


**ARDIDEN**

22 August 2017

Ms Anjuli Sinniah  
 ASX Compliance Pty Ltd  
 Level 40 Central Park  
 152-158 St Georges Terrace  
 Perth WA 6000

Dear Anjuli

**Ardiden Limited (“ADV”, “Ardiden” or the “Company”) ASX Query**

We confirm receipt of your letter dated 21 August 2017 regarding ASX’s Aware Query.

As requested, we set out below the Company’s response to your queries (numbering follows your letter):

**1. Does ADV consider the Exploration Results, or any part thereof, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?**

Ardiden considers that, in isolation, these current exploration results potentially could have a material effect, either positively or negatively on the price or value of the securities. However, Ardiden notes that previous similar exploration results for the Seymour Lake Lithium Project released to the market over the last 4 months, have had little or no impact on the price or value of the Ardiden securities.

The Company does not believe that the additional assay results in isolation would be sufficient to explain the recent trading in the securities of ADV and refers to the points noted in item 1 our letter dated 18 August 2017, in response to the ASX Price and Volume query dated 17 August 2017, which could account for the recent increase in trading activities.

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

Not applicable.

**3. When did ADV first become aware of the Exploration Results, or any part thereof?**

The Seymour Lake Lithium Project Exploration Results (“**assay results**”) were received and reviewed by Canadian-based Caracle Creek International Consulting Inc (“**Caracle Creek**”), the geological consulting group, who are contracted to provide independent geological support for the Company during the drilling programs at the Seymour Lake Lithium Project.

On Saturday night, 12 August 2017, Caracle Creek advised Ardiden, confirming receipt of assay results and verified that Caracle Creek were reviewing the assay results against drilling and sample logs. After market close late on Wednesday, 16 August 2017, Caracle Creek provided Ardiden with the assay results in their final format, however the assay results still required reconciliation, QA / QC verification and Competent Person sign-off. Consistent with Ardiden’s historical practice for all assay results received from Caracle Creek, Ardiden then reviews, reconciles, analyses and interprets the assay results ahead of preparation of market release to the ASX.

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In parallel, an ASX announcement about the Seymour Lake Lithium Project assay results was drafted and circulated to the ADV Board, geological team and Competent Person for review and approval early on the morning of Thursday, 17 August 2017. Subject to obtaining final review, in particular input from Ardiden's Independent Non-Executive Directors, ADV had anticipated lodging the announcement, prior to market open on Friday, 18 August 2017. At the request of ASX, during the afternoon of Thursday, 17 August 2017, the Company called an intra-day Trading Halt in the securities of ADV. At the time of the Trading Halt, not all ADV Board members had completed review of the assay results and ASX announcement, thus the announcement had not been approved and as such was still incomplete and remained confidential.

- 4. If the answer to question 1 is “yes” and ADV first became aware of the Exploration Results, or any part thereof, before the Exploration Results Announcement was released, please explain why the Exploration Results were not released to the market prior to 18 August 2017, commenting specifically on when you believe ADV was obliged to release the Exploration Results under Listing Rules 3.1 and 3.1A and what steps ADV took to ensure that the information was released promptly and without delay. ?**

The Company was relying on the exception under Listing Rule 3.1A whilst it was reviewing, reconciling, analysing, interpreting and finalising the latest draft assay results for the Seymour Lake Lithium Project.

ADV became aware of the results prior to the Trading Halt. Caracle Creek confirmed the results with ADV as noted in point 3 above and, consistent with Ardiden's historical practice for all assay results received from Caracle Creek, the assay results still required reconciliation, QA / QC verification and Competent Person sign-off and as such Ardiden considered the results to be incomplete.

As noted in point 3 above, the Company prepared a draft of the announcement and sent it to the Board and the geological team for review and verification of the interpretation and analysis on the morning of Thursday, 17 August 2017. Further, the document was sent to the Competent Person based in Canada, for review and sign-off. The requisite Board review and approval was not obtained until after the Company had been placed into a Trading Halt as requested by the ASX. Therefore, the announcement could not be made at any earlier time. The Company further notes that there is a 12-hour time differential between Caracle Creek's operations in Ontario, Canada and Perth, Western Australia.

Late on Thursday, 17 August 2017 all ADV Board members, the geological team and the Competent Person had completed a review of, and commented on, the content of the ASX announcement about the assay results for the Seymour Lake Lithium Project. The announcement then was finalised and lodged with the ASX late on the evening of Thursday, 17 August 2017. The ASX announcement (without amendment) was released by the ASX to market intra-day on Friday, 18 August 2017.

