



**Alara Resources Limited**  
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22 April 2014

ASX Limited  
Level 40, Central Park  
Exchange Plaza  
152-158 St Georges Terrace  
Perth WA 6000

Attention: Mr Jeremy Newman  
Adviser, Listings Compliance (Perth)

By Email: [jeremy.newman@asx.com.au](mailto:jeremy.newman@asx.com.au)

Dear Mr Newman,

### RESPONSE TO ASX PRICE QUERY

We refer to ASX's share price query dated 22 April 2014 and respond as follows:

1. *Is the Entity 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.

2. *If the answer to question 1 is "yes":*
  - (a) *Is the Entity relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?*
  - (b) *Can an announcement be made immediately?*
  - (c) *If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?*

Not applicable.

3. *If the answer to question 1 is "no", is there any other explanation that the Entity may have for the recent trading in its securities?*

The Company notes the following matters:

- (a) Further to the Company's announcement of 4 April 2014<sup>1</sup> in relation to updated joint venture (**JV**) arrangements to advance the Khnaiguiyah Zinc-Copper Project in Saudi Arabia:
  - (i) HRH Prince Abdullah bin Mosaad bin Abdulaziz Al Saud (also an Alara Non-Executive Director) has accepted an invitation to join the restructured Board of the Khnaiguiyah JV entity, Khnaiguiyah Mining Company LLC (**KMC**), as the inaugural Chairman – the new KMC Board has not yet been formally constituted to date;
  - (ii) A meeting document (which will include an Independent Expert's Report) is currently being prepared to seek shareholder approval for the issue of shares to KMC JV partner, United Arabian Mining Company LLC (**Manajem**) pursuant to ASX Listing Rule 7.1 (as the issue exceeds the 15% permitted share placement capacity) and for the purposes of Item 7 of section 611 of the Corporations Act (which provides a shareholder approval exception to the prohibition against a shareholder acquiring a relevant interest in voting shares above 20%). The meeting document will be released on ASX when despatched to shareholders (expected in late April/early May) for a general meeting to be held in late May/early June;

<sup>1</sup> Refer Alara's ASX market announcement dated 4 April 2014 an entitled "Completion of Agreement for Updated Khnaiguiyah Project Joint Venture"



- (b) Further to the Company's announcement of 13 March 2014<sup>2</sup>, the Company advises that the Options Analysis Study for the Washihi and Daris Copper-Gold Projects in Oman has been completed and is currently being reviewed by the Company - further details will be released on the outcomes of the Options Analysis Study, including the matters required to be disclosed under Listing Rules 5.16 and 5.17, in late April/early May;
- (c) The Company's Chairman and Managing Director has disclosed recent on-market purchases of 100,000 and 1,000,000 shares in Alara respectively.<sup>3</sup>

The Company does not have any other explanation for the price change in its securities.

4. *Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.*

The Company confirms that it is in compliance with the listing rules and, in particular, Listing Rule 3.1 concerning the Company's continuous disclosure obligations.

Yours Sincerely,



Victor Ho  
Company Secretary

Email: [cosec@alararesources.com](mailto:cosec@alararesources.com)

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<sup>2</sup> Refer Alara's ASX market announcement dated 13 March 2014 and entitled "Investor Roadshow March 2014 Presentation – Addendum"

<sup>3</sup> Refer Change of Director's Interest Notices lodged on ASX on 21 March, 25 March, 1 April and 2 April.



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22 April 2014

Mr Victor Ho  
Company Secretary  
Alara Resources Limited  
Level 3, 35 Havelock Street  
WEST PERTH, WA 6005

*By Email: [vho@alararesources.com.au](mailto:vho@alararesources.com.au)*

Dear Victor

### **Alara Resources Limited (the “Company”) - ASX price query**

We have noted a change in the price of the Company’s securities from a closing price of \$0.10 on Thursday, 17 April 2014 to an intra-day high of \$0.14 cents at the time of writing today.

In light of the price change, ASX asks you to respond separately to each of the following questions:

1. Is the Company 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 the Company relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

Please note that the recent trading in the Company’s securities would suggest to ASX that such information may have ceased to be confidential and therefore the Company 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 the Company may have for the recent trading in its securities?
4. Please confirm that the Company is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

### **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 no later than **1:30 pm (WST) Tuesday, 22 April 2014**. If we do not

have your response by then, ASX will have no choice but to consider suspending trading in the Company'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 Company'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 Jeremy Newman by e-mail at [jeremy.newman@asx.com.au](mailto:jeremy.newman@asx.com.au). It should not be sent directly to the ASX Market Announcements Office. This is to allow us 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 Company 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 Company'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, 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 the Company'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]*

Jeremy Newman  
**Adviser, Listings Compliance (Perth)**