

5 July 2019

Ms Lisa Banh  
Senior Adviser, Listings Compliance (Sydney)  
ASX Limited  
20 Bridge Street  
SYDNEY NSW 2000

By email: [lisa.banh@asx.com.au](mailto:lisa.banh@asx.com.au)

**RE: ASX Aware Query**

We refer to your letter of 4 July 2019 to Cellmid Limited ("CDY" or the "Company") and adopting similar paragraph numbering as contained therein we respond as follows:

1. Yes, CDY does consider the Announcement to be information that a reasonable person would expect to have a material effect on the price or value of its securities.
2. N/A
3. CDY received the sales results on TV shopping channel QVC in Japan after business hours on Wednesday 3 July 2019. The sales revenue generated from the sales results was calculated and verified during the morning of Thursday, 4 July 2019.
4. Per response to question 3, having received the sales results after business hours on Wednesday, 3 July 2019 the sales results were verified and audited in-house by CDY during the morning of Thursday, 4 July 2019. Once the sales revenue was verified and its cumulative effect on the overall sales results for 4Q FY2019 was known an ASX announcement was drafted and distributed to the Board for approval immediately.

Once the results were known and verified CDY ensured that an announcement was released on the same day, promptly and without delay, recognising the need to release the information under ASX Listing Rule 3.1.

CDY does not believe the trading during 2<sup>nd</sup> and 3<sup>rd</sup> July, prior to the Announcement, indicates that confidentiality may have been lost having only known the final sales themselves after hours on 3<sup>rd</sup> July, and the verified Australian dollar value on Thursday, 4<sup>th</sup> July.

5. CDY is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
6. The responses noted above have been authorised and approved by the Board of Directors.



We trust this answers your queries.

Yours faithfully

A handwritten signature in black ink, appearing to read "Lee Tamplin".

Lee Tamplin

Company Secretary



4 July 2019

Mr Lee Tamplin  
Company Secretary  
Automatic Group

By email:

Dear Mr Tamplin

**Cellmid Limited ('CDY'): Aware Query**

ASX refers to the following:

- A. CDY's announcement entitled "Cellmid Sets Another Sales Record in Q4 FY2019" lodged on the ASX Market Announcements Platform [and released at 2.49 PM] on 4 July 2019 (the 'Announcement'), disclosing an increase in sales revenue for Q4 FY2019 ('Announcement').
- B. The change in price of CDY's securities from a close of \$0.17 on 1 July 2019 to a high of \$0.23 today. We also note the significant increase in the volume of CDY's securities traded from 2 July 2019 to 4 July 2019.
- C. Listing Rule 3.1, which requires a listed entity to immediately give ASX 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.
- D. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

*"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity" and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information."*

- E. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

*"3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:*

*3.1A.1 One or more of the following applies:*

- *It would be a breach of a law to disclose the information;*
- *The information concerns an incomplete proposal or negotiation;*
- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- *The information is generated for the internal management purposes of the entity; or*
- *The information is a trade secret; and*

*3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

*3.1A.3 A reasonable person would not expect the information to be disclosed."*

- F. ASX's policy position on the concept of "confidentiality", which is detailed in section 5.8 of Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B. In particular, the Guidance Note states that:

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*“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.”*

### **Request for Information**

Having regard to the above, ASX asks CDY to respond separately to each of the following questions and requests for information:

1. Does CDY consider the Announcement to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is “no”, please advise the basis for that view.
3. When did CDY first become aware of the Information?
4. If the answer to question 1 is “yes” and CDY first became aware of the Information before the relevant date, did CDY make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe CDY was obliged to release the information under Listing Rules 3.1 and 3.1A, whether the trading in CDY’s securities prior to the Announcement indicates that confidentiality may have been lost, and what steps CDY took to ensure that the information was released promptly and without delay.
5. Please confirm that CDY is complying with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that CDY’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 CDY with delegated authority from the board to respond to ASX on disclosure matters.

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

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than 9.30 AM **AEST Monday, 8 July 2019**.

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, CDY’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 and may require CDY to request a trading halt immediately.

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 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*.

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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 at [ListingsComplianceSydney@asx.com.au](mailto:ListingsComplianceSydney@asx.com.au). 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 Rules 3.1 and 3.1A**

In responding to this letter, you should have regard to CDY'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 CDY'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.

### **Suspension**

If you are unable to respond to this letter by the time specified above ASX will likely suspend trading in CDY's securities under Listing Rule 17.3.

### **Enquiries**

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

Regards

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**Lisa Banh**  
Senior Adviser, Listings Compliance (Sydney)