

# CobaltOne

Limited

ACN: 127 411 796

30 May 2017

Sebastian Bednarczyk  
Senior Adviser, Listings Compliance (Perth)  
ASX Compliance Pty Ltd  
Level 40, Central Park  
152-158 St Georges Terrace  
Perth WA 6000

Email: [Sebastian.Bednarczyk@asx.com.au](mailto:Sebastian.Bednarczyk@asx.com.au)  
and [tradinghaltsperth@asx.com.au](mailto:tradinghaltsperth@asx.com.au)

Dear Sebastian

## **ASX Price and Volume Query**

We refer to your letter dated 30 May 2017 to Cobalt One Limited (**Company**) regarding the change in the Company's share price between 29 May 2017 and 30 May 2017 and an increase in volume of trades on 30 May 2017. We respond to your questions 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?

**Response:** Yes.

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.

**Response:** Yes.

- (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).

**Response:** The Company is in negotiations with a third party regarding a possible investment in the group at the level which would hold the Cobalt Mining Camp assets defined below. Negotiations are incomplete; the Company is of the view negotiations remain confidential, and there is no guarantee of an agreement on currently proposed terms or at all.

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

**Response:** See above.

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?

**Response:** As noted above, the Company does not consider that current negotiations have leaked, and notes the following:

- On 26 April 2017, the Company announced that it had entered into a binding agreement to purchase a cobalt extraction refinery located in Cobalt, Ontario, Canada (**Cobalt Mining Camp**) (**Transaction**). If the Transaction completes, the Cobalt Mining Camp will enable the Company to take advantage of future processing of its own potential cobalt resources, and other third party cobalt resources in the region, with the potential to result in a significant North American based primary cobalt producing region.
- The Company is primarily in the business of mineral exploration with a focus on exploration for cobalt. The Company understands that the market price of cobalt has increased in recent days and significant cobalt research has been published.

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

**Response:** We confirm that the Company is in compliance with the Listing Rules, and, in particular, Listing Rule 3.1.

5. Please confirm that the Company's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of the Company with delegated authority from the board to respond to ASX on disclosure matters.

**Response:** We confirm the responses in this letter have been duly authorised by an officer with delegated authority from the board to respond to ASX on disclosure matters.

Yours faithfully



Michael Naylor  
Company Secretary  
Cobalt One Limited



30 May 2017

Michael Naylor  
Cobalt One Limited  
35 Richardson Street  
WEST PERTH WA 6005

By email

Dear Mr Naylor

**COBALT ONE LIMITED (“CO1”): ASX PRICE AND VOLUME QUERY**

We note the change in the price of CO1’s securities from an opening price of \$0.098 on Monday, 29 May 2017, to an intra-day high at the time of writing of \$0.13 today, Tuesday, 30 May 2017.

We also note a significant increase in the volume of CO1’s securities traded today.

In light of this, ASX asks CO1 to answer separately each of the following questions and provide the following confirmations in a format suitable for release to the market in accordance with Listing Rule 18.7A:

1. Is CO1 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 CO1 relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

Please note that the recent trading in CO1’s securities would suggest to ASX that such information may have ceased to be confidential and therefore CO1 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 CO1 may have for the recent trading in its securities?
4. Please confirm that CO1 is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

5. Please confirm that CO1's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of CO1 with delegated authority from the board to respond to ASX on disclosure matters.

#### **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 not later than 5:00 pm (WST) today, Tuesday, 30 May 2017**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in CO1'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, CO1'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 [tradinghaltspert@asx.com.au](mailto:tradinghaltspert@asx.com.au). 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 Rules 3.1 and 3.1A**

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.

In responding to this letter, you should have regard to CO1's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that CO1's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

#### **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 CO1'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]*

Sebastian Bednarczyk  
**Senior Adviser, ASX Listings Compliance (Perth)**