



Parkway Minerals NL

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24 February 2021

ASX: PWN
FSE: 4IP

Simon Barcham
Australian Securities Exchange Limited
Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000

Via e-mail correspondence: ListingsCompliancePerth@asx.com.au

Dear Simon

Parkway Minerals NL (“the Company”) – Response to ASX Aware Query

We refer to your letter dated 23 February 2021 with respect to the ASX aware query and respond (using the numbering and capitalised terms in your letter) as follows:

1. No.
2. As outlined in the Announcement, the Technoeconomic Evaluation was a “preliminary technoeconomic evaluation” with the findings described as being “preliminary findings of this initial evaluation” and were further qualified by indicating the findings were dependent on a range of assumptions, typical of early-stage evaluations of this nature. Given the preliminary nature of the Technoeconomic Evaluation, the Company does not expect that the Technoeconomic Evaluation would be likely to influence persons who commonly invest in securities in deciding whether or not to subscribe for, or buy or sell, the Company's shares.

Although the Company does not consider that the Technoeconomic Evaluation is price sensitive in and of itself, it did consider it appropriate to include an update as to the evaluation in its general corporate update, to ensure shareholders are informed as to the Company's general progress and strategy.

3. In performing technical studies such as the Technoeconomic Evaluation, it is normal practice for a series of internal reviews to be performed prior to the finalisation of results. As indicated in the Announcement, the “preliminary findings of this initial evaluation”, represented a broad range of outcomes, highly dependent on key assumptions. During the week of 15 – 19 February 2021, a number of internal reviews

were performed by the Company's inhouse process engineering team, however, the findings were not considered final as a number of the assumptions necessary for finalisation the Technoeconomic Evaluation were yet to be confirmed.

At 7:51am (WST) on Monday 22 February 2021, the Managing Director of the Company received a phone call from the client to confirm the scope and nature of the deliverables to be presented by the Company to the client project team during a presentation scheduled with the client on the morning of Tuesday 23 February 2021.

As the Managing Director of the Company had spoken to a Senior Process Engineer from the Company earlier on the same morning (Monday 22 February 2021) to confirm the remaining assumptions (concept parameters) of the analysis performed in the Technoeconomic Evaluation, following the call from the client, the Managing Director of the Company was satisfied that the key assumptions within the Technoeconomic Evaluation were sufficiently defined to warrant disclosure.

4. N/A
5. No.
6. The Company has foreshadowed for some time that small acquisitions that are in line with the corporate strategy are likely to eventuate in the near-term. The size of the Acquisition is relatively small, the acquisition costs are modest (relative to both the financial resources, as well as the market capitalisation of the Company), and the Acquisition is consistent with the previously disclosed objectives of the Company. As the Acquisition in and of itself is not considered to be material by the Company, it does not consider that the Acquisition would be likely to influence persons who commonly invest in securities in deciding whether or not to subscribe for, or buy or sell, the Company's shares.

As with the Technoeconomic Evaluation, although the Company does not consider that the Acquisition is price sensitive in and of itself at this time, it did consider it appropriate to include disclosure of the Acquisition in its general corporate update, as the Acquisition forms part of the broader Company strategy.

7. The Company maintains an active Partnering & New Ventures focus that involves the identification, evaluation and monitoring of various opportunities on an ongoing basis. The Acquisition has been on the Company's new ventures watchlist for some time, however the decision to explore a potential acquisition is a more recent development.

Proceeding with the Acquisition was conditional on, amongst other things, the satisfactory completion of due diligence and the execution of new employment agreements with key parties involved with the target company, Multi-Wet. The Acquisition would not have proceeded without satisfactory due diligence having been completed and these employment agreements having been entered into, and there was material uncertainty as to whether these conditions would be satisfied. It therefore would have been premature to disclose the potential Acquisition before these conditions were satisfied as the Company did not have a reasonable basis to believe that the Acquisition would ultimately complete.

