



iCandy Interactive Limited
(ACN 604 871712)
Level 4, 91 William Street,
Melbourne. VICTORIA 3000
Australia

www.icandy.co

11 April 2019

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

Sent by email: Isabelle.Andrews@asx.com.au
Copy: ListingsCompliancePerth@asx.com.au

Dear Isabelle,

Response to ASX Query

I refer to your letter dated 5 April 2019 (**ASX Query Letter**) to iCandy Interactive Limited (**ICI or iCandy** or the **Company**). Unless specifically defined otherwise, capitalised terms used in this letter have the same meaning as given in the ASX Query Letter.

The Company responds to each of your queries as follows:

Regarding the AB1 Games Acquisition

- 1. Please advise the basis for ICI's view that the delay in the payment of the Remaining Cash Consideration and Maintenance Fee is not material to ICI.**

The payment of the Remaining Cash Consideration and Maintenance Fee has always been accounted for by the Company in planning their cashflow since the original announcement of the transaction on 15 November 2017. The Maintenance Fee and Migration Fee (which is a separate fee that was only incorporated into the transaction as announced on 25 June 2018) are either payable in cash or shares by mutual agreement. As the fees have always remained an ongoing financial obligation to be paid by ICI (as previously announced), ICI does not believe the delay in their payment was material enough to require further announcement. ICI will continue to update the market if and when the fees are completely paid by ICI. The delay the making these payments was mutually agreed with AB1 and did not result in a breach of the Definitive Share and Purchase Agreement.

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2. **Please confirm that the Maintenance Fee includes both Maintenance Services and Migration Services in the Animoca Updates Announcement. If the Maintenance Fee does not include these amounts, what other amounts have been paid or are owing to AB1 by ICI.**

The Maintenance Fee does not include the Migration Fee.

The Maintenance Fee, was announced in the Company's original announcement on 15 November 2017, and a final amount to be paid by the Company in respect to this fee is yet to be determined between the Company and AB1. Whether the payment of the fee is to be made via cash or shares is still yet to be determined also.

The Migration Fee, which was announced (as an amendment) by the Company on 25 June 2018, is to be paid by the Company to AB1 after completion of the operational handover and is subject to the Company receiving an invoice for such services from AB1. The Company anticipates this fee would be approximately AUD \$500,000. Whether the payment is to be made via cash or shares is still yet to be determined also.

3. **Please provide exact date which ICI became aware that the Remaining Cash Consideration ICI was due to pay in September 2018, October 2018 and November 2018 was not going to be paid.**

The Company knew on the 7 September 2018, 5 October 2018 and 9 November 2018 that the respective payments for the 3 months listed above were not paid. The Company was in constant discussions with AB1 during these months, with the intention of paying the Remaining Cash Consideration after the technical issues with the operational handover were resolved (anticipated to be in January 2019). On 30 January 2019, the Company was made aware that the technical issues in respect to the operational handover would not be resolved by the 30 January 2019. As a result of further discussions between ICI and AB1 from the end of January 2019, on 1 March 2019, both companies agreed to an extension of the outstanding payments (Remaining Cash Consideration, Maintenance Fee and Migration fee) to be deferred up to September 2019.

4. **Why was the Remaining Cash Consideration and Maintenance Fee not paid?**

There are outstanding technical matters in the operational handover process of the acquired game portfolio from Animoca Brands in which certain software source codes of some mobile games of lesser importance have not been transferred over from Animoca Brands to iCandy. However, this does not affect the Company's legal ownership of the acquired game portfolio nor does it have any material impact on the revenue of the acquired game portfolio. Upon these outstanding technical matters being resolved (anticipated to be no later than September 2019), ICI will then complete the payment of the Remaining Cash Consideration, the Migration Fee and the Maintenance Fee. Whether the payment of the Migration Fee and the Maintenance Fee is to be made via cash or shares is still yet to be determined. The delay in the making these payments was mutually agreed with

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AB1 and did not result in a breach of the Definitive Share and Purchase Agreement.

5. What is the impact of the Remaining Cash Consideration and Maintenance Fee not being paid?

The delay in ICI making these payments (if made in cash) will provide some additional temporary cash resources to the Company and some short-term positive effect on the financials of the Company. However, these effects will only be temporary (until the fees are ultimately paid). Accordingly, ICI believes the delays to be non-material to the Company. The delay in making these payments was mutually agreed with AB1 and did not result in a breach of the Definitive Share and Purchase Agreement.

