

30 October 2013

Ms Jill Hewitt  
Senior Adviser, Listings  
ASX Compliance Pty Limited  
Level 8 Exchange Plaza  
2 The Esplanade  
Perth WA 6000

**HASTINGS RARE METALS LIMITED – ASX PRICE QUERY**

The answer to the questions raised in your letter of 30 October 2013 are as follows:

1. *Is the Company aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?*

Yes.

The Company lodged with the ASX receipt of notices purportedly in accordance with section 249D of the Corporations Act 2001 on 23 September 2013. The notices seek the appointment of two additional directors to the Hastings Board.

The Company has accordingly convened a General Meeting (GM) of shareholders on the 14 November 2013 at 10am to consider these resolutions.

In the interests of mitigating costs the Company has also called its Annual General Meeting (AGM) for the 14 November 2013 at 9am.

The requisitioning shareholders were also provided, on request, with the share register of the Company, which the Company provided in accordance with its obligations under the Companies Act.

The Company has since been informed by a number of shareholders and brokers that they have received phone calls from people who the Company understands to be associated with the requisitioning shareholders encouraging them to vote in favour of the proposed appointees to the board at the GM and vote against the re-election of directors at the AGM and offering to purchase their shares at a premium to the current market price.

These matters are currently with our solicitors for review and investigation and we are in the process of drafting a suitable communication for shareholders to be released later this week.

2. *If the answer to question 1 is "yes":*
- a) *Is the Company relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?*

No

- b) *Can an announcement be made immediately?*
- N/A

- c) *If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?*

N/A

3. *If the answer to question 1 is "no", is there any other explanation that the Company may have for the recent trading in its securities?*

As outlined above.

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

We confirm that the Company is in compliance with its obligations the Listing rules, and in particular Listing Rule 3.1.

Yours faithfully,

Guy Robertson  
Executive Director



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30 October 2013

Mr G Robertson  
Company Secretary  
Hastings Rare Metals Limited  
C/- Alexander Cable Group Pty Ltd  
Level 9, 50 Margaret Street  
SYDNEY NSW 2000

By Email: [guy@alexandercable.com](mailto:guy@alexandercable.com)

Dear Guy,

**Hastings Rare Metals Limited (the "Company") - ASX price query**

We have noted a change in the price of the Company's securities from a closing price of 5.2 cents on Friday 25 October 2013, to an intra-day high of 7.5 cents today. We have also noted an increase in the volume of trading in Company's securities over this period.

In light of the price and volume change, ASX asks you to respond separately to each of the following questions:

1. Is the Company aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes":

- a) Is the Company relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

Please note that the recent trading in the Company's securities would suggest to ASX that such information may have ceased to be confidential and therefore the Company may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.

- b) Can an announcement be made immediately?

Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).

- c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?

3. If the answer to question 1 is "no", is there any other explanation that the Company may have for the recent trading in its securities?
4. Please confirm that the Company 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 no later than 3.30pm (EDST) today, Wednesday 30 October 2013. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Company'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 Company'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 [jill.hewitt@asx.com.au](mailto:jill.hewitt@asx.com.au) or by facsimile to 08 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 Company 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 Company'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, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in the Company'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]*

Jill Hewitt

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