

3 September 2024

ASX Compliance
Attn: Dean Litis, Principal Adviser

By email: ListingsComplianceMelbourne@asx.com.au with a copy to Dean.Litis@asx.com.au

RE: ASX QUERY LETTER

Dear Dean,

We refer to your letter dated 2 September 2024 (**Query Letter**). NoviqTech Limited (**the Company** or **NVQ**) provides the following responses to the queries set out in the Query Letter, using the same numbering and defined terms as set out in the Query Letter.

- 1. It appears that the Cleansing Notice may be defective pursuant to section 708A (10)(a) of the Act because NVQ may have been in possession of “excluded information” (as defined in sections 708A(7) and (8) of the Act) at the time NVQ lodged the Cleansing Notice on the Platform.**

Does NVQ consider the information disclosed in the HY Accounts to be information that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of the assets and liabilities, financial position and performance, profits and losses and prospects of NVQ? If the answer to this question is “no”, please advise the basis for that view.

Yes.

- 2. Was NVQ aware of the contents of the HY Accounts at the time it issued the Cleansing Notice? If not, please explain the basis for that view.**

No, NVQ was not aware of the contents of the HY Accounts at the time it issued the Cleansing Notice. The Cleansing Notice was issued by NVQ by lodgement on the MAP at 8.06am on 28 August 2024. At this point in time, the HY Accounts had not been circulated to the board of directors of NVQ. The HY Accounts were first circulated to the board of directors of NVQ in draft for review at 11.46pm on 29 August 2024. The HY Accounts were prepared in draft by an independent accountant contractor of NVQ. The HY Accounts were subsequently reviewed in draft and approved by the board of directors of NVQ in the late afternoon of 30 August 2024, resulting in the release of the HY Accounts to the MAP at 4.05pm on 30 August 2024.

- 3. If the answers to questions 1 & 2 are “yes”, does NVQ consider the Cleansing Notice to have been validly issued? If so, please explain the basis for that view. If not, please outline the remedial action NVQ intends to take.**

Not applicable.

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4. **Please confirm that NVQ complying with the Listing Rules and, in particular, Listing Rule 3.1.**

NVQ confirms that it is in compliance with the Listing Rules, including Listing Rule 3.1.

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

NVQ confirms that its responses to the questions above have been authorised and approved by the board of directors of NVQ.

Yours faithfully,
NoviqTech Limited



Freddy El Turk
CEO

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2 September 2024

Reference: ODIN99224

Mr Jonathan Hart
Company Secretary
Noviqtech Limited

By email

Dear Mr Hart

Noviqtech Limited ('NVQ'): Cleansing notice – Aware Query

ASX refers to the following:

- A. NVQ's announcement titled 'Cleansing Notice' lodged on the ASX Market Announcements Platform ('MAP') on 28 August 2024 (the '**Cleansing Notice**'), seeking to 'cleanse' for secondary sale purposes the securities issued under the Cleansing Notice, and stating that there is no excluded information, as defined in sections 708A(7) and 708A (8) of the *Corporations Act 2001* (the '**Act**') as of the date of the Cleansing Notice.
- B. NVQ's announcement entitled 'Half Yearly Report and Accounts' lodged on MAP on 30 August 2024, disclosing NVQ's financial statements for the half-year ended 30 June 2024 (the '**HY Accounts**').
- C. The definition of 'aware' in Chapter 19 of the Listing Rules. This definition 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.'

Additionally, you should refer to section 4.4 in Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B 'When does an entity become aware of information'.

- D. 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 requirements is satisfied in relation to the information:

3.1A.1 One or more of the following 5 situations 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.'*

- E. 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 'Listing Rule 3.1A.2 – the requirement for information to be confidential'. 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 NVQ to respond separately to each of the following questions and requests for information.

1. It appears that the Cleansing Notice may be defective pursuant to section 708A (10)(a) of the Act because NVQ may have been in possession of "excluded information" (as defined in sections 708A(7) and (8) of the Act) at the time NVQ lodged the Cleansing Notice on the Platform.

Does NVQ consider the information disclosed in the HY Accounts to be information that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of the assets and liabilities, financial position and performance, profits and losses and prospects of NVQ? If the answer to this question is "no", please advise the basis for that view.
2. Was NVQ aware of the contents of the HY Accounts at the time it issued the Cleansing Notice? If not, please explain the basis for that view.
3. If the answers to questions 1 & 2 are "yes", does NVQ consider the Cleansing Notice to have been validly issued? If so, please explain the basis for that view. If not, please outline the remedial action NVQ intends to take.
4. Please confirm that NVQ complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that NVQ'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 NVQ 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 **9:00 AM AEST Friday, 6 September 2024**. 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, NVQ'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 NVQ to request a trading halt immediately.

