

29 July 2019

ASX Limited
Attention Dale Allen
Level 40 Central Park
152 - 158 St Georges Terrace
PERTH WA 6000

Via e mail; ListingsCompliancePerth@asx.com.au

Dear Dale

ASX Aware Letter – Response by New Energy Minerals Ltd

New Energy Minerals Limited (“the Company”) refers to the ASX Limited (“ASX”) Aware Query letter of 25 July 2019.

The Company has addressed the questions and requests in the same order as the ASX letter dated 25 July 2019 as follows;

1. At what time was the Master’s decision delivered verbally to the Company’s lawyers?

The Master’s decision was delivered at approximately 9.40am (WST) in Master’s Chambers as part of the Master’s list.

2. Given the hearing to set aside the Statutory Demand was held in open court – at which any member of the public could have attended (at 9.40am AWST on 16 July 2019), is NXE’s response to question 4 correct that “Until the orders were published on the Court’s online portal (by which time the Company had made its ASX release), the outcome of the Master’s decision would have been known only to the parties.”

The handing down of the decision was made in Master’s Chambers as part of a list of other matters. The Company is advised by its counsel that there were other persons present in Chambers, who the Company have assumed were present to deal with other matters on the Master’s list that day.

3. If the answer to question 2 is ‘yes’, please explain the basis for that view.

See the response to question 2 above.

4. If the answer to question 2 is ‘no’, please explain why NXE did not request a trading halt either immediately before or immediately after the Judgement was delivered?

The Company made the decision not to request a trading halt on the basis that it considered that it could make an announcement to the market in an expeditious manner after being made aware of the decision of the Court.

5. Why did NXE take from 10.09am (AWST) until 12.49pm (AWST) to make an announcement regarding the order to set aside the Statutory Demand?

The process undertaken by the Company in speaking to the ASX, preparing the announcement and making the announcement was set out in the Company’s response to ASX’s letter dated 19 July 2019.

NEW ENERGY MINERALS LIMITED

Level 1, 9 Bowman Street, South Perth WA 6151 Australia

Registered Office: PO Box 840, South Perth WA 6951

Perth Telephone: +61 (0) 8 9217 2400

ACN: 090 047 785 | Website: www.newenergyminerals.com.au

6. Why did NXE not request a trading halt immediately on becoming aware of the order to set aside the Statutory Demand?

Refer to the response to question 4 above.

The Company notes that, notwithstanding the Company genuinely believed it was taking the right course of action in preparing and releasing the announcement as quickly as it could, it is ASX's apparent view that a trading halt may have been the preferred option in the circumstances, and the Company can accept that view.

However, the Company also notes that, on a review of the trading that occurred on that day, a very small number of shares (less than 70,000 shares at no more than \$0.024 per share) traded in the intervening period between the time of the handing down of the decision and the announcement of the decision by the Company that afternoon. The trading volumes up to that point were not inconsistent with the trading volumes on a daily basis over the previous weeks leading into the handing down of the decision by the Master. Noting ASX's concerns, the Company considers that this information is important in giving context to the review of the actions undertaken by the Company in this matter.

7. Please confirm that NXE is complying with the Listing Rules and, in particular, Listing Rule 3.1.

The Company confirms that it believes that it is in compliance with the Listing Rules and in particular, Listing Rule 3.1.

7. Please confirm that NXE'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 NXE with delegated authority from the board to respond to ASX on disclosure matters.

The Company confirms that the responses outlined above have been authorised and approved in accordance with its published continuous disclosure policy.

Yours faithfully



Robert Marusco
Company Secretary



25 July 2019

Mr Robert Marusco
Company Secretary
C/- MVP Financial
Level 1, 9 Bowman Street
South Perth, WA 6151

By email

Dear Mr Marusco

New Energy Minerals Limited ('NXE'): ASX Aware Query

ASX refers to the following:

- A. Its query letter dated 19 July 2019 ("1st Query Letter") and NXE's response lodged on the ASX Market Announcements Platform ("MAP") and released at 1:24pm AEST on 23 July 2019 and in particular, to NXE's response to questions 3 and 4 set out below:

ASX Question 3

"When did NXE first become aware of the Judgement?"

