

Dear Mr Sasso,

Consolidated Africa Limited (the “Company” or “CRA”)

Periodic Disclosure Query

The National Stock Exchange of Australia (NSX) refers to the Half Yearly Financial Report¹ lodged on 12th October 2018 on which we have made the below observations:

1. Total current assets reported for the period ended 31 December 2017 is AUD\$17,251.
2. Revenue has been reported as AUD\$0 since 30 June 2017.
3. Cash and cash equivalents at the end of the financial period amount to \$1,496.
4. The Company has a working capital deficiency of \$232,996.

NSX is concerned that, based on the above information, the Company does not have a sufficient level of operations in order to maintain a listing on NSXA, in breach of Listing Rule 6.54. Note that, in accordance with Listing Rule 2.18, the Exchange has the power to suspend or cancel the listing where it considers that an issuer has not have a sufficient level of operations or sufficient assets to warrant the continued listing of its securities on the Exchange.

The Company is requested to provide the following information:

1. An explanation of why and how the Company considers it has sufficient capital arrangements to facilitate operations of the Company given there has been no revenue generated since 2017 and the expenses have continued to rise? Please provide documents and evidence approved by the Board to support your response, including, for example, detailed capital arrangement plans and relevant timelines.
2. In the Market Update announcement² on 14 January 2019, the Company has stated ‘the audit will be signed off at the time when the sale of the project allows for available funds.’

Given the above statement and previous delays in the lodgments of the Financial Reports, does the Company believe it has adequate capital arrangements to continue its operations and to fulfill its periodic disclosure obligations in a timely manner under the Listing Rules, if so, on what basis?

Your response should be provided no later than 4pm AEST on 7th March 2019. Your response will be released to the market along with a copy of this letter. If you wish to discuss the content of your response, please do not hesitate to contact me as soon as possible.

Please be reminded that the Issuer must comply with Chapter 6CA of the Corporations Act and Listing Rules Section IIA 6.4, 6.5 and 6.5A under continuous disclosure.

Yours sincerely

Ron Kaushik
Senior Manager - Market Surveillance

4 March 2019

Consolidated Africa Limited
Attn: Mr Pedro Sasso
Company Secretary
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Suite 21, 25-29 Hunter Street
Honsby - NSW Australia 2077

Cc: Eakin McCaffery Cox

¹ 2017 Half Year Financial Report of CRA: <https://www.nsx.com.au/ftp/news/021735941.PDF>

² <https://www.nsx.com.au/ftp/news/021736350.PDF>