13 August 2024

Madeleine Green

Principal Adviser, Listings Compliance

Australian Securities Exchange

By email: **ListingsCompliancePerth@asx.com.au**

Dear Madeleine,

Response to: Further ASX Query Letter

We refer to your letter dated 12 August 2024 with respect to the subject matter and respond to your queries in the same order as raised:

1. ***Was Mr Diab in possession of any undisclosed price sensitive information related to BMM at the time the agreements were made to acquire the securities?***

   No.

2. ***Was Mr Diab in possession of any undisclosed price sensitive information related to BMM during the period 5 July 2024 up to and including 18 July 2024?***

   No.

3. ***Was Mr Cotton in possession of any undisclosed price sensitive information related to BMM at the time the agreements were made to acquire the securities?***

   No.

4. ***Was Mr Cotton in possession of any undisclosed price sensitive information related to BMM during the period 5 July 2024 up to and including 18 July 2024?***

   No.

5. ***Was Mr Simich in possession of any undisclosed price sensitive information related to BMM at the time the agreements were made to acquire the securities?***

   No.

6. ***Was Mr Simich in possession of any undisclosed price sensitive information related to BMM during the period 5 July 2024 up to and including 26 July 2024?***

   No.

7. ***In response to question 2 of the ASX Query, BMM stated "BMM initially intended that the off market transfers would occur shortly after the off market transfer forms were signed, with the relevant disclosures to be made soon thereafter in compliance with Listing Rule 3.19A. However, due to an unforeseen delay, the transfers occurred much later than originally anticipated". Please explain the reason for the "unforeseen delay"?***

   Interests associated with Fadi Diab, Ross Cotton and Karl Simich signed off-market transfer forms for the purchase of the shares and provided the funds to the seller on 5 July 2024. The off-market transfers were provided to the Company's share registry on the same day.

   The cause of the unforeseen delay was the time taken for the share registry to process the off-market transfers.

8. ***Did Mr Diab and Mr Cotton receive the requisite written approval from the Chairman as required by Section 5.1(a) of BMM's Trading Policy prior to each director executing the agreements on 5 July 2024 for the off-market transfers or otherwise prior to the off-market transfers occurring? If no, why was written approval not obtained?***

   Yes.

9. ***If the answer is "yes" to question 8, did the written approval(s) state the estimated time frame(s) in relation to when the off-market transaction(s) were expected to occur, as required by Section 5.2 of BMM's Trading Policy?***

   No, the written approvals did not provide a time frame as to when the off-market transfers were to occur on the basis that the off-market transfers were to be entered into effective immediately upon approval. The intent of the policy is only to require the provision of a timeframe in circumstances in which there is a time period between agreeing to acquire or dispose of securities and a change in ownership.

Balkan Mining and Minerals Limited ABN 67 646 716 681
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13 August 2024

10. If Mr Diab and/or Mr Cotton obtained written approval from the Chairman to proceed with the off-market transfer, but the estimated time frame(s) in relation to when the off-market transaction(s) were expected to occur were not stated for one or either of the transfers, why not?

Refer to answer 9 above.

11. If Mr Diab and/or Mr Cotton obtained written approvals for the off-market transfers, and the estimated time frame in relation to these transactions were stated on the written approvals, did Mr Diab and Mr Cotton obtain new or updated written approvals from the Chairman when the "unforeseen delay" occurred? If no, please explain why not.

Not applicable.

12. If the answer to question 11 is "yes", did Mr Diab and/or Mr Cotton provide the new/updated approval to the Company Secretary? If yes, on what date was the new/updated written approval provided to the Company Secretary? If the new/updated approval was not provided to the Company Secretary, why not?

Not applicable.

13. Did Mr Simich receive the requisite approval from the Board as required section 5.1(b) of BMM's Trading Policy prior to executing the agreement on 5 July 2024 for the off-market transfers or otherwise prior to the off-market transfer occurring? If no, why was approval not obtained?

Yes.

14. If the answer to question 13 is "yes", did the approval include the estimated time frame in relation to when the off-market transfer was expected to occur, as required by Section 5.2 of BMM's Trading Policy?