6. How many source codes are outstanding?

There are 91 source codes for game apps outstanding or to be fully completed in the hand-over process as at the date of this response. Accordingly, ICI is in possession of source code for 227 of the total 318 casual games.

Regarding the esports.com Investment Agreement

7. Please advise the basis for ICI's view that the delay in receipt of funds for the Remaining Tranches under the esports.com Investment Agreement is not material to ICI with reference to ICI's cash position as included in the Appendix 4C.

The Company generates operational cash inflows from its existing business and is sufficient to cover the Company's operational cash outflows. There was no change in the ICI Board's original understanding, being that the funds for the Remaining Tranches would always be provided by eSports.com. The Company was in discussions with eSports.com during this period and was always of the understanding that the Remaining Tranches would be paid. The Board did not consider that the delay in receipt of funds for the Remaining Tranches under the eSports.com Investment Agreement to be material. The Company has no reliance on cash from the remaining tranches to maintain its current operations.

8. Please provide the exact date which ICI became aware that ICI had not received the funds from esports.com in order to issue the Remaining Tranches due to be issued on 1 November 2018 and 3 December 2018.

The Company was of the understanding that the necessary payments would be made on 1 November 2018 and 3 December 2018. The Company became aware on the 5 November 2018 and 6 December 2018 respectively that eSports.com had not met their payment obligations. Since 5 November 2018, the Company has been in continuous discussions with eSports.com in relation to the outstanding payments, which eSports.com continually assured to the Company would be paid imminently. The Company provided an update in respect of what funds it had received from eSports.com in the Company Appendix 4C on 31 January 2019. As

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a result of these discussions, the Company was made aware by eSports.com on 10 February 2019 that eSports.com would require a further extension for the payments to be made. As such, after continuous discussions, the Company agreed on 27 February 2019 to extend the deadline to May 2019. The Company was always of the understanding that the outstanding payments would be made imminently.

9. Please provide the exact amount that remains outstanding to ICI under the eSports.com Investment Agreement.

The exact amount that remains outstanding to ICI under the eSports.com Investment Agreement is \$774,792.76.

10. Please provide details of what due diligence ICI completed on eSports.com to satisfy itself that eSports.com had sufficient funds for the full investment in ICI.

ICI has conducted due diligence on the following matters:

- The business plan of eSports.com (as provided by eSports.com to the Company) and its commercial viability going forward;
- The reputation of eSports.com in the digital entertainment industry which was conducted via research performed on media coverages on the company;
- The background, experience and capabilities of the management of eSports.com; and
- The assets of eSports.com.

Further, eSports.com demonstrated to the Company that it had secured (or was in the process of securing) commercial partnerships with other significant groups in the industry such as Astralis (a top global professional esports team) and CloudMoolah (leading game payment gateway). These partnerships were subsequently confirmed by the Company through its due diligence searches.

It was the Company's understanding that eSports.com is a premium esports media platform of global standards.

Regarding the XCademy Investment

11. Please provide further details on what ICI means by "internally generated funds"

"Internally generated funds" refers to the cash inflows (being revenue) derived from the Company's existing business.

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Financial Record Keeping

- 12. ASX understands that ICI was due to issue the remaining securities to esports.com under the esports.com Investment Agreement on 1 November 2018 and 3 December 2018, with reference to the Market Update which states ICI only became aware that the payments due were not going to be made by esports.com on or around the middle of February 2019:**

12.1 Please provide the exact date these payments were due;

These payments were meant to be paid on the 1 November 2018 and 3 December 2018.

12.2 Outline what systems ICI has in place for managing cash receivables, in particular investments.

ICI uses an accounting software to manage its receivables. An aged receivable report would be printed every week and provided to management to determine the aging of the Company's receivables.

In relation to its investments, a schedule is kept with the due dates linked to management's calendars for reminders.

12.3 Are the Directors of ICI satisfied that the current systems are adequate for a listed entity to fulfil its reporting obligations under the Listing Rules?

The Directors consider that the current systems are adequate for the purposes of a listed entity fulfilling its Listing Rule obligations. In addition, as a result of ASX's queries, the Directors are currently undertaking a review of how the information provided by the current system is disseminated and reviewed by management and the Board.

- 13. ASX understands that ICI was due to pay the Remaining Cash Consideration in three tranches to AB1 by September 2018, October 2018 and November 2018, respectively, with reference to the Market Update which states that ICI only became aware that this was not going to be paid in January 2019.**

13.1 Please outline the processes which ICI has to manage accounts payable, in particular regarding acquisitions.

ICI uses an accounting software to manage its payables. An aged payables report would be printed every week and provided to management to determine the aging of the Company's payables.

