



17 January 2020

Chris Hesford  
Adviser Listings Compliance  
ASX Limited

*By E-mail*

## **EHX PRICE QUERY**

We refer to your letter dated 17 January 2020 querying the change in trading price of EHR Resources Limited (**the Company**) shares from a closing price of \$0.082 on Monday, 13 January 2020 to an intra-day high of \$0.15 today, 17 January 2020 (**Letter**). In response to your questions outlined in the Letter, we provide the following information (using your numbering):

1. The Company is not 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 the Company's securities.
2. Not applicable.
3. The Company notes that on 6 December 2019, it entered into an agreement to acquire 100% of Nanuk Diamonds Inc. (**Acquisition**) (*Refer ASX Announcement dated 6<sup>th</sup> December 2019*). As noted in the announcement, the Acquisition is part of a broader corporate strategy related to diamonds, particularly in Canada. Further, the Company is currently preparing a Notice of Meeting in connection with the Acquisition, and anticipates releasing this notice to shareholders shortly.

The Company has also commenced a process of examining other opportunities within the diamonds sector.

4. The Company confirms it is in compliance with the Listing Rules, in particular Listing Rule 3.1.
5. The Company confirms its responses to the above questions have been authorised and approved by its Board.

Please do not hesitate to contact me if further information is required.

Yours sincerely

Sarah Smith  
Company Secretary



17 January 2020

Ms Sarah Smith  
Company Secretary  
EHR Resources Limited  
C/- Mirador Corporate  
Level 1, 1 Altona Street  
WEST PERTH WA 6005

By email: ss@miradorcorporate.com

Dear Ms Smith

#### **EHR Resources Limited ('EHX'): Price Query**

We note the change in the price of EHX's securities from a low of \$0.082 at the close of trading on Monday, 13 January 2020 to an intraday high of \$0.15 at the time of writing.

We also note the significant increase in the volume of EHX's securities traded today, 17 January 2020.

#### **Request for Information**

In light of this, ASX asks EHX to respond separately to each of the following questions and requests for information:

1. Is EHX 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 EHX relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in EHX's securities would suggest to ASX that such information may have ceased to be confidential and therefore EHX 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 EHX may have for the recent trading in its securities?
4. Please confirm that EHX is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that EHX's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of EHX 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 **12:00 PM AWST today, Friday, 17 January 2020**. If we do not have your response by then, ASX will likely suspend trading in EHX's securities under Listing Rule 17.3. You should note that if the

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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, EHX'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 [ListingsCompliancePerth@asx.com.au](mailto: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**

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 EHX'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 EHX'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 EHX'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*.

### **Suspension**

If you are unable to respond to this letter by the time specified above ASX will likely suspend trading in EHX'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

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**Chris Hesford**  
Geologist, Listings Compliance (Perth)