No, the written approvals did not provide a time frame as to when the off-market transfers were to occur on the basis that the off-market transfers were to be entered into effective immediately upon approval. The intent of the policy is only to require the provision of a timeframe in circumstances in which there is a time period between agreeing to acquire or dispose of securities and a change in ownership.

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15. ***If written approval was obtained for Mr Simich, but the estimated time frame in relation to when the off-market transaction was expected to occur was not stated, why not? If not, please explain why.***

    Refer to answer 14 above.

16. ***If Mr Simich obtained approval for the off-market transfer, and the estimated time frame in relation to these transactions was stated on the approval, did Mr Simich obtain new or updated approval from the Board when the "unforeseen delay" occurred? If no, please explain why not.***

    Not applicable.

17. ***If the answer to question 16 is "yes", did Mr Simich provide the new/updated approval to the Company Secretary? If yes, on what date was the new/updated approval provided to the Company Secretary? If the new/updated approval was not provided to the Company Secretary, why not?***

    Not applicable.

18. ***If the answer to any questions above demonstrate that the securities trading policy was not complied with, what disciplinary or remedial action is BMM proposing to take in relation to apparent breaches of BMM's Trading Policy?***

    The off-market transfers were entered into prior to the closed period, thus BMM considered that no breach of the Securities Trading Policy has occurred.

19. ***Please confirm that BMM is complying with the Listing Rules and, in particular, Listing Rule 3.1.***

    Confirmed.

20. ***Please confirm that BMM'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 BMM with delegated authority from the board to respond to ASX on disclosure matters.***

    Confirmed.

13 August 2024

Yours sincerely

Melanie Ross

Company Secretary

12 August 2024

Reference: 97979

Mr Simon Acomb and Melanie Ross
Company Secretary
Balkan Mining and Minerals Limited
PO Box 7054
Cloisters Square WA 6850

By email

Dear Mr Acomb and Ms Ross

Balkan Mining and Minerals Limited ('BMM'): Further ASX Query Letter

ASX refers to the following:

A. BMM's response dated 7 August 2024 (the 'BMM Response') to ASX's query letter dated 2 August 2024 (the 'ASX Query').

B. BMM's Security Trading Policy available on its website[1] ('BMM Trading Policy') which states (relevantly, emphasis added):

1. *Introduction*

…

*The Company has determined that its **Key Management Personnel are its Directors**, executives and those employees directly reporting to the Chief Executive Officer / Managing Director.*

…

4.1 ***Key Management Personnel <u>must not</u>**, except in exceptional circumstances, **deal in securities of the Company** during the following periods:*

(a) two weeks prior to, and 24 hours after the release of the Company's Annual Report;

(b) two weeks prior to, and 24 hours after the release of the Half Year Report of the Company; and

(c) two weeks prior to, and 24 hours after the release of the Company's quarterly reports (if applicable),

*(together the **Closed Periods**)*

…

5.1 *Approval Requirements*

*(a) **Any Key Management Personnel** (other than the Chairperson of the Board) wishing to **buy**, sell or exercise rights in relation to the Company's securities **must obtain the prior written approval of the Chairperson of the Board or the Board before doing so.***

*(b) If the **Chairperson of the Board wishes to buy,** sell or exercise rights in relation to the Company's securities, the **Chairperson** of the Board **must obtain** the **prior approval** of the **Board before doing so.***

[1] https://www.balkanmin.com/wp-content/uploads/2021-SECURITIES-TRADING-POLICY.pdf

5.2 Approval to buy or sell securities

(a) *All requests to buy or sell securities as referred to [under Approval Requirements] must include the intended volume of securities to be purchased or sold and an estimated time frame for the sale or purchase.*

(b) *Copies of written approvals must be forwarded to the Company Secretary prior to the approved purchase or sale transaction.*

ASX understands the following:

BMM's Trading Policy states that Key Management Personal must not deal in securities of BMM during the period two weeks prior to, and 24 hours after the release of BMM's quarterly report, which was due for lodgement on 31 July 2024. The closed period commenced on 17 July 2024 and ended on 1 August 2024.

