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MBJ:MF:SG:D2
S Gauci

3 February 2011

Lux Wigneswaran
ASX Compliance Pty Ltd
PO Box H224
Australia Square NSW 1215

Email: Luxmy.Wigneswaran@asx.com.au

**Compass Resources Limited
(Subject to Deed of Company Arrangement) (DOCA)
(Receivers and Managers Appointed) (CMR)
ACN 010 536 820
(Formerly Compass Resources NL)
Trading Policy Disclosure**

I refer to your email dated 2 February 2011 and attached correspondence dated 1 February 2011 and previous correspondence in relation to CMR.

We have reviewed and considered the issues noted in your letter and advise that CMR expects to lodge a copy of the Company's Trading Policy Disclosure Document in accordance with ASX Listing Rules 12.9 and 12.12, by Friday 25 February 2011.

CMR has not lodged a trading policy with ASX to date because, notwithstanding recent positive developments with a view to reconstruct the Company, we have otherwise been preparing to wind up the company by terminating the remaining employment contracts and other cost containment measures. Further, we anticipated that the Trading Policy would be better addressed by a new CMR board if and when CMR is reconstructed. That said, in light of your request, we are preparing a policy in compliance with the requirements of Listing Rules 12.9 and 12.12.

Should you have any queries in relation to this matter, please do not hesitate to contact me or in my absence, Sandra Gauci of this office.

Yours Faithfully
Compass Resources Limited



Martin Jones
Joint and Several Deed Administrator



ASX Compliance Pty Limited
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20 Bridge Street
Sydney NSW 2000
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1 February 2011

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Mr Martin Jones
Joint and Several Deed Administrator
Ferrier Hodgson
Level 26, BankWest Tower
108 St George's Terrace
Perth WA 6000

By Email

Dear Martin,

Compass Resources Limited (Receivers and Managers Appointed) (the "Company") – Trading Policy Disclosure

We refer to the following.

1. Listing rule 12.9, effective from 1 January 2011, which states as follows:
An entity must have a trading policy that complies with the requirements of ASX listing rule 12.12. An entity must give its trading policy to the company announcements office for release to the market.
2. Listing rule 12.12, effective from 1 January 2011, which states as follows:
At a minimum, an entity's trading policy must include the following information:
12.12.1 The entity's closed periods.
12.12.2 The restrictions on trading that apply to the entity's key management personnel.
12.12.3 Any trading which is not subject to the entity's trading policy.
12.12.4 Any exceptional circumstances in which the entity's key management personnel may be permitted to trade during a prohibited period with prior written clearance.
12.12.5 The procedures for obtaining prior written clearance for trading under rule 12.12.4.
3. *Guidance Note 27 – "Trading Policies"*, which was published to assist listed entities to comply with their obligations under listing rules 12.9, 12.10 and 12.12.
4. The Companies Update dated 13 August 2010, notifying listed entities of their obligation to comply with the requirements in listing rules 12.9 and 12.12, effective from 1 January 2011.
5. The Companies Update dated 9 December 2010, reminding listed entities of their obligation to comply with the requirements in listing rules 12.9 and 12.12, effective from 1 January 2011.
6. My email dated 30 December 2010, reminding the Company of its obligation to lodge a copy of its trading policy with ASX Limited ("ASX").



ASX attaches particular importance to encouraging a consistently high standard of listed entities' disclosure in respect of trading policies.

Our records indicate that, despite the reminders mentioned above, the Company has not yet lodged with ASX a trading policy in compliance with listing rules 12.9 and 12.12.

ASX notes that the Company has been suspended since 29 January 2009. ASX reminds the Company of its contract with ASX to comply with the listing rules. This obligation is not affected by the suspension of the Company's securities from trading (see listing rule 18.6).

In the circumstances ASX requires the Company to answer the following questions:

1. Please explain why the Company has not lodged a trading policy with ASX.
2. Please advise when the Company expects to lodge a trading policy with ASX in compliance with listing rules 12.9 and 12.12.

Your response should be sent to me by e-mail at luxmy.wigneswaran@asx.com.au or by facsimile on facsimile number (02) 9241 7620. It should not be sent to the Company Announcements Office.

A response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (i.e. before 9.30 a.m. A.E.D.T.) on Friday, 4 February 2011.

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 form suitable for release and should separately address each of the questions asked.

ASX notes that the suspension in quotation of the securities of the Company will continue until the listed entity releases to the market a trading policy that is compliant with the listing rules. This is in addition to any other requirements that the Company must meet for reinstatement to quotation.

Please note that ASX Compliance has discretion not to reinstate a listed entity should it fail to comply with the listing rules, the spirit of the listing rules or be unable to disclose information to the market as requested by ASX or required by listing rule 3.1.

If you have any queries about this letter, please contact me immediately.

Yours sincerely,

(sent electronically without signature)

Lux Wigneswaran
Senior Adviser, Listings (Sydney)