In relation to its investments, a schedule is kept with the due dates linked to management's calendars for reminders.

13.2 Please outline the processes which ICI's Board are kept informed of ICI's cash position and its ability to make payments that are due.

The Board is informed of the net cash position (including upcoming payables and receivables) of the Company at the end of every month. In the meantime, the ICI Board can request an update on ICI's cash position at any time from the Chairman, Executive Director or Joint Company Secretaries who continually monitor the bank account.

13.3 Are the Directors of ICI satisfied that the current systems are adequate for a listed entity to fulfil its reporting obligations under the Listing Rules?

The Directors consider that the current systems are adequate for the purposes of a listed entity fulfilling its Listing Rule obligations. In addition, as a result of ASX's queries, the Directors are currently undertaking a review of how the information provided by the current system is disseminated and reviewed by the Board.

14. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

The Company confirms it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

15. 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.

The Company confirms that the responses provided in this letter have been authorised and approved by the Board.

Should you have any further queries, please contact the undersigned.

Yours sincerely for and on behalf of iCandy



Ms Jiahui Lan
Joint Company Secretary
iCandy Interactive Limited

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5 April 2019

Ms Jiahui Lan
Company Secretary
iCandy Interactive Limited
C/- DW Accounting & Advisory Pty Ltd
Level 4, 91 William Street
Melbourne VIC 3000

By email:

Dear Ms Lan

iCandy Interactive Limited ('ICI'): Query

ASX Limited ("ASX") refers to the following:

- A. ICI's announcement entitled "Update-ICI To Acquire A Portfolio of Mobile Casual Games" ("Animoca Brands Acquisition") released on the ASX Market Announcements Platform on 15 November 2017, disclosing the following:
- (a) That ICI had signed a binding term sheet with Animoca Brands ("AB1") pursuant to which ICI was to acquire a portfolio of 318 mobile casual games from AB1;
 - (b) That the proposed acquisition would add 325 million gamers to ICI's existing portfolio;
 - (c) That the consideration for the acquisition was to be as follows:
 - (i) A\$1 million in cash;
 - (ii) \$4 million in ordinary shares of ICI; and
 - (iii) A performance based payment of up to \$3 million.
 - (d) That the transaction was expected to complete over the next 75 days.
- B. ICI's announcement entitled "Update on Acquisition of Animoca's Portfolio of Mobile Games" released on the ASX Market Announcements Platform on 27 December 2017, disclosing the following:
- (a) That ICI had signed a "Definitive Sales and Purchase Agreement" for the acquisition of mobile casual games from AB1 (the "Animoca Transaction").
 - (b) That the Transaction was expected to complete within 60 days.
- C. ICI's announcement entitled "Updates & Amendment of terms to AB1 Game Portfolio Acq" released on the ASX Market Announcements Platform on 25 June 2018 ("Animoca Updates Announcement"), disclosing the following:
- (a) That ICI had paid A\$250,000 to AB1 as an upfront cash payment;
 - (b) That ICI and AB1 had agreed that the A\$750,000 cash payable at completion would be paid by ICI in 5 equal monthly instalments of A\$150,000 paid on the last day of each month commencing July 2018;
 - (c) That A\$4 million in ICI shares would be issued on or about 29 June 2018 pursuant to shareholder approval obtained by ICI at ICI's annual general meeting held on 22 May 2018;
 - (d) That AB1 will perform services for and on behalf of ICI for games whose publishing rights have not been transferred to ICI and that the costs associated will be reimbursed via either cash or the issue of shares by ICI on a monthly basis ("Maintenance Services"); and