Prior to finalisation of the ASX announcement and pursuant to Listing Rule 3.1A, the information about the Seymour Lake assay results was incomplete, preliminary and insufficiently definite to warrant disclosure and in our opinion, a reasonable person would not expect the information to be released until the results had been fully reviewed, amended and approved and in such a format that could be accurately interpreted by the market. The Company takes all necessary steps to ensure the timely and accurate release of information to the ASX. In this instance, all internal checks needed to be satisfied, including those which were incumbent on the competent person sign-off for the ASX announcement.

- 5. Please confirm that ADV is in compliance with the listing rules and, in particular, listing rule 3.1.**

The Company is in compliance with the listing rules. The Company is aware of its obligations under listing rule 3.1 and is in compliance therewith.

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

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

We trust the above provides a satisfactory response to your queries. Please contact the undersigned should you require any further details.

Yours sincerely  
**Ardiden Limited**



**Brad Boyle**  
CEO & Executive Director



21 August 2017

Mr Brad Boyle  
Suite 6, 295 Rokeby Road  
SUBIACO WA 6008

*By Email:*

Dear Brad

**Ardiden Limited (“ADV”): aware query**

ASX Limited (“ASX”) refers to the following:

- A. The increase in ADV’s share price from a low of \$0.019 on 16 August 2017 to an intraday high of \$0.024 on 17 August 2017 and an increase in the volume of trades conducted on 17 August 2017 (“Price and Volume Increase”).
- B. Following a price and volume query by ASX, ADV requested a trading halt on 17 August 2017, for which the market release was released on the ASX Market Announcements Platform at 02:31pm AEST on 17 August 2017 (“Trading Halt”).
- C. ADV’s announcement entitled “Exceptional High-Grade Lithium Hits Of Up To 5.7% Li<sub>2</sub>O at Seymour Lake, Canada” lodged on the ASX Market Announcements Platform and released at 03:06pm AEST on 18 August 2017 (the “Exploration Results Announcement”), disclosing ADV had received encouraging assay results from a further 14 diamond drill holes completed as part of the ongoing Phase 2 resource delineation diamond drilling program at ADV’s Seymour Lake Lithium Project in Canada (“Exploration Results”).
- D. ADV’s announcement entitled “Response to ASX Price and Volume Query” lodged on the ASX Market Announcements Platform and released at 03:09pm AEST on 18 August 2017 (the “Price and Volume Query Response”), disclosing the following:
  - a) ADV was relying on the exception under listing rule 3.1A while it was in the process of finalizing the Exploration Results Announcement, however does not attribute the Price and Volume Increase to the Exploration Results;
  - b) The Price and Volume Increase was likely a result of the the interest generated from previous announcements released by ADV on 31 July 2017, 2 August 2017, 8 August 2017 and 15 August 2017 (being the Quarterly Reports, the announcement of the acquisition of the Pickel Lake Gold Properties and investor presentation respectively);
  - c) The ongoing Phase 2 drilling program at Seymour Lake which commenced in early April 2017;
  - d) Recent positive market activity in the Lithium sector.

E. Listing Rule 3.1, which 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.

F. 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".

G. 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."*

H. 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."*

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

1. Does ADV consider the Exploration Results, or any part thereof, 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 ADV first become aware of the Exploration Results, or any part thereof?
4. If the answer to question 1 is “yes” and ADV first became aware of the Exploration Results, or any part thereof, before the Exploration Results Announcement was released, please explain why the Exploration Results were not released to the market prior to 18 August 2017, commenting specifically on when you believe ADV was obliged to release the Exploration Results under Listing Rules 3.1 and 3.1A and what steps ADV took to ensure that the information was released promptly and without delay.
5. Please confirm that ADV is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that ADV’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 ADV 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 7.30 a.m. AWST on Wednesday 23 August 2017**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in ADV’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, ADV’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 [anjuli.sinniah@asx.com.au](mailto:anjuli.sinniah@asx.com.au) and [tradinghaltspertth@asx.com.au](mailto:tradinghaltspertth@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 ADV’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 ADV’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, you should discuss with us whether it is appropriate to request a trading halt in ADV’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]*

Anjuli Sinniah  
**Senior Adviser, Listings Compliance (Perth)**