

22 May 2024

Sam Dorland
Adviser, Listing Compliance (Perth)
ASX Limited
Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000

By email: ListingsCompliancePerth@asx.com.au

Dear Sam,

Perpetual Resources Limited (ASX: PEC) – Response to Aware Query Letter

Perpetual Resources Limited (**Perpetual** or the **Company**) received an aware query letter from ASX on 16 May 2024 requesting for information on the recent price and volume query letter.

Request for Information from ASX

1.	Does PEC consider the information contained in the Announcement, being the information regarding the Acquisition, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
	Yes.
2.	If the answer to any part of question 1 is “no”, please advise the basis for that view, specifically addressing the following matters: 2.1: the Announcement being marked as ‘price sensitive’; 2.2: the price and volume movement in PEC’s securities post the release of the Announcement; and 2.3: statements contained in the Announcement, including that “This agreement represents a highly strategic move for Perpetual, securing for us, at an extremely low cost, the mineral rights to such a prospective tenement package in an area which is highly sought after for rare earth exploration”.
	Not applicable refer question 1.
3.	When did PEC first become aware of the information, or any part thereof referred to in question 1 above?
	The Company became aware of the information referred to in question 1, specifically the finalised material details regarding the Acquisition, when it signed a binding term sheet (Agreement) on 14 th May 2024, while the Company was in a trading halt. The Company was aware that the information could have a material effect on the price or value of its securities once the final material terms, including the value and structure of the consideration, were formally agreed upon. This occurred at approximately 6:10 pm (AEST) on Tuesday, 14 May 2024, when the Agreement was officially entered into.

Perpetual Resources Ltd

T: 08 6256 5390

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ACN: 154 516 533

Principal & Registered Office:

Suite 2, 68 Hay Street, Subiaco, Western Australia 6008

4.	<p>If PEC first became aware of the information referred to in question 1, or any part thereof, before the date of the Announcement, did PEC make any announcement prior to that date which disclosed the information? If not, please explain why the information was not released to the market at an earlier time, commenting specifically on when you believe PEC was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps PEC took to ensure that the information was released promptly and without delay.</p>
	<p>The Company had been engaged in ongoing negotiations in the weeks and months leading up to 14th May 2024, where the terms of the Agreement remained incomplete and subject to ongoing negotiation. Key material terms, including the value and structure of the consideration, and ultimately whether the vendors would indeed enter into the Agreement, remained under active discussion with material uncertainty remaining as to whether an agreement could be consummated.</p> <p>The Company requested a trading halt prior to market open on Monday 13 May 2024 to progress discussions with the vendors with a view to finalising the Agreement. The Agreement was finalised and entered into at approximately 6:10 pm (AEST) on Tuesday, 14 May 2024, at which point the information was complete and ready for disclosure under Listing Rules 3.1. Following the execution of the Agreement, and while remaining in a trading halt, the Company took immediate steps to finalise an Announcement for release to the market. This ensured that the information could be adequately disclosed to the market promptly and without delay, in accordance with Listing Rules 3.1 and 3.1A.</p> <p>By ensuring that the Announcement was prepared and released promptly after the finalisation of the Agreement, the Company adhered to its continuous disclosure obligations under the Listing Rules.</p> <p>As far as the Company was aware, at all times the existence and terms of the Agreement was kept confidential between all parties until the Announcement was released. The Company had no knowledge of any breach of confidentiality and therefore had no reason to believe that confidentiality of the information had been lost prior to release of the Announcement, or that the increase in the price of its securities was attributable to the Information that had not yet been announced.</p>
5.	<p>Please confirm that PEC is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.</p>
	<p>The Company confirms that it is complying with the Listing Rules and, in particular, Listing Rule 3.1.</p>
6.	<p>Please confirm that PEC'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 PEC with delegated authority from the board to respond to ASX on disclosure matters.</p>
	<p>The Company confirms that its 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 the Company with delegated authority from the board to respond to ASX on disclosure matters.</p>

Yours sincerely

Nicholas Katris
Company Secretary
Perpetual Resources Limited



16 May 2024

Reference: 94448

Mr Nick Katris
Company Secretary
Perpetual Resources Limited

By email:

Dear Mr Katris

Perpetual Resources Limited ('PEC'): ASX Aware Letter

ASX refers to the following:

- A. The increase in the price of PEC's securities from \$0.008 at the close of trading on Friday, 3 May 2024 to an intraday high of \$0.0175 on Friday, 10 May 2024.
- B. PEC's request for a trading halt prior to market open on Monday, 13 May 2024 pursuant to ASX Listing Rule 17.1 pending the release of an announcement regarding a material acquisition.
- C. PEC's announcement titled "*Acquisition of Raptor Caldeira REE Project*" (the 'Announcement') marked as 'price sensitive' and released on the ASX Market Announcements Platform at approximately 9:54 AM AEST on Wednesday, 15 May 2024 disclosing, amongst other things, PEC had entered a binding Term Sheet to acquire an option over the "Raptor" rare earths project (the 'Acquisition'). The release of the Announcement lifted the trading halt in PEC's securities.
- D. The increase in the price of PEC's securities from \$0.017 at the close of trading on Friday, 10 May 2024 prior to PEC entering into the trading halt to an intra-day high of \$0.022 on Wednesday, 15 May 2024 following the release of the Announcement.
- E. 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.
- 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."
- G. Section 4.4 in *Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B* titled "When does an entity become aware of information?"
- H. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure as follows.

"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 5 situations 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."*

- I. The concept of "confidentiality" 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 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 is no longer a secret and it ceases to be confidential information for the purposes of this rule."

Request for information

Having regard to the above, ASX asks PEC to respond separately to each of the following questions:

1. Does PEC consider the information contained in the Announcement, being the information regarding the Acquisition, 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 any part of question 1 is "no", please advise the basis for that view, specifically addressing the following matters:
 - 2.1 the Announcement being marked as 'price sensitive';
 - 2.2 the price and volume movement in PEC's securities post the release of the Announcement; and
 - 2.3 statements contained in the Announcement, including that *"This agreement represents a highly strategic move for Perpetual, securing for us, at an extremely low cost, the mineral rights to such a prospective tenement package in an area which is highly sought after for rare earth exploration"*.
3. When did PEC first become aware of the information or any part thereof referred to in question 1 above?
4. If PEC first became aware of the information referred to in question 1, or any part thereof, before the date of the Announcement, did PEC make any announcement prior to that date which disclosed the information? If not, please explain why the information was not released to the market at an earlier time, commenting specifically on when you believe PEC was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps PEC took to ensure that the information was released promptly and without delay.
5. Please confirm that PEC is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that PEC'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 PEC 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 **3:00 PM AWST Wednesday, 22 May 2024**.

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, PEC's obligation is to

disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out above and may require PEC to request a trading halt immediately if trading in PEC's securities is not already halted or suspended.

Your response should be sent by e-mail to **ListingsCompliancePerth@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.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in PEC's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to PEC'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 PEC'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.

Release of correspondence between ASX and entity

We reserve the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A. The usual course is for the correspondence to be released to the market.

Yours faithfully

ASX Compliance