

9 April 2021

Mr Corey Lian  
Graduate, Listings Compliance (Sydney)  
ASX Compliance Pty Ltd

By email: Corey.Lian@asx.com.au

Dear Mr Lian,

### **Antilles Gold Limited ('AAU'): Trading during closed period (Appendix 3Y)- Query**

In response to your letter dated 31 March 2021 we advise the following:

1. Neither the Chairman nor the Company Secretary consider that a closed period applied in respect to the First Transaction because:
  - (i) It was the preliminary final reports that were due on 26 February 2021, not the Audited Financial Statements, and
  - (ii) Neither the Chairman nor the Company Secretary had been provided with a copy of the Preliminary Final Report for their review at the time of the First Transaction.

Part 3 of the First Notice was therefore marked as N/A as neither the Chairman nor the Company Secretary considered that the First Transaction had occurred during a closed period.

2. Accordingly, a written waiver was not provided in relation to the First Transaction as neither the Chairman nor the Company Secretary considered that it was a closed period.
3. The Chairman had advised the Board of his intention to purchase shares on-market to achieve a total holding of 70,000,000 shares. The First and the Second Transaction were part of the one transaction with the purchase order being filled over a number of days. It is noted that the Second Transaction occurred before ASX issued a letter reminding the Company of the closed period.

The Chairman did not specifically contact nor receive a suitable response from a non-executive director and the Company Secretary as required by section 5.2 (c) of the Trading Policy in respect of the First or Second Transaction.

In relation to the more general requirements under ASX Listing Rules, the Corporations Act and the Company's trading policy section 5.2 (a), the Chairman had satisfied himself that he was not in possession of any price sensitive information that was generally available to the public at the time of the First and the Second Transaction.

4. As a result of this incident all Company KMP have been reminded of the requirements of the Trading Policy and the Company has instituted a new procedure under which the Company Secretary will notify all KMP a week before any

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'closed period' commences.

5. The Board is satisfied that the change in policy is sufficient to ensure compliance with the Trading Policy.
6. AAU is compliant with the Listing Rules in particular Listing Rule 3.1
7. The responses contained in this letter have been authorised and approved by the Board of Antilles Gold Limited.

Yours Sincerely,



Megan McPherson  
Company Secretary  
Antilles Gold Limited

For personal use only

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31 March 2021

Reference: 31716

Ms Megan McPherson  
Company Secretary  
Antilles Gold Limited  
55 Kirkham Road  
Bowral NSW 2576

By email

Dear Ms McPherson

**Antilles Gold Limited ('AAU'): Trading during closed period (Appendix 3Y) – Query**

ASX refers to the following:

- A. The announcement by AAU entitled 'Change of Director's Interest Notice' lodged on the ASX Market Announcements Platform on-market on 15 February 2021 (the 'First Notice'). The First Notice disclosed:
  - (i) The purchase of 150,000 shares in AAU by an entity associated with Mr Brian Johnson ('Mr Johnson'), a director of AAU, on 11 February 2021 (the 'First Transaction'); and
  - (ii) when responding to Part 3, a response of "N/A" to confirm if the First Transaction occurred during the closed period.
- B. The announcement by AAU entitled 'Change of Director's Interest Notice' lodged on the ASX Market Announcements Platform on 23 February 2021 (the 'Second Notice'). The Second Notice disclosed:
  - (i) The on-market purchase of 150,000 and 127,946 shares in AAU by entities associated with Mr Johnson, a director of AAU, on 16 February and 18 February 2021 (the 'Second Transaction');
  - (ii) The shares were traded during a closed period; and
  - (iii) The shares were traded without written clearance being provided to allow the trade to proceed during the closed period.
- C. ASX's confirmation to AAU, dated 19 February 2021, whereby the industry classification for AAU was amended from a mining producing entity to mining exploration entity ('Reclassification') after ASX applied its discretion under section 15 of Guidance Note 23.
- D. AAU's deadline for lodgement of its preliminary final report was subsequently extended, due to the Reclassification, from 28 February to 16 March 2021.
- E. AAU's confirmation to ASX, dated 19 February 2021, that in the case of the First Transaction, the purchases of shares occurred during a closed period, which is defined according to listing rule 19.12 as:

*'fixed periods specified in the trading policy when an entity's key management personnel are prohibited from trading in the entity's securities.'*
- F. AAU's securities trading policy lodged on the ASX Market Announcements Platform on 27 January 2016 (the 'Trading Policy') which is also available on AAU's website and which states, among other things, the following:

*"5.2: KMP and Personnel can deal in securities of the Company in the following circumstances:*

- (a) they have first satisfied themselves that they are not in possession of any price sensitive information that is not generally available to the public, and have confirmed in writing to the Company Secretary that they are not in possession of such information;
- (b) they have contacted the Chairman or in his absence, the Company Secretary and notified them of their intention to deal in Company securities and the Chairman or Company Secretary indicates that there is no impediment to them doing so; and
- (c) where the Chairman wishes to deal in Company securities, he has contacted a Non-Executive Director and the Company Secretary and notified them of his intention and the Non-Executive Director and Company Secretary indicates that there is no impediment to him doing so.”

