



7 September 2015

Jill Hewitt
Senior Adviser, Listing Compliance (Perth)
ASX Compliance Pty Ltd
Level 40 Central Park
152-158 St Georges Tce
PERTH WA 6000

Dear Jill

Windimurra Vanadium Limited ("Company")

We refer to your letter dated 2 September 2015 in relation to the Company's Quarterly Report and respond as follows.

1. **Question 1:** *Does the Entity expect that it will continue to have negative operating cash flows for the time being and, if not, why not?*

Response 1: Yes

2. **Question 2:** *Has the Entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?*

Response 2: Yes. The Directors are conscious of the low cash balance as at 30 June 2015. Non critical expenditure has been suspended, until such stage as capital issues have been resolved. During August 2015, the Company received an ATO refund of \$152,000 with these funds to be used for general working capital. In addition, the Company has received a Letter of Support confirming that Trident Capital Pty Ltd ("**Trident**") will on a best endeavours basis, be raising up to \$350,000 in capital on behalf of the Company pursuant to its Corporate Mandate with Trident. The Company is confident that these additional funds will be raised within the next 60 days.

3. **Question 3:** *Does the Entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?*

Response 3: Yes. As previously announced the Company exercised its option to acquire 100% of the issued capital of Srinel Holdings Limited ("**Srinel**") to acquire 13 exploration licenses located in Sri Lanka that are prospective for mineral sands ("**Acquisition**"). Completion of the Acquisition is subject to the Company obtaining all necessary shareholder and regulatory approvals. Whilst the transaction remains on track, delays have been experienced for a number of reasons including the finalisation of documentation and ongoing due diligence.

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4. **Question 4:** *Can the Entity confirm that it is in compliance with Listing Rule 3.1 and that there is no information that should be given to ASX about its financial condition in accordance with that Rule that has not already been released to the market?*

Response 4: Yes, the Company confirms it is in compliance with the listing rules, and in particular listing rule 3.1.

5. **Comment 5:** *Please also provide any other information that the Entity considers may be relevant to ASX forming an opinion on whether the Entity is in compliance with Listing Rule 12.2*

Response 5: The Company believes it is in compliance with listing rule 12.2 owing to the matters above.

Yours faithfully

Nicki Farley
Company Secretary

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2 September 2015

Ms N Farley
Company Secretary
Windimurra Vanadium Limited
Level 24, 44 St Georges Terrace
PERTH WA 6000

Email: nicki@tridentms.com.au

Dear Ms Farley

I refer to the Entity's quarterly report in the form of Appendix 5B for the period ended 30 June 2015 lodged with ASX Market Announcements Platform on Friday, 31 July 2015 (the "Appendix 5B").

ASX notes that the Entity has reported:

- negative net operating cash flows for the quarter of \$256,000;
- cash at the end of the quarter of \$64,000; and
- estimated cash outflows for the next quarter of \$340,000.

It is possible to conclude on the basis of the information provided in the Appendix 5B that if the Entity were to continue to expend cash at the rate for the quarter (and at the rate estimated for the next quarter) indicated by the Appendix 5B, the Entity may not have sufficient cash to continue funding its operations. In view of that, please respond to each of the following questions:

1. Does the Entity expect that it will continue to have negative operating cash flows for the time being and, if not, why not?
2. Has the Entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
3. Does the Entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
4. Can the Entity confirm that it is in compliance with Listing Rule 3.1 and that there is no information that should be given to ASX about its financial condition in accordance with that Rule that has not already been released to the market?

Please also provide any other information that the Entity considers may be relevant to ASX forming an opinion on whether the Entity is in compliance with Listing Rule 12.2.

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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 3pm WST on Monday 7 September 13 2015. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Entity'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, the Entity'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 tradinghaltsperth@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 Rule 3.1

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.

The obligation of the Entity to disclose information under Listing Rules 3.1 and 3.1A is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

In responding to this letter, you should have regard to the Entity's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

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 the Entity's securities under Listing Rule 17.1.

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 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.

Please feel free to contact me if you have any enquiries on the above.

Yours sincerely,

[sent electronically without signature]

Jill Hewitt

Senior Adviser, Listings Compliance (Perth)

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