



**ETHAN MINERALS** **Limited**  
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17<sup>TH</sup> JUNE, 2011.

Mr. Sebastian Bednarczyk,  
Adviser,  
Issuers (Perth),  
ASX Compliance Pty. Ltd.,  
GPO Box D187,  
PERTH. W.A. 6840

**By email: [Sebastian.Bednarczyk@asx.com.au](mailto:Sebastian.Bednarczyk@asx.com.au)**

Dear Sebastian,

I refer to your letter of 16<sup>th</sup> June, 2011.

Ethan Minerals Limited's ("ETH") response to your questions relating to the status of the Half-Year Review for the period ended 31<sup>st</sup> December, 2010 is as follows:

1. ETH has not received from its auditors, Deloitte Touche Tohmatsu, a half-year review conclusion on the Half-Year Financial Report for the period ended 31<sup>st</sup> December, 2010.
2. ETH's auditors advised that they are not in a position to issue a review report until such time as they receive appropriate documentation. This documentation relates specifically to a revised cashflow forecast including supporting documentation and updated half-year financial report, together with appropriate disclosures surrounding going concern and subsequent events.

The auditors have not been advised by the Board or Management of ETH to delay providing a Review Report for the period ended 31<sup>st</sup> December, 2010.

3. ETH's auditors expect to be in a position to issue a review report within approximately one week of receiving the above outstanding information. The Board of ETH is working closely with its accountants, GDA Corporate in order to finalize a revised cashflow forecast and an updated half-year financial report. Early next week ETH expects to finalize with its accountants the required outstanding supporting documentation and appropriate disclosures.

In confirmation of ETH's response to your questions relating to the status of the Half-Year Review, we attach a letter from Chris Nicoloff, Partner, Deloitte Touche Tohmatsu, dated 16<sup>th</sup> June, 2011.

Yours sincerely,

Ken Fitzgerald,  
Executive Director.

16 June 2011

Julie Glanville  
Director  
Ethan Minerals Ltd  
443 Albany Hwy  
VICTORIA PARK WA 6100

Dear Julie

**Re: Ethan Minerals Ltd – Half Year Review 31 December 2010**

We would like to clarify the status of the half year review for the period ended 31 December 2010 with reference to the letter you received from ASX Compliance on 16 June 2011.

We confirm that we have not issued a half year review conclusion on the half year financial report for the period ended 31 December 2010. We are not in a position to issue a review report until such time that we have received appropriate documentation specifically in relation to a revised cashflow forecast including supporting documentation and an updated half-year financial report including appropriate disclosures surrounding going concern and subsequent events.

We would also like to confirm that we have not been advised by the board or management of Ethan Minerals Ltd to delay providing a review report for the period ended 31 December 2010.

As previously advised we would expect to be able to issue a review report within approximately one week of receiving all outstanding information.

Yours Sincerely



**Chris Nicoloff**  
Partner



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16 June 2011

Julie Glanville  
Executive Director  
Ethan Minerals Limited  
443 Albany Highway  
VICTORIA PARK WA 6100

Dear Julie

**Ethan Minerals Limited (the "Company")**

ASX confirms that the Company is currently suspended and remains in suspension due to its failure to lodge the half year report for the period ended 31 December 2010 ("Half Year Report"), as required by listing rule 4.2A, and which was due to be lodged by 16 March 2011 (the "Reporting Deadline").

ASX also refers to the following:

- The announcement by the Company dated 4 April 2011 and released at 1:26 pm EST, titled "Clarification of suspension", in which the Company stated that notwithstanding the announcement made on 17 March in relation to the acquisition of the assets in Zambia, the Company would remain suspended due to not adhering to the Reporting Deadline.
- The Company's Quarterly Activities and Cashflow Report for the quarter ended 31 March 2011 and released on 3 May 2011 ("Quarterly Report"), and the Company's response released on 11 May 2011 to the ASX query letter relating to the Quarterly Report ("Appendix 5B Response Letter"). Both the Quarterly Report and the Appendix 5B Response Letter refer to the Company's suspension continuing pending the completion of the half year audit review and results.
- My conversation on 13 May 2011 with the Company's auditor, Mr. Chris Nicoloff of Deloitte (the "Auditor") in which he confirmed that a review opinion could be provided in relation to the Half Year Report, based on information provided to date by the Company.
- ASX listing rule 3.1 which 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. The provisions of listing rule 3.1 continue to apply notwithstanding a suspension in the entity's securities.
- ASX listing rule 18.6 which provides that on admission to the official list an entity must comply with the listing rules. This rule continues to apply even if quotation of the entity's securities is deferred, suspended or subject to a trading halt.
- ASX listing rule 18.7 which provides that an entity must give ASX any information, document or explanation that the ASX asks for to enable it to be satisfied that the entity is, and has been, complying with the listing rules. The entity must do so within the time specified by ASX.

Pursuant to listing rule 18.7 the ASX, for the purposes of ensuring the Company's compliance with the listing rules, requires the Company to provide the following information:

1. Details as to whether the Company has received an audit review opinion from the Auditor in relation to the Half Year Report?
2. If the answer to question 1, is "yes", please advise the following:
  - 2.1. When did the Company receive the audit review opinion relating to the Half Year Report?
  - 2.2. Why has the Half Year Report and audit review opinion not been released to the market?
3. If the answer to question 1 is "no", please advise the following:
  - 3.1. What advice has the Company received from the Auditor in relation to the Half Year Report?
  - 3.2. Has the Auditor advised the Company that they are in a position to provide an auditors' opinion in relation to the Half Year Report?
  - 3.3. Has the Company requested the Auditor not to provide an audit opinion on the Half Yearly Report until the Company provides further information to the Auditor?
4. When does the Company expect to lodge the Half Year Report with the ASX and come out of suspension?

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.

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 concerns about your response being released, please contact me immediately. Your response should be sent to me on email address [sebastian.b@asx.com.au](mailto:sebastian.b@asx.com.au) or facsimile number (08) 9221 2020. It should not be sent to the Company 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 **12.00 pm WST on Friday, 17 June 2011**.

Please also note that the ASX reserves all rights and remedies in relation to this matter.

Yours sincerely

*[sent electronically without signature]*

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