Request for Information

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

1. Was Mr Diab in possession of any undisclosed price sensitive information related to BMM at the time the agreements were made to acquire the securities?
2. Was Mr Diab in possession of any undisclosed price sensitive information related to BMM during the period 5 July 2024 up to and including 18 July 2024?
3. Was Mr Cotton in possession of any undisclosed price sensitive information related to BMM at the time the agreements were made to acquire the securities?
4. Was Mr Cotton in possession of any undisclosed price sensitive information related to BMM during the period 5 July 2024 up to and including 18 July 2024?
5. Was Mr Simich in possession of any undisclosed price sensitive information related to BMM at the time the agreements were made to acquire the securities?
6. Was Mr Simich in possession of any undisclosed price sensitive information related to BMM during the period 5 July 2024 up to and including 26 July 2024?
7. In response to question 2 of the ASX Query, BMM stated "*BMM initially intended that the off market transfers would occur shortly after the off market transfer forms were signed, with the relevant disclosures to be made soon thereafter in compliance with Listing Rule 3.19A. However, due to an unforeseen delay, the transfers occurred much later than originally anticipated*". Please explain the reason for the "unforeseen delay"?
8. Did Mr Diab and Mr Cotton receive the requisite written approval from the Chairman as required by Section 5.1(a) of BMM's Trading Policy prior to each director executing the agreements on 5 July 2024 for the off-market transfers or otherwise prior to the off-market transfers occurring? If no, why was written approval not obtained?
9. If the answer is "yes" to question 8, did the written approval(s) state the estimated time frame(s) in relation to when the off-market transaction(s) were expected to occur, as required by Section 5.2 of BMM's Trading Policy?
10. If Mr Diab and/or Mr Cotton obtained written approval from the Chairman to proceed with the off-market transfer, but the estimated time frame(s) in relation to when the off-market transaction(s) were expected to occur were <u>not</u> stated for one or either of the transfers, why not?

11. If Mr Diab and/or Mr Cotton obtained written approvals for the off-market transfers, and the estimated time frame in relation to these transactions were stated on the written approvals, did Mr Diab and Mr Cotton obtain new or updated written approvals from the Chairman when the "unforeseen delay" occurred? If no, please explain why not.
12. If the answer to question 11 is "yes", did Mr Diab and/or Mr Cotton provide the new/updated approval to the Company Secretary? If yes, on what date was the new/updated written approval provided to the Company Secretary? If the new/updated approval was not provided to the Company Secretary, why not?
13. Did Mr Simich receive the requisite approval from the Board as required section 5.1(b) of BMM's Trading Policy prior to executing the agreement on 5 July 2024 for the off-market transfers or otherwise prior to the off-market transfer occurring? If no, why was approval not obtained?
14. If the answer to question 13 is "yes", did the approval include the estimated time frame in relation to when the off-market transfer was expected to occur, as required by Section 5.2 of BMM's Trading Policy?
15. If written approval was obtained for Mr Simich, but the estimated time frame in relation to when the off-market transaction was expected to occur was not stated, why not? If not, please explain why.
16. If Mr Simich obtained approval for the off-market transfer, and the estimated time frame in relation to these transactions was stated on the approval, did Mr Simich obtain new or updated approval from the Board when the "unforeseen delay" occurred? If no, please explain why not.
17. If the answer to question 16 is "yes", did Mr Simich provide the new/updated approval to the Company Secretary? If yes, on what date was the new/updated approval provided to the Company Secretary? If the new/updated approval was not provided to the Company Secretary, why not?
18. If the answer to any questions above demonstrate that the securities trading policy was not complied with, what disciplinary or remedial action is BMM proposing to take in relation to apparent breaches of BMM's Trading Policy?
19. Please confirm that BMM is complying with the Listing Rules and, in particular, Listing Rule 3.1.
20. Please confirm that BMM'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 BMM 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 **11:00 AM AWST Thursday, 15 August 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, BMM'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 BMM to request a trading halt immediately if trading in BMM'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 BMM's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to BMM'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 BMM'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 sincerely

ASX Compliance