- (e) That the hand-over period during which AB1 will continue to publish, operate and maintain the AB1 game portfolio will be extended from 3 months to 6 months until the ICI team is ready to take over the game portfolio, that the costs incurred by AB1 during this period will be reimbursed by ICI via cash or shares in ICI on a monthly basis and that these costs equate to approximately \$500,000 ("Migration Services").
- D. ICI's announcement entitled "iCandy signs investment agreement with eSports.com" released on the ASX Market Announcements Platform on 1 August 2018, disclosing the following:
- (a) That eSports.com would subscribe for 16,500,000 new shares in ICI ("Subscription Shares") for a total consideration of AU\$1,320,000 or at a premium price of AU\$0.08 per share ("Subscription Price");
- (b) That the Subscription Price would be payable in 5 equal tranches with the first tranche payable within 3 business days of signing of the investment agreement, and the remaining tranches to be paid over a 4-month period commencing 3 September 2018; and
- (c) Upon the issuance of the first tranche of the Subscription Shares, eSports.com shall be entitled to nominate a director to the Board of Directors of ICI.
- E. ICI's announcement entitled "Market Update on the Animoca Brands Game Portfolio Acq" released on the ASX Market Announcements Platform on 15 August 2018, disclosing that the process of taking over AB1's game portfolio and integrating it into ICI's platform was progressing well and scheduled to be completed by the end of 2018 "providing a key value proposition to the Company as a global player in the digital entertainment arena."
- F. ICI's announcement entitled "Appendix 4C - quarterly" for the period ending 31 December 2018 released on the ASX Market Announcements Platform on 31 January 2019 ("Appendix 4C"), that included the following statements:
- "The takeover and integration process of the Animoca Brands game portfolio is ongoing and progressing well. In addition, iCandy has started working closely with Animoca Brands as a strategic partner via collaboration in various synergistic areas."
- "As at the end of the quarter, iCandy has received an investment sum of A\$545,207 and issued a total of 6,815,091 ICI shares to eSports.com"
- And disclosed the following information:
- (a) Receipts from customers for the quarter totalled A\$ 285,000
- (b) ICI's net cash from operating activities was (A\$ 177,000);
- (c) ICI's net cash from investing activities was (A\$ 123,000);
- (d) ICI's cash position at the end of the quarter was A\$ 361,000; and
- (e) ICI's anticipated cash outflows for the next quarter was A\$ 330,000.
- G. ICI's announcement entitled "ICI to take 20% stake in UK based Video Influencer Platform" released on the ASX Market Announcements Platform on 5 March 2019, that included the following statement:
- "Subject to the satisfaction of all of the conditions precedent under a definitive agreement to be entered into between iCandy and the Founders ("Definitive Documentation"), iCandy intends to invest up to USD\$200,000 in cash consideration and USD\$100,000 in digital advertising into Xcademy in return for 20% of the enlarged share capital of Xcademy."
- H. ICI's announcement entitled "Market Update" released on the ASX Market Announcements Platform on 8 March 2019, that included the following statements:

- (a) In respect of the investment in Xcademy Ltd (“Xcademy Investment”):

“iCandy confirms that it intends to fund the total investment cost of US\$300,000 (US\$200,000 investment plus US\$100,000 in digital advertising within its game network) through internally generated funds”

- (b) In respect of the investment agreement with esports.com (“esports.com Investment Agreement”):

“the balance of the second tranche and a portion of the third tranche of 931,842 shares was issued on 12 December 2018 (refer to Appendix 3B dated 12 December 2018). The Company confirms that as at today’s date, 3,084,909 shares, with a value of approximately \$246,803 remains outstanding under the third tranche; and

the fourth and fifth tranches are currently outstanding and were due to be issued to eSports on 1 November 2018 and 3 December 2018 respectively.”

“The Company notes that the issuance of the remaining balance of the third tranche, as well as the fourth and fifth tranches (“Remaining Tranches”) are subject to the receipt of outstanding subscription monies from eSports. The Company became aware that the payments due to the Company for the Remaining Tranches would not be made on and around the middle of February 2019.

The Company does not consider the information with respect to the Remaining Tranches noted above to be material. The Company notes that the delay in receiving subscription monies from eSports has resulted in less dilution of shareholders due the delay in the issuance of shares and has not had a material impact on the Company's financial position or its ability to remain solvent.

The Company is currently in discussions with eSports and has agreed to the extension of the deadline by which outstanding subscription monies are to be received from eSports for the Remaining Tranches from May 2019 onwards. The Company will ensure that it continues to keep the market informed as to the status of the Investment Agreement and its ongoing discussions with eSports in accordance with its continuous disclosure obligations.

As at the date of this announcement, iCandy has received a total of AU\$545,207 from eSports.com. In return, eSports.com has been issued a total of 6,815,091 new shares in iCandy.”

- (c) In respect of the acquisition of the 318 mobile games from AB1 (“AB1 Game Acquisition”):

“of the \$750,000 cash payable by the Company in five monthly instalments commencing in July 2018 (Cash Consideration), \$300,000 has been paid. The remaining amount of \$450,000 includes the second, third, fourth and fifth instalments, which were due to be paid by September 2018, October 2018 and November 2018 respectively (“Remaining Cash Consideration”).

up to \$3 million worth of shares to be issued upon satisfaction of certain milestones have not been issued as the relevant performance milestones have not been met; and

\$500,000, payable in cash or shares within three months of the completion of the acquisition as an additional maintenance and migration fee (“Maintenance Fee”) has not been paid/issued.