Your response should be sent to me by e-mail at ListingsComplianceMelbourne@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.



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 NVQ's securities under Listing Rule 17.1. If you wish 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*.

Suspension

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

Listing Rules 3.1 and 3.1A

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

Release of correspondence between ASX and entity

ASX reserves the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Yours faithfully

ASX Compliance

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11 September 2024

ASX Compliance
Attn: Dean Litis, Principal Adviser

By email: ListingsComplianceMelbourne@asx.com.au with a copy to Dean.Litis@asx.com.au

RE: ASX QUERY LETTER

Dear Dean,

We refer to your letter dated 4 September 2024 (**Query Letter**) which followed your letter dated 2 September 2024 (**Initial Query Letter**). NoviqTech Limited (**the Company** or **NVQ**) provides the following responses to the queries set out in the Query Letter, using the same numbering as set out in the Query Letter and defined terms as set out in the Query Letter and the Initial Query Letter.

- 1. Please clarify whether it is NVQ's position that it was no more aware of the financial position of NVQ at the time it released the Cleansing Notice on 28 August 2024 than what it had already disclosed on MAP under Listing Rule 3.1.**

The board of directors of NVQ may, from time to time, have more awareness of the financial position of NVQ than disclosed to MAP due to being officers of NVQ, noting the board of directors of NVQ regularly review cash flow forecasts, management accounts and cash requirements for NVQ which are not publicly available.

However, NVQ's board of directors were no more aware of any information contained in the HY Accounts at the time that NVQ released the Cleansing Notice on 28 August 2024 than what was already disclosed, or that it would otherwise have been required to disclose, under Listing Rule 3.1 at that time. As noted in the NVQ response to the Initial Query Letter, the HY Accounts were first circulated to the board of directors of NVQ in draft for review at 11.46pm on 29 August 2024. The Company has previously disclosed in its Quarterly Activities Report lodged 30 July 2024 that it has cash and cash equivalents of \$145,000 and loan facilities drawn down of \$150,000 (consistent with the HY Accounts), with available undrawn loan facilities at the time of the Quarterly Activities Report of \$1.28M.

- 2. Noting that the audit report attached to the HY Accounts contained a statement of material uncertainty relating to going concern, did NVQ's directors have any engagement with BDO Audit Pty Ltd on or prior to the publication of the Cleansing Notice?**

Yes, NVQ did engage indirectly with BDO Audit Pty Ltd via the accounting contractor of NVQ for the purposes of providing the information typically required for the review by an auditor in connection with the preparation of the half-year financial statements of an entity. NVQ did not however have any engagement with BDO Audit Pty Ltd in relation to the statement of material uncertainty relating to going concern prior to the publication of the Cleansing Notice. The statement of material uncertainty relating to going concern formed part of the draft HY Accounts first circulated to the board of director of NVQ at 11.46pm on 29 August 2024.

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It is noted that BDO Audit Pty Ltd did not modify its audit opinion as a result of the statement of material uncertainty relating to going concern. Further, the financial statements of NVQ for the last two years have included a statement of material uncertainty regarding going concern.

3. Noting that the HY Accounts showed a material increase in the net equity deficiency of NVQ, were NVQ's directors aware of the equity deficiency position prior to the publication of the Cleansing Notice?

The board of directors of NVQ were not aware of the audited net equity deficiency position at 30 June 2024 as described in the draft HY Accounts until the receipt of those draft HY Accounts, which occurred after the publication of the Cleansing Notice. However, the board of directors were aware that the HY Accounts would show a net equity deficiency.

The audited annual accounts of NVQ for the period ended 31 December 2023 also showed a net equity deficiency, with quarterly periodic disclosures between the release of those audited annual accounts and the publication of the Cleansing Notice showing the cash inflows and outflows from activities. Since 30 June 2024 and prior to release of the Cleansing Notice, NVQ identified to the market that it had available loan funding (refer quarterly activities report released to ASX on 30 July 2024) and was undertaking a placement and share purchase plan (refer ASX release on 15 August 2024), each of which reduce the deficiency in the net equity position of NVQ.

The above matters are referred to in the HY Account as part of consideration of the material uncertainty relating to going concern but are not taken into account in respect of the position of NVQ at 30 June 2024 including the net equity position, noting that not all available loan funds had been drawn on as at 30 June 2024 (or the date of this response).

4. If the answer to either question 2 or 3 is "yes":

4.1 Please explain how this is congruent with NVQ's position that its directors were unaware of the contents of the HY Accounts.

Refer to the above.

4.2 Please explain how the Cleansing Notice was valid in light of this.

The HY Accounts did not disclose any material undisclosed information.

