

3 February 2020

Daniel Nicholson
Adviser, Listings Compliance
Australian Securities Exchange
Level 40, Central Park
152-158 St George's Terrace
Perth WA 6000

Dear Daniel,

HAWKSTONE MINING LIMITED (ASX: HWK) – RESPONSE TO PRICE QUERY

Hawkstone Mining Limited (the **Company** or **HWK**) refers to your Price Query Letter dated 14 January 2020 and provides the following responses:

1. *Is HWK 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?*

The Company has been in discussions with respect to a proposed transaction (**Proposed Transaction**), which now has reached an advanced stage of negotiations and will be disclosed to the market in an accompanying announcement in accordance with its continuous disclosure obligations.

Although the Company is not aware of any loss of confidentiality regarding the Proposed Transaction, it is possible that the trading in HWK's securities prior to entering the trading halt on 15 January 2020 may in some part be explained by these negotiations. However, HWK is firmly of the view that such negotiations did not affect the trading activity in its securities prior to entering into a trading halt and that details of the Proposed Transaction remain confidential, other than to the extent that they are being disclosed in this letter and the accompanying market announcement.

The Proposed Transaction is the acquisition, subject to completion of satisfactory due diligence, of the Lone Pine Gold Project located in Idaho, USA.

As these negotiations have now been finalised, HWK will, at the same time as this response, release the accompanying announcement to the market detailing the material terms of the Proposed Transaction.

2. *If the answer to question 1 is "yes"*

- a) *Is HWK relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?*

HWK has relied on Listing Rule 3.1A with respect to the information on the Proposed Transaction which is not otherwise disclosed in its response to question 1 and notes, however, that the Proposed Transaction will be disclosed to the market at the same time as this response.

b) Can an announcement be made immediately?

Yes, a market announcement with respect to the Proposed Transaction accompanies this response.

c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?

Not applicable. A market announcement with respect to the Proposed Transaction accompanies this response.

3. If the answer to question 1 is “no”, is there any other explanation HWK may have for the recent trading in its securities?

Not applicable.

4. Please confirm that HWK is in compliance with Listing Rules and, in particular, Listing Rule 3.1

HWK confirms that it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

5. Please confirm that HWK’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 HWK with delegated authority from the Board to respond to ASX on disclosure matters.

HWK confirms that its responses to the questions above have been authorised and approved by its Board.

Yours sincerely



Oonagh Malone

Company Secretary