The Company notes that there are outstanding technical matters in the operational handover process of the acquired game portfolio from Animoca Brands in which certain software source codes of some mobile games of lesser importance have not been transferred over from Animoca Brands to iCandy. However, this does not affect the ownership and rights of the acquired game portfolio that iCandy has fully taken control of, and nor does it have any material impact on the revenue of the acquired game portfolio.

Animoca Brands has been very supportive and is working closely with the Company to resolve the outstanding technical matters towards the completion of an ongoing operational handover process,

which includes the process of obtaining from Animoca the necessary source codes that may be required to make future modifications and improvements to the games. Animoca Brands has agreed with the Company to extend the settlement date for the Remaining Cash Consideration and Maintenance Fee to September 2019 to allow for the completion of this operational handover.

The Company became aware that the Remaining Cash Consideration and Maintenance Fee would not be paid by the relevant deadline on January 2019 and came to an agreement on the said deferment with Animoca Brands on 1 March 2019.”

- I. ICI’s announcement entitled “Market Update – Clarification on eSports.com AG” released on the ASX Market Announcements Platform on 4 April 2019 that stated that esports.com AG (“esports.com”) had been placed into provisional liquidation in Germany.
- J. 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.
- K. 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.”*
- L. 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.”*
- M. 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:
- “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 ICI to respond separately to each of the following questions and requests for information:

Regarding the AB1 Games Acquisition

1. Please advise the basis for ICI's view that the delay in the payment of the Remaining Cash Consideration and Maintenance Fee is not material to ICI.
2. Please confirm that the Maintenance Fee includes both Maintenance Services and Migration Services in the Animoca Updates Announcement. If the Maintenance Fee does not include these amounts what other amounts have been paid or are owing to AB1 by ICI.
3. Please provide the exact date which ICI became aware that the Remaining Cash Consideration ICI was due to pay in September 2018, October 2018 and November 2018 was not going to be paid?
4. Why was the Remaining Cash Consideration and Maintenance Fee not paid?
5. What is the impact of the Remaining Cash Consideration and Maintenance Fee not being paid on ICI?
6. How many source codes are outstanding?

Regarding the esports.com Investment Agreement

7. Please advise the basis for ICI's view that the delay in receipt of funds for the Remaining Tranches under the esports.com Investment Agreement is not material to ICI with reference to ICI's cash position as included in the Appendix 4C.
8. Please provide the exact date which ICI became aware that ICI had not received the funds from esports.com in order to issue the Remaining Tranches due to be issued on 1 November 2018 and 3 December 2018.
9. Please provide the exact amount that remains outstanding to ICI under the esports.com Investment Agreement.
10. Please provide details of what due diligence ICI completed on esports.com to satisfy itself that esports.com had sufficient funds for the full investment in ICI.

Regarding the XCademy Investment

11. Please provide further details on what ICI means by "internally generated funds".

Financial Record Keeping

12. ASX understands that ICI was due to issue the remaining securities to esports.com under the esports.com Investment Agreement on 1 November 2018 and 3 December 2018, with reference to the Market Update which states ICI only became aware that the payments due were not going to be made by eposrts.com on or around the middle of February 2019:
 - 12.1 Please provide the exact date these payments were due; and
 - 12.2 Outline what systems ICI has in place for managing cash receivables, in particular investments.
 - 12.3 Are the Directors of ICI satisfied that the current systems are adequate for a listed entity to fulfil its reporting obligations under the Listing Rules?
13. ASX understands that ICI was due to pay the Remaining Cash Consideration in three tranches to AB1 by September 2018, October 2018 and November 2018, respectively, with reference to the Market Update which states that ICI only became aware that this was not going to be paid in January 2019:
 - 13.1 Please outline the processes which ICI has to manage accounts payable, in particular regarding acquisitions.

13.2 Please outline the processes which ICI's Board are kept informed of ICI's cash position and its ability to make payments that are due.

13.3 Are the Directors of ICI satisfied that the current systems are adequate for a listed entity to fulfil its reporting obligations under the Listing Rules?

14. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

15. 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.

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 **05:00 PM AWST Friday, 12 April 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, ICI'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 ICI 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*.

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 ListingsCompliancePerth@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 ICI'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 ICI'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

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

Enquiries

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

Yours sincerely

Isabelle Andrews
Adviser, Listings Compliance (Perth)