Wutete@asx.com.au or by facsimile to +61 8 9221 2020. 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 Rule 3.1

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.

The obligation of the Entity to disclose information under Listing Rules 3.1 and 3.1A is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

In responding to this letter, you should have regard to the Entity's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in the Entity'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*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

[Sent electronically without signature]

Sandra Wutete

Adviser, Listings Compliance (Perth)