



Alex Sutton
Compliance Adviser, Listings Compliance (Sydney)
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

20 May 2019

RESPONSE TO ASX AWARE QUERY

Dear Alex,

In response to your request for information in your letter dated 16 May 2019 Chase Mining Corporation Limited (“CML”) offers the following:

- 1. Does CML consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?**

Yes.

- 2. If the answer to the question 1 is “no”, please advise the basis for that view.**

N/A

- 3. When did CML first become aware of the Information?**

CML first received the Information at 4.16pm AWST on 14 May 2019 when a draft announcement (“**Draft Announcement**”) containing the Information was circulated to CML’s board and corporate advisor (both of whom were subject to obligations of confidentiality). Prior to then and whilst the Company had received preliminary results from the VTEM™ MAX survey (announced on 28 March 2019) and the final corrected data (announced on 29 April 2019), the process of its evaluation, and interrogation of the historic geophysical databases had not been completed and all information received by CML required further explanation and representation. Thus, the information was confidential, incomplete and insufficiently definitive to disclose.

- 4. If the answer to question 1 is “yes” and CML first became aware of the Information before the relevant date, did CML make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe CML was obliged to release the information under Listing Rules 3.1 and**



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3.1A and what steps CML took to ensure that the information was released promptly and without delay. In answering this question, please also explain why no reference was made to the Information in the Price Query Response.

As set out in the answer to question 2, CML only became aware of the Information at 4.16pm AWST on 14 May 2019 when the Draft Announcement was circulated to CML's board and corporate advisor. The Information was not immediately released as it required comment from CML's corporate advisor and comment and approval from CML's board, and CML considered that the Information remained at that time confidential and incomplete. Board comment and approval took place during the course of 15 May 2019 and the Information was announced pre-open on 16 May 2019.

The Price Query Response was made on 10 May 2019, at which time CML considered the market to have been aware of the preliminary results from the VTEM[™] MAX survey (announced on 28 March 2019) and the final corrected data (announced on 29 April 2019), that further three dimensional plate modelling and further evaluation of the data by Core Geophysics was required, and that in the meantime the information held by CML was so incomplete and insufficiently definitive that it could not explain the (then) recent trading in CML's securities.

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

CML confirms that it is complying with the Listing Rules and, in particular, Listing Rule 3.1.

6. Please confirm that CML's responses to the questions above have been authorized and approved under its published continuous disclosure policy or otherwise by its board or an officer of CML with delegated authority from the board to respond to ASX on disclosure matters.

CML confirms that the responses set out above have been authorized and approved by the Board of Directors of CML.

Signed for and on behalf of Chase Mining Corporation Limited:



Suzanne Yeates
Company Secretary
Chase Mining Corporation Limited



16 May 2019

Mrs Suzanne Yeates
Company Secretary
Chase Mining Limited
Level 8 46 Edward St
Brisbane QLD 4000

By email:

Dear Mrs Yeates

Chase Mining Limited ('CML'): Aware Query

ASX refers to the following:

- A. CML's response to ASX's price query letter on 10 May 2019 (the "Price Query Response"), where CML provided the following answer to question 1:

1. Is CML 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?

No. CML is not aware of any information concerning it that has not been announced to the market that could explain the recent trading in its securities.

- B. CML's announcement entitled "Outstanding VTEM Results Confirm Massive Sulphide Conductors" lodged on the ASX Market Announcements Platform [and released at 9:30 AM] on 16 May 2019 (the 'Announcement'), disclosing geophysical results from an exploration program ('Information').
- C. Listing Rule 3.1, which requires a listed entity to immediately give ASX 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.
- D. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity" and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information."

- E. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

"3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:

3.1A.1 One or more of the following applies:

- It would be a breach of a law to disclose the information;*
- The information concerns an incomplete proposal or negotiation;*
- The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- The information is generated for the internal management purposes of the entity; or*

- *The information is a trade secret; and*
- 3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*
- 3.1A.3 *A reasonable person would not expect the information to be disclosed.”*
- F. ASX’s policy position on the concept of “confidentiality”, which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. In particular, the Guidance Note states that:

“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.”

Request for Information

Having regard to the above, ASX asks CML to respond separately to each of the following questions and requests for information:

1. Does CML consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is “no”, please advise the basis for that view.
3. When did CML first become aware of the Information?
4. If the answer to question 1 is “yes” and CML first became aware of the Information before the relevant date, did CML make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe CML was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps CML took to ensure that the information was released promptly and without delay. In answering this question, please also explain why no reference was made to the Information in the Price Query Response.
5. Please confirm that CML is complying with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that CML’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 CML 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 9:30 AM **AEST Monday, 20 May 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, CML’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 CML 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;

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- 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 ListingsComplianceSydney@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 CML'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 CML'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 CML's securities under Listing Rule 17.3.

Enquiries

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

Kind regards



Alex Sutton
Compliance Adviser, Geology, Listings Compliance (Sydney)