

10 May 2012

Wade Baggot
ASX Compliance Pty Ltd
Level 8 Exchange Plaza
2 The Esplanade
PERTH WA 6000

Dear Wade

United Orogen Limited (“Company”) – RESPONSE TO APPENDIX 5B QUERY

I refer to your letter dated 9 May 2012 regarding the Company’s Appendix 5B announcement for the period ended 30 April 2012 and respond to your questions as follows:

- 1. It is possible to conclude on the basis of the information provided that if the Company were to continue to expend cash at the rate for the quarter indicated by the Appendix 5B, taking into account future administration costs, the Company may not have sufficient cash to fund its activities. Is this the case, or are there other factors that should be taken into account in assessing the Company’s position?**

This is not the case, and there are other factors that should be taken into account.

In times of limited funds the Company can implement policies to limit significant expenditures. This may include the suspension of director’s fees and exploration in order to conserve cash until decisions on fundraising can be finalised. The Company believes that given these factors it will have sufficient cash to fund its activities going forward.

- 2. Does the Company expect that in the future it will have negative operating cash flows similar to that reported in the Appendix 5B for the quarter and, if so, what steps has it taken to ensure that it has sufficient funds in order to continue its operations at that rate?**

The Company does not expect to experience a negative operating cash flow similar to that reported in the Appendix 5B for the current quarter.

- 3. What steps has the Company taken, or what steps does it propose to take, to enable it to continue to meet its business objectives?**

If necessary the company will suspend significant expenditures, including director’s fees, and ongoing exploration expenditures in order to conserve cash.

- 4. Can the Company confirm that it is in compliance with the listing rules, and in particular, listing rule 3.1?**

The Company confirms that it is in compliance with the listing rules and in particular Listing Rule 3.1.

5. Please comment on the Company's compliance with listing rule 12.2, with reference to the matters discussed in the note to the rule.

The Company can confirm that it is in compliance with Listing Rule 12.2 and has sufficient assets to cover its liabilities and meet its ongoing commitments.

For and on behalf of the Board of United Orogen Limited



Shoshanna Zohar
Company Secretary



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9 May 2012

Ms Shoshanna Zohar
Company Secretary
United Orogen Limited
Level 7, 231 Adelaide Terrace
Perth WA 6000

By email

Dear Shoshanna

United Orogen Limited ("Company")

I refer to the Company's Quarterly Cashflow Report in the form of Appendix 5B for the period ended 31 March 2012, released to ASX Limited ("ASX") on 30 April 2012 (the "Appendix 5B").

ASX notes that the Company has reported the following.

1. Receipts from product sales of nil.
2. Net negative operating cash flows for the quarter of \$177,000.
3. Cash at end of quarter of \$268,000.
4. Estimated cash outflows for next quarter \$210,000.

In light of the information contained in the Appendix 5B, please respond to each of the following questions.

1. Is it possible to conclude on the basis of the information provided that if the Company were to continue to expend cash at the rate for the quarter indicated by the Appendix 5B, the Company may not have sufficient cash to fund its activities? Is this the case, or are there other factors that should be taken into account in assessing the Company's position?
2. Does the Company expect that in the future it will have negative operating cash flows similar to that reported in the Appendix 5B for the quarter and, if so, what steps has it taken to ensure that it has sufficient funds in order to continue its operations at that rate?
3. What steps has the Company taken, or what steps does it propose to take, to enable it to continue to meet its business objectives?
4. Can the Company confirm that it is in compliance with the listing rules, and in particular, listing rule 3.1?

5. Please comment on the Company's compliance with listing rule 12.2, with reference to the matters discussed in the note to the rule.

Listing rule 3.1

Listing rule 3.1 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.

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.

This letter and your response will be released to the market. If you have any concerns about your response being released, please contact me immediately. Your response should be sent to me on **facsimile number +61 8 9221 2020** or **email wade.baggott@asx.com.au**. 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 **5:00pm WST on Friday, 11 May 2012**.

If you are unable to respond by the time requested you should consider a request for a trading halt in the Company's securities.

If you have any queries please let me know.

Yours sincerely,

[sent electronically without signature]

Wade Baggott
Senior Adviser, Listings (Perth)