“5.3: KMP or Personnel are generally not allowed to deal in Company securities in the following prohibited periods (Prohibited Periods):

- (a) within the period of 1 month prior to the release of annual or half yearly results;
- (b) within the period of 1 month prior to the issue of a prospectus; and
- (c) there is in existence price sensitive information that has not been disclosed because of an ASX Listing Rule exception.”

“5.5: Exemption from Prohibited Period due to Financial Hardship or Exceptional Circumstances

*In specific circumstances, such as financial hardship or other circumstances considered to be exceptional by the Chairman, including a court order or court enforceable undertakings in a bona fide family settlement to transfer Company securities or some other overriding legal or regulatory requirement to transfer Company securities, the Chairman may waive the requirement of a KMP or Personnel to deal in securities during the above Prohibited Periods on the condition that the KMP or Personnel can demonstrate to him that they are not in possession of any price sensitive information that is not generally available to the public. The waiver will be in writing and must specify the duration of such clearance.”*

“10: Consequences of Breach

*Strict compliance with this Policy is mandatory for all persons covered under this Policy. Breaches of this Policy may damage the Company’s reputation and undermine confidence in the market for Company securities. Accordingly, breaches will be taken very seriously by the Company and will be subject to disciplinary action, including possible termination of a person’s employment or appointment.”*

- G. Guidance Note 27: *Director Disclosure of Interests and Transactions in Securities – Obligations of Listed Entities* which was published to assist listed entities with their obligations under Listing Rules 3.19A and 3.19B and to give an overview of ASX policy in relation to disclosure of directors’ interests and transactions in securities, and Guidance Note 22: *Trading Policies* which was published to assist listed entities to comply with their obligations under Listing Rules 12.9-12.12 regarding trading policies.

#### **ASX’s Observations**

ASX notes that the First Transaction occurred on 11 February, and would not normally attract the application of section 5.2 of the Trading Policy due to AAU’s Reclassification. However, ASX notes the Reclassification came into effect on 19 February 2021, after the First Transaction was completed. As a result, ASX’s view is that the applicable deadline for First Transaction was 28 February 2021, and that the First Transaction occurred during a prohibited period.

ASX makes similar observations in relation to the Second Transaction, which occurred before the Reclassification and the applicable deadline was therefore 28 February 2021. However, ASX further observes

that the Second Transaction also fell within the new prohibited period established by the Reclassification, where new reporting schedule deadline was 16 March 2021. ASX therefore infers that the Second Transaction also occurred during a prohibited period.

### **Request for information**

Having regard to the above, and pursuant to Listing Rule 18.7, ASX asks AAU to respond separately to each of the following questions.

1. ASX notes that AAU has confirmed that the First Transaction occurred during a closed period. Please explain why Part 3 of the First Notice was marked as "N/A".
2. Was a written waiver provided in relation to the First Transaction as required by section 5.5 of the Trading Policy? If not, why not?
3. For each of the First and Second Transactions, did Mr Johnson contact and receive a suitable response from a non-executive director and the company secretary as required by section 5.2(c) of the Trading Policy? If not, why not?
4. What disciplinary or remedial action is the board of AAU proposing to take in relation to the apparent breaches of AAU's Trading Policy?
5. If the current arrangements are inadequate or not being enforced, what additional steps does AAU intend to take to ensure compliance with the Trading Policy.
6. Please confirm that AAU is complying with the Listing Rules and, in particular, Listing Rule 3.1.
7. Please confirm that AAU'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 AAU 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 **9:00 AM AEST Monday, 12 April 2021**. 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, AAU'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 and may require AAU to request a trading halt immediately.

Your response should be sent to me by e-mail at [ListingsComplianceSydney@asx.com.au](mailto:ListingsComplianceSydney@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.

### **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 AAU'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;

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- 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 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 AAU's securities under Listing Rule 17.3.

### **Listing Rules 3.1 and 3.1A**

In responding to this letter, you should have regard to AAU'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 AAU'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 a copy of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A.

### **Questions**

If you have any questions in relation to the above, please do not hesitate to contact me.

Kind regards

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**Corey Lian**  
Graduate, Listings Compliance (Sydney)