



perpetual rights to the mineral rights in the Lake Mason uranium deposit area in March 2007, to be followed on completion by a detailed low level airborne magnetic survey at the Barrambie vanadium/iron area. It is anticipated that these surveys will commence within the next 7 to 14 days.

29 March 2007

Mr Ben Donovan
Issuer Advisor (Perth)
Australian Stock Exchange Limited
2 The Esplanade
PERTH WA 6000

Dear Ben

RE: Price Query

We refer to your letter dated 29 March 2007 and comment as follows:

1. The company is not aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the company, other than information that has previously been disclosed to the market, in particular comments in the December 2006 Quarterly Report that:
 - a detailed low level airborne radiometric/magnetic survey was planned to commence on the Lake Mason uranium deposit area in March 2007, to be followed on completion by a detailed low level airborne magnetic survey at the Barrambie vanadium/iron area. It is anticipated that these surveys will commence within the next 7 to 14 days.
 - the one for two non-renounceable entitlement issue of loyalty options proposed in the company's prospectus dated 10 November 2006 would be issued at a price of one cent each in May 2007.
2. The company is not able to offer any other explanation for the price change and increase in volume in the securities of the company.
3. To the best of the knowledge and belief of the company, the market in the securities of the company is fully informed and the company is complying with the listing rules and, in particular, listing rule 3.1.

Yours faithfully

Vincent Hyde
Chairman



ASX Limited
ABN 98 008 524 691
Level 8
Exchange Plaza
2 The Esplanade
Perth WA 6000

GPO Box D187
Perth WA 6840

Telephone 61 08 9224 0025
Facsimile 61 (08) 9221 2020
Internet <http://www.asx.com.au>

29 March 2007

Mr Vincent Hyde
Company Secretary
Prime Minerals Limited
34 Parliament Place
WEST PERTH WA 6005

By Facsimile: 08 9364 7190

Dear Vincent,

Prime Minerals Limited (the "Company")

RE: PRICE QUERY

We have noted a change in the price of the Company's securities from \$0.61 on 22 March 2007 to \$1.025 today. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price change and increase in volume, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?
2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price change and increase in volume in the securities of the Company?
4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by facsimile on facsimile number (08) 9221 2020. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, **not later than 12.00WST Today.**

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Listing rule 3.1

Listing rule 3.1 requires an 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. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Trading halt

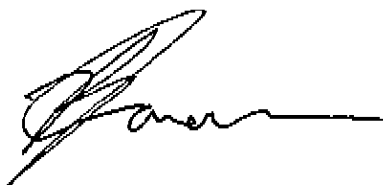
If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- 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.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours sincerely,



Ben Donovan
Issuer Advisor, Perth