

17 October 2017

Jeremy Newman  
Senior Advisor, ASX Listings Compliance (Perth)

By Email

Dear Jeremy,

I refer to your correspondence of 12 October 2017.

I apologise for the late reply. I was travelling back from Indonesia on Thursday and on leave Friday and Monday.

The Company provides the following response to your questions:

1. Please explain why the Appendix 3X was received late?

This was an administrative oversight at the time of Mr Paterson's appointment.

2. What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?

Under schedule 1 of the Sihayo Corporate Governance Plan, the Company Secretary is responsible for the induction of new directors. As part of the induction, the obligation to disclose the notifiable interests of the director is communicated and the Appendix 3X should be completed during the induction.

3. If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?

The company Secretary has updated the induction checklist to include the lodgement of the appendix 3X within 5 business days of appointment, especially where the induction is delayed due to both the director and the company secretary commuting at different times between Australia and Indonesia.

Regards,



Danny Nolan  
Company Secretary



12 October 2017

Mr Daniel Nolan  
Company Secretary  
Sihayo Gold Limited

Dear Mr Nolan

**Sihayo Gold Limited (the “Company”)**

I refer to the following:

1. The Company’s announcement lodged with ASX Ltd (“ASX”) and released on 26 September 2017, regarding an initial director’s interest notice in respect of Mr Malcolm Paterson (“Appendix 3X”).
2. Listing rule 3.19A which requires an entity to tell ASX the following:
  - 3.19A.1 *The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times:*
    - *On the date that the entity is admitted to the official list.*
    - *On the date that a director is appointed.*

*The entity must complete an Appendix 3X and give it to ASX no more than 5 business days after the entity’s admission or a director’s appointment.*
  - 3.19A.2 *A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. The entity must complete an Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.*
  - 3.19A.3 *The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete an Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.*

3. Listing rule 3.19B which states as follows.

*An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.*

4. Guidance Note 27 which states as follows.

*Where a director of an entity breaches its trading policy by trading in securities during a closed period without prior written clearance, that breach will generally be a matter of public record because of the disclosures in the Appendix 3Y (Change of Director's Interest Notice) required to be lodged with ASX in relation to that trading. In this situation, to meet the standards of good governance expected of listed entities and their directors, an entity should give careful consideration to whether it ought to make an announcement to the market explaining the circumstances of the breach and what (if any) disciplinary or remedial action the entity has taken, or proposes to take, in relation to the breach.*

The Appendix 3X indicates that Mr Paterson was appointed as a director of the Company on 1 June 2017. An Appendix 3X should have been lodged with the ASX by no later than 8 June 2017, being no more than 5 business days after the initial change occurred. As the Appendix 3X was lodged on 26 September 2017, it appears that the Company may be in breach of listing rules 3.19A and/or 3.19

Please note that ASX is required to record details of breaches of the listing rules by listed companies for its reporting requirements.

ASX reminds the Company of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Company make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

Having regard to listing rules 3.19A and 3.19B and Guidance Note 22: "Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities", we ask that you answer each of the following questions.

1. Please explain why the Appendix 3X was lodged late.
2. What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by e-mail to [jeremy.newman@asx.com.au](mailto:jeremy.newman@asx.com.au). It should not be sent to ASX Market Announcements.

A response is requested as soon as possible and, in any event, by no later than 3:00 pm Monday, 16 October 2017.

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 form suitable for release and must separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Yours sincerely,

*[sent electronically without signature]*

Jeremy Newman

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