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12 March 2018

Adviser, Listings Compliance (Perth)  
ASX Limited  
Level 40, Central Park  
152-158 St Georges Terrace  
Perth, WA, 6000

Attention: Sebastian Bednarczyk

Dear Sebastian,

**CENTENNIAL MINING LIMITED – ASX APPENDIX 5B QUERY**

Further to your letter dated 8 March 2018, please find the response of Centennial Mining Limited (ASX: CTL) (**CTL** or the **Company**) below:

**1. Does the Company expect that it will continue to have negative operating cash flows for the time being and, if not, why not?**

**CTL Response:** Cashflows in the previous reporting periods were negatively impacted by expenditure on essential capital items as well as significant one-off maintenance expenses, as the Company's gold mining operations ramped up. This has seen a +60% increase in throughput at the Company's Porcupine Flat processing facility, since December 2017, and a commensurate increase in revenues.

**2. Has the Company taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?**

**CTL Response:** The Company anticipates operations will be self-funded as the processing operations have reached targeted levels and forecast grades improve during the March and June 2018 Quarters. Production guidance for the March 2018 quarter was 4,600 to 4,800 ounces of gold generating circa \$8 million (at a forecast sale price of \$1,690 per ounce). Mining operations are inherently risky and subject to unforeseen circumstances, beyond the Company's control, that can impact operations and cashflow. The Company's operational cashflow is forecast to be cashflow positive in calendar year 2018.

3. ***Does the Company expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?***

**CTL Response:** Refer response to question 3 above.

4. ***Please confirm that the Company is in compliance with Listing Rule 3.1 and that there is no information that should be given to ASX about its financial condition in accordance with that Rule that has not already been released to the market.***

**CTL Response:** Confirmed.

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

**CTL Response:** The responses were formulated in consultation with the board with authority delegated to the Executive Chairman to settle the responses. The Executive Chairman has authorised the submission of the responses in the form appearing above.

If you require further clarification, please do not hesitate to contact the undersigned.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'Dale Rogers', is positioned above the printed name and title.

Dale Rogers  
Executive Chairman



8 March 2018

Mr Dennis Wilkins  
Centennial Mining Limited  
10 Mary Street  
COMO WA 6152

By email

Dear Mr Wilkins

**Centennial Mining Limited ("CTL"): Appendix 5B Query**

I refer to CTL's Appendix 5B quarterly report for the period ended 31 December 2017 lodged with ASX Market Announcements Platform on 1 February 2018 (the "Appendix 5B").

ASX notes that CTL has reported:

- negative net operating cash flows for the quarter of \$2,665,000;
- cash at the end of the quarter of \$564,000; and
- estimated cash outflows for the next quarter of \$7,900,000.

It is possible to conclude, based on the information provided in the Appendix 5B that if CTL were to continue to expend cash at the rate indicated by the Appendix 5B, CTL may not have sufficient cash to continue funding its operations. In view of that, ASX asks CTL to answer separately each of the following questions and provide the following confirmations in a format suitable for release to the market in accordance with Listing Rule 18.7A:

1. Does CTL expect that it will continue to have negative operating cash flows for the time being and, if not, why not?
2. Has CTL taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
3. Does CTL expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
4. Please confirm that CTL is in compliance with Listing Rule 3.1 and that there is no information that should be given to ASX about its financial condition in accordance with that Rule that has not already been released to the market.
5. Please confirm that CTL'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 CTL with delegated authority from the board to respond to ASX on disclosure matters.

Please also provide any other information that CTL considers may be relevant to ASX forming an opinion on whether CTL is in compliance with Listing Rule 12.2 (a listed entity's financial condition must, in ASX's opinion, be adequate to warrant the continued quotation of its securities and its continued listing).

### **When and where to send your response**

This request is made under, and in accordance with Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than 6.30 am AWST on Tuesday, 13 March 2018. If we do not have your response by then, ASX will have no choice but to consider suspending trading in CTL'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, CTL'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 response should be sent to me by e-mail. 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 Rule 3.1**

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 CTL'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 CTL'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, you should discuss with us whether it is appropriate to request a trading halt in CTL's securities under Listing Rule 17.1.

If you wish to request 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*.

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

Yours sincerely,

*[sent electronically without signature]*

Sebastian Bednarczyk  
Senior Adviser, Listings Compliance (Perth)

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