

24 April 2020
Mr Sean Maloney
Adviser, Listings Compliance (Perth)
ASX Compliance Pty Ltd
Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000

By email – ListingsCompliancePerth@asx.com.au

Dear Mr Maloney

ASX AWARE QUERY

We refer to your letter dated 20 April 2020 and respond as follows.

Capitalised terms have the same meaning as in your letter unless otherwise defined in this letter.

1. Does AQI 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?

No

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

AQI has released three announcements in relation to its drilling program at Wolf Mountain, which are set out below, along with the following opening and closing prices at the open and close of trading on the relevant dates:

Announcement	AQI Opening Price	AQI Closing Price
At 10:05 (AEDT) on 18 February 2020 - <i>Drilling intersects Wide Zone of Sulphides, Wolf Mountain (First Announcement);</i>	\$0.085	\$0.088
At 09:45 am (AEDT) on 4 March 2020 - <i>Intense Chalcopyrite Intersected, Wolf Mt Copper-Gold (Second Announcement);</i>	\$0.085	\$0.088
At 08:46 am (AEST) on 20 April 2020 - <i>Drilling Intersects Regional Scale Skarn – Wolf Mountain Regards (Third Announcement).</i> (together, the Announcements)	\$0.072	\$0.073



Following the release of the First Announcement, AQI reached a 52 week high of \$0.11 on 28 February 2020 (**52 Week High**).

AQI notes that following the 52 Week High, there was a significant and prolonged deterioration in global equity markets as a result of the novel coronavirus (**COVID-19**) pandemic, which also impacted the trading price of AQI. Consistent with the broader market, there has been a recovery in the trading price of AQI that occurred in the lead up to the Third Announcement.

Based on the consistency of AQI's price following each of the Announcements, AQI does not consider the Information to be material. AQI attributes the price volatility in its share price that occurred during the period between the Second Announcement and Third Announcement to be due to broader market volatility.

3. When did AQI first become aware of the Information?

AQI mobilised its drilling team on 10 February 2020 and commenced drilling on 13 February 2020. AQI, released the First Announcement on 18 February 2020, which disclosed wide zones of sulphides.

AQI continued its drilling program and released the Second Announcement, which disclosed the following:

Alicanto is excited to announce that the second hole in its maiden diamond core drilling program targeting multiple large-scale, high-grade copper-gold mineralisation at Wolf Mountain in Sweden, has intersected a 4m wide (true width) strongly altered mineralised zone with significant visible chalcopyrite and continues to intersect disseminated sulphides in its surrounding halo. The first hole intersected at least 25m (true width) of disseminated sulphides of typically 1-5%, including logged chalcopyrite and pyrite mineralisation and intense wall rock alteration, and together the two holes define a total sulphide mineralised zone of ~ 55m (true width).

With respect to paragraph A(i) of your letter, AQI demobilised its drilling team on 22 March 2020, and does not consider the demobilisation of its drilling team, nor the expected date of the assay results to be material information.

With respect to paragraph A(ii) of your letter, AQI first disclosed the majority of this information the Second Announcement. The content of the Third Announcement cited in paragraph A(ii) is the product of further refining this initial interpretation (**Further Interpretation of Disseminated Sulphides**). The discussion and analysis that resulted in the Further Interpretation of Disseminated Sulphides occurred over the period from 15 to 20 April 2020. AQI does not consider the Further Interpretation of Disseminated Sulphides to be material information.

With respect to paragraph A(iii) of your letter, AQI first disclosed the *stronger sulphide mineralisation including multiple chalcopyrite bearing veins up to 20cm in width & containing up to 10% sulphides in holes DD-01 and DD-02* in the Second Announcement. Drill holes DD-04 and DD-05 were completed on 14 and 19 March 2020 respectively. The discussion and analysis that resulted in the statement that the sulphides have now *been intersected a further 120 metres south in two more drill holes (DD-04 and DD-05)* occurred over the period from 15 to 19 April 2020 (**Further Intersection Interpretation**). AQI does not consider the Further Intersection Interpretation to be material information.

With respect to paragraph A(iv) of your letter, *the geological team now sees a direct geological link between the broader tenement package of geological targets*, this resolution was the result of discussion and analysis that occurred over the period from 15 to 19 April 2020 (**Geological Analysis**). The Geological Analysis is effectively an interpretation, and senior geologists in AQI came to an agreement on the form of the interpretation on Saturday 18 April 2020. On Sunday, 19 April 2020, the

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board of AQI formed the view that the Geological Analysis, in the form reached on Sunday, 19 April 2020, was information that may be material and resolved to release the Third Announcement. However, for the reasons set out in paragraph 2, AQI does not consider the Geological Analysis to be material information.

- 4. If the answer to question 1 is “yes” and AQI first became aware of the Information before the relevant date, did AQI 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 AQI was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps AQI took to ensure that the information was released promptly and without delay.**

Please see the response to question 3.

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

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

- 6. Please confirm that AQI’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 AQI with delegated authority from the board to respond to ASX on disclosure matters.**

AQI confirms that its responses to the questions above have been authorised and approved by the Board of Directors.

Your faithfully

Michael Naylor
Company Secretary



20 April 2020

Reference: 16841

Mr Michael Naylor
Company Secretary
Alicanto Minerals Limited

By email: michael.naylor@tawana.com.au

Dear Mr Naylor

Alicanto Minerals Limited ('AQI'): Aware Query

ASX refers to the following:

- A. AQI's announcement entitled "Drilling Intersects Regional Scale Skarn System, Wolf Mountain Copper-Gold Target, Sweden" lodged on the ASX Market Announcements Platform on 20 April 2020 at 8:43AM AEST (the 'Announcement'), disclosing the following (among other things):
- (i) Phase one diamond drilling programme at the Wolf Mountain Prospect has now been completed with 6 holes drilled for 964.65 metres. Assay results are due this quarter;
 - (ii) Drilling has defined widespread broad and strongly altered skarn mineralisation with visible 1 to 5% sulphide mineralisation including pyrite & chalcopyrite thought to represent the margins of a potentially large mineralised system;
 - (iii) Stronger sulphide mineralisation including multiple chalcopyrite bearing veins up to 20cm in width & containing up to 10% sulphides in holes DD-01 and DD-02 has now been intersected a further 120 metres south in two more drill holes (DD-04 and DD-05); and
 - (iv) The geological team now sees a direct geological link between the broader tenement package of geological targets,
(together, 'Information').
- B. The change in the price of AQI's securities from an opening price of \$0.042 on 14 April 2020 to an opening price of \$0.078 today, 20 April 2020.
- C. The change in the price of AQI's securities following the release of the Announcement, from an opening price of \$0.078 to an intra-day high of \$0.10 today, 20 April 2020.
- D. 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.
- E. 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."*
- F. 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.”

G. 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 AQI to respond separately to each of the following questions and requests for information:

1. Does AQI 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 AQI first become aware of the Information?
4. If the answer to question 1 is “yes” and AQI first became aware of the Information before the relevant date, did AQI 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 AQI was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps AQI took to ensure that the information was released promptly and without delay.
5. Please confirm that AQI is complying with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that AQI’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 AQI 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 **6:30 PM AEST Wednesday, 22 April 2020**.

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, AQI'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 AQI 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 AQI'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 AQI'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 AQI'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

Sean Maloney
Adviser, Listings Compliance (Perth)