

28 October 2019

ASX Limited  
Exchange Plaza  
2 The Esplanade  
PERTH WA 6000

Attention: Madeleine Green

Dear Ms Green,

**CHALLENGER EXPLORATION LIMITED – PRICE QUERY**

We refer to the Price query issued by the Australian Securities Exchange on Monday 28 October 2019 and comment as follows:

1. Challenger Exploration Limited (the Company) is not aware of any information that has not been announced that would explain the recent trading in the securities of the Company.
2. Not Applicable.
3. a) On 23 October 2019, a nonrelated Company released an exploration update headlining a 'Large, New Copper Gold Silver Molybdenum Porphyry System'. This discovery is located proximate to the Company's El Guayabo Copper Gold Project in Ecuador.  
  
b) The Company has recently attended the 121 Mining Investment conference in Hong Kong, where the Company received positive feedback on our projects.
4. The Company confirms that in its opinion it is, and has been at all times, in compliance with listing rule 3.1.
5. The Company confirms that the responses above have been authorised and approved by the board of the Company.

Yours faithfully,

**Scott Funston**  
**Company Secretary**  
**+61 413 867 600**  
**scott.funston@challengerex.com**



28 October 2019

Reference: 09638

Mr Scott Funston  
Company Secretary  
Challenger Exploration Limited

By email:

Dear Mr Funston

### **Challenger Exploration Limited ('CEL'): Price Query**

We note the change in the price of CEL's securities from a low of \$0.04 at the close of trade on 21 October 2019 to a high of \$0.062 today, 28 October 2019.

### **Request for Information**

In light of this, ASX asks CEL to respond separately to each of the following questions and requests for information:

1. Is CEL 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 CEL relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in CEL's securities would suggest to ASX that such information may have ceased to be confidential and therefore CEL 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 CEL may have for the recent trading in its securities?
4. Please confirm that CEL is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that CEL'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 CEL 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 **10:00 AM AWST (1:00 PM AEDT) today Monday, 28 October 2019**. If we do not have your response by then, ASX will likely suspend trading in CEL'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, CEL'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

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

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

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

### **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 CEL'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*.

### **Suspension**

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

### **Enquiries**

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

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**Madeleine Green**  
Senior Adviser, Listings Compliance (Perth)