



24 April 2009

Ms Frances Finucan

Senior Adviser, Issuers (Brisbane)
Australian Securities Exchange
Level 5, Riverside Centre
123 Eagle Street
Brisbane QLD 4000

Dear Ms Finucan

RE: DIRECTOR'S INTERESTS
Appendix 3X Initial Director's Interest Notice
Appendix 3Z Final Director's Interest Notice

We acknowledge your letter dated 23 April 2009 with regard to the recent lodgements of the above documents, which followed a re-organisation of management and the Board of Directors of the Company as announced on 6 April 2009.

We acknowledge that the timing of lodging the relevant Appendix 3X, with regard to the newly appointed directors of Messrs Everett and Finnis, and the Appendix 3Z, with regard to the retiring directors of Dr Fardon and Messrs Bunting and Thorpe, was unfortunately not lodged within the period specified by the Listing Rules, which required lodgement of these documents by not later than 15 April. As noted, we filed the Appendices 3X on 21 April and the Appendices 3Z on 22 April.

You asked several questions in relation to our failure to meet the relevant Listing Rules for such disclosure and we respond as follows, including quoting the individual questions as part of our response.

Q1 Please explain why the Appendices 3X and Appendices 3Z were lodged late

The changes announced to the Board and management of the Company was obviously an important matter that was seen as requiring announcement as soon as possible for a fully informed market. WE therefore endeavoured to have this announced as soon as appropriate resolutions could be passed. However at the time of the announcement, namely 6 April, we had lost availability of the full time executive officer and for varying periods of time subsequent, the new newly appointed directors were not available due to being overseas or elsewhere outside of Brisbane without being readily contactable. The writer was also absent for a limited period immediately prior to the lodgements on 21 April.

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These absences caused delays to confirmation of relevant new director's interests (i.e. with regard to the Appendices 3X). The lodgement of the Appendices 3Z was initially and inadvertently lodged as Appendices 3Y (refer release made on 21 April, 2009) and this was corrected the following day (22 April, 2009). It had been assumed, at the time, that it would be appropriate to lodge all appendices in the one announcement, rather than two, which caused the delay on the retiring director interest notifications (i.e. Appendices 3Y and then 3Z). This was clearly an error in judgement on our behalf.

Q2 What arrangement 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?

The Company's procedures ensure that all directors provide regular updates to the Chief Executive Officer of changes to their respective interests in the Company, and this enables monitoring of requirements for lodging Appendices 3Y. In terms of the newly appointed directors', most of the relevant information relating to their respective interests was ascertained prior to lodgement; however on further review (in each case) there was an element of the respective interests requiring confirmation. As noted, the absence and lack of contact with each of the newly appointed directors caused an initial delay in confirming the outstanding element of information, compounded by the writer's absence for several days immediately prior to lodgement. We therefore see this is an unusual set of circumstances that we do not expect to be repeated.

Q3 If the current arrangements are inadequate or not being enforced, what additional steps do the Company intend to take to ensure compliance with listing rule 3.19B?

We believe the arrangements and procedures in place remain adequate notwithstanding the non-compliance on this particular matter, due to the combination of unusual circumstances noted. However, given the departure of the full time executive officer of the Company, the particular role played by that position previously (in terms of existing procedures noted above) is now assigned to the writer. This should ensure no future gaps in communication on such matters of compliance.



Barry J Casson
Company Secretary / Finance Director
Cloncurry Metals Limited
Email: barryc@bigpond.net.au



23 April 2009

Mr Barry Casson
Company Secretary
Cloncurry Metals Limited
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By email: info@cloncurrymetals.com.au

Dear Mr Casson,

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**Cloncurry Metals Limited (the "Company")
Appendix 3X Initial Director's Interest Notice
Appendix 3Z Final Director's Interest Notice**

We refer to the following:

1. Appendices 3X lodged by the Company with ASX on Tuesday, 21 April 2009 for Mr Stephen Everett and Mr Simon Finnis (the "Appendices 3X");
2. Appendices 3Z lodged by the Company with ASX on Wednesday, 22 April 2009 for Dr Ross Fardon, Mr Frank Bunting and Mr Robert Thorpe (the "Appendices 3Z").
3. 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 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). The entity must complete 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 Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.
4. Listing rule 3.19B which states as follows.

Australian Securities Exchange

Australian Stock Exchange
Sydney Futures Exchange

Australian Clearing House
SFE Clearing Corporation

ASX Settlement and Transfer Corporation
Austraclear

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.

5. The Companies Update dated 27 June 2008, reminding listed entities of their obligation to notify ASX within 5 business days of the notifiable interests in securities held by each director and outlining the action that ASX would take in relation to breaches of listings rules 3.19A and 3.19B.

The Appendices 3X indicate that Mr Stephen Everett and Mr Simon Finnis were appointed as directors of the Company on 6 April 2009. It appears that Messrs Everett and Finnis should have lodged their Appendices 3X with ASX by Wednesday, 15 April 2009. Consequently, the Company may be in breach of listing rules 3.19A and/or 3.19B. It also appears that Messrs Everett and Finnis may have breached 205G of the Corporations Act.

The Appendices 3Z indicate that Dr Ross Fardon, Mr Frank Bunting and Mr Robert Thorpe ceased to be directors of the Company on 6 April 2009. It appears that Dr Fardon, Messrs Bunting and Thorpe should have lodged their Appendices 3Z with ASX by Wednesday, 15 April 2009. Consequently, the Company may be in breach of listing rules 3.19A and/or 3.19B.

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 Appendices 3X and Appendices Z were 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 do the Company intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by e-mail at frances.finucan@asx.com.au or by facsimile on facsimile number (07) 3832 4114. It should **not** be sent to the Company Announcements Office.

A response is requested as soon as possible and, in any event, not later than half an hour before the start of trading **before 9.30am EST on Monday, 27 April 2009.**

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 should separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Yours sincerely



Frances Finucan
Senior Adviser, Issuers (Brisbane)