NXE Response:

"On 5 July 2019, the Company received notification from the Supreme Court of Western Australia that the Master would be handing down his judgement on this matter on 16 July 2019. The Company released this information to the market on 5 July 2019.

In that same notification on 5 July 2019, NXE was informed that an advance copy of the judgement would be emailed to the parties on Monday, 15 July 2019.

On 15 July 2019 the Company received further notification that there would be no advance copy of the judgement provided but that the Master would still deliver judgement in court on 16 July 2019 in the morning but the reasons would not be available or published until late afternoon on 16 July 2019.

On 16 July 2019, around 9.40am AWST, the Master informed the parties in court that his reasons were still not available and would not be published until 18 July 2019. He did however make orders that the statutory demand would be set aside, but with the orders to take effect only from 18 July 2019. The Company was informed of these matters by its lawyers via email at around 10.09am AWST.

An ASX release was immediately completed and circulated to the Board of NXE and subsequently released to market at 12.49 AWST (2.49pm AEST) on 16 July 2019.

At around 3.21pm AWST on 16 July 2019 after Market close, the Company's lawyers were notified by the Supreme Court that the orders made by the Master earlier that day were available to be downloaded from the Court's online portal. The Company's lawyers obtained a copy of the orders and emailed them to the Company at around 3.52pm."

ASX Question 4

"Noting the share price movement, why did NXE not request a trading halt either immediately before or immediately after the Judgment was delivered?"

NXE's response:

"The Company immediately made an ASX release informing the Market of the Master's decision (delivered verbally on the morning of the 16th to the Company's lawyers) notwithstanding it did not yet have the official sealed order (which was emailed to the Company's lawyers by the Master at 3.52pm AWST on 16 July 2019). A trading halt was therefore not deemed necessary.

Until the orders were published on the Court's online portal (by which time the Company had made its ASX release), the outcome of the Master's decision would have been known only to the parties."

- B. According to the Court Listings for the David Malcolm Justice Centre for 16 July 2019, the Master was to deliver his judgement on NXE's application to set aside the Statutory Demand at 9:40am AWST (11:40am AEST) on Tuesday, 16 July.
- C. Defined terms in this letter have the same meaning as in the 1st Query Letter.

Further ASX queries

1. At what time was the Master's decision delivered verbally to the Company's lawyers?
2. Given the hearing to set aside the Statutory Demand was held in open court – at which any member of the public could have attended (at 9:40am AWST on 16 July 2019), is NXE's response to question 4 correct that *"Until the orders were published on the Court's online portal (by which time the Company had made its ASX release), the outcome of the Master's decision would have been known only to the parties."*
3. If the answer to question 2 is 'yes', please explain the basis for that view.
4. If the answer to question 2 is 'no', please explain why NXE did not request a trading halt either immediately before or immediately after the Judgement was delivered?
5. Why did NXE take from 10.09am (AWST) until 12.49pm (AWST) to make an announcement regarding the order to set aside the Statutory Demand?
6. Why did NXE not request a trading halt immediately on becoming aware of the order to set aside the Statutory Demand?
7. Please confirm that NXE is complying with the Listing Rules and, in particular, Listing Rule 3.1.
8. Please confirm that NXE'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 NXE 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 Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **3:00 PM AWST Monday, 29 July 2019**.

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, NXE'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 and may require NXE to request a trading halt immediately.

If you wish to request 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 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*.

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 ListingsCompliancePerth@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

In responding to this letter, you should have regard to NXE'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 NXE'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.

Suspension

If you are unable to respond to this letter by the time specified above ASX will likely suspend trading in NXE's securities under Listing Rule 17.3.

Enquiries

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

Dale Allen
Principal Adviser, Listings Compliance (Perth)