Based on encouraging due-diligence and negotiations with the vendor of the Acquisition during the week of 15 – 19 February 2021, the Managing Director of the Company considered it appropriate to include disclosure of the Acquisition in the draft general Company update announcement, subject to the Company forming the view

that it had reasonable grounds to believe that the Acquisition would ultimately complete.

At 2:38pm (WST) on Friday 19 February 2021, the Company's Managing Director circulated a draft Announcement to the Board of the Company for review, which included disclosure of the Acquisition. On the evening of Sunday 21 February 2021 the Board participated in a teleconference to discuss an appropriate disclosure timeline for the Acquisition. During this teleconference, the Board determined that it was appropriate (and thereby provided conditional approval) to release the Announcement with disclosure of the Acquisition included, as soon as the Company had reasonable grounds to believe that the Acquisition would proceed (principally, the execution of the employment agreement with the final key employee).

At 8:29am (WST) on Monday 22 February 2021, the Company's Managing Director was contacted by the Chief Financial Officer, advising that the outstanding material condition precedent (execution of employment agreement with final employee) had been satisfied. Shortly after receiving this update, at 8:45am WST and again at 8:52am WST on the same morning, the Managing Director contacted the Company Secretary through email to request that the Announcement be released immediately. Following a short delay after instructions were provided by the Managing Director, the Announcement was released on the ASX platform.

8. N/A
9. The Company confirms that it is complying with the Listing Rules, in particular Listing Rule 3.1.
10. The Company confirms the responses above have been approved by the Board.

Should you have any queries regarding the above I will be happy to discuss such matters with you.

Yours faithfully



Bahay Ozcakmak
Managing Director



23 February 2021

Reference: 31265

Ms Amanda Wilton-Heald
Company Secretary
Parkway Minerals NL

By email:

Dear Ms Wilton-Heald

Parkway Minerals NL ('PWN'): General – Aware Query

ASX refers to the following:

- A. The change in price of PWN's securities from a low of \$0.016 at the commencement of trading on Friday, 19 February 2021, to an intraday high of \$0.027 on Monday, 22 February 2021.
- B. The increase in volume of PWN's securities traded from 19 February 2021 to 22 February 2021.
- C. PWN's announcement entitled "Corporate Update – February 2021" lodged on the ASX Market Announcements Platform and released at 2:00PM on 22 February 2021 (the 'Announcement'), disclosing:
 - a recently completed preliminary technoeconomic evaluation for an energy company ('Technoeconomic Evaluation'); and
 - the acquisition of a water treatment business based in Western Australia ('Acquisition').
- D. 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.
- E. 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" and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information."
- F. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

"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 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.”*
- G. ASX’s policy position on the concept of “confidentiality”, which is 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 listed 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 ceases to be confidential information for the purposes of this rule.”

Request for information

Having regard to the above, ASX asks PWN to respond separately to each of the following questions and requests for information:

1. Does PWN consider the Technoeconomic Evaluation 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 question 1 is “no”, please advise the basis for that view.
3. When did PWN first become aware of the Technoeconomic Evaluation results?
4. If the answer to question 1 is “yes” and PWN first became aware of the Technoeconomic Evaluation results before the relevant date, did PWN make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe PWN was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps PWN took to ensure that the information was released promptly and without delay.
5. Does PWN consider the Acquisition to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
6. If the answer to question 5 is “no”, please advise the basis for that view.
7. When did PWN first become aware of the Acquisition?
8. If the answer to question 5 is “yes” and PWN first became aware of the Acquisition before the relevant date, did PWN make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe PWN was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps PWN took to ensure that the information was released promptly and without delay.
9. Please confirm that PWN is complying with the Listing Rules and, in particular, Listing Rule 3.1.
10. Please confirm that PWN’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 PWN 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 **2:00PM AWST Friday, 26 February 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, PWN'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 PWN to request a trading halt immediately.

Your response should be sent to me by e-mail at **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.

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 PWN'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 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 PWN's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

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

Yours sincerely

Simon Barcham
Adviser, Listings Compliance (Perth)