5. If the answer to either question 2 or 3 is "no", ASX is concerned that NVQ is unable to comply with Listing Rules 3.1, 12.2 and 12.5 if NVQ's directors are unaware of the financial position of NVQ until it receives draft accounts from its external consultant. Please outline what policies and procedures NVQ has in place to allow directors to monitor NVQ's financial position, and if NVQ considers these to be adequate, please explain the basis for that view.

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For completeness, it is noted that the board of directors of NVQ has the following policies and procedures in place to allow the directors of NVQ to monitor the financial position of NVQ:

- Regular review of management accounts. Management accounts were last circulated to the board of directors of NVQ for review on 11 August 2024.
- Regular review of cash flow forecasts and cash requirements to ensure that NVQ is able to pay its debts as and when they fall due.
- Monitoring and oversight controls in respect of non-recurring or complex transactions to ensure appropriate procedures in respect of such transactions and the accuracy and completeness of the NVQ consolidated financial statements and related disclosures.
- Stringent controls throughout the business relating to delegation of authority. The board of directors of NVQ reviews such controls on an annual basis, or more frequently where there is a significant or material change or matter necessitating such review.
- Engagement of appropriately qualified third party contractors to assist with the preparation of financial disclosures.
- Regular review of the external auditor to confirm that the external auditor remains appropriately qualified, has sufficient and appropriate experience and is independent.
- Documenting all internal processes and procedures and ensuring staff and consultant awareness of such policies and procedures, including through training.

6. Please confirm that NVQ'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 NVQ with delegated authority from the board to respond to ASX on disclosure matters.

NVQ confirms that its responses to the questions above have been authorised and approved by the board of directors of NVQ.

Yours faithfully,
NoviqTech Limited



Freddy El Turk
CEO



4 September 2024

Mr Jonathan Hart
Company Secretary
Noviqtech Limited

By email

Dear Mr Hart

Noviqtech Limited ('NVQ'): Query Letter

ASX refers to the following:

- A. NVQ's response dated 3 September 2024 (the '**NVQ Response**') to ASX's query letter dated 2 September 2024 (the '**ASX Letter**'). Defined terms in this letter have the same meaning as those defined in the ASX Letter and the NVQ Response. The NVQ Response stated (relevantly):

"No, NVQ was not aware of the contents of the HY Accounts at the time it issued the Cleansing Notice. The Cleansing Notice was issued by NVQ by lodgement on the MAP at 8.06am on 28 August 2024. At this point in time, the HY Accounts had not been circulated to the board of directors of NVQ. The HY Accounts were first circulated to the board of directors of NVQ in draft for review at 11.46pm on 29 August 2024. The HY Accounts were prepared in draft by an independent accountant contractor of NVQ. The HY Accounts were subsequently reviewed in draft and approved by the board of directors of NVQ in the late afternoon of 30 August 2024, resulting in the release of the HY Accounts to the MAP at 4.05pm on 30 August 2024."

- B. ASIC Regulatory Guide 173 *Disclosure for on-sale of securities and other financial products* which states (relevantly) at RG 173.18 (emphasis added):

*"A [cleansing notice] verifies that the issuer has complied with its continuous disclosure and reporting obligations, **and provides the market with information that is excluded from continuous disclosure to ensure investors receive disclosure equivalent to that ordinarily available under a prospectus or PDS.**"*

- C. Listing Rule 12.2 which states:

"An entity's financial condition (including operating results) must, in ASX's opinion, be adequate to warrant the continued quotation of its securities and its continued listing."

- D. Listing Rule 12.5 which states:

"An entity's structure and operations must be appropriate for a listed entity."

- E. 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."

- F. Section 4.4 in *Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B* titled "When does an entity become aware of information?"

- G. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure as follows.

"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 5 situations 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."*

Request for information

Having regard to the above, ASX asks NVQ to respond separately to each of the following questions:

1. Please clarify whether it is NVQ's position that it was no more aware of the financial position of NVQ at the time it released the Cleansing Notice on 28 August 2024 than what it had already disclosed on MAP under Listing Rule 3.1.
2. Noting that the audit report attached to the HY Accounts contained a statement of material uncertainty relating to going concern, did NVQ's directors have any engagement with BDO Audit Pty Ltd on or prior to the publication of the Cleansing Notice?
3. Noting that the HY Accounts showed a material increase in the net equity deficiency of NVQ, were NVQ's directors aware of the equity deficiency position prior to the publication of the Cleansing Notice?
4. If the answer to either question 2 or 3 is "yes":
 - 4.1 Please explain how this is congruent with NVQ's position that its directors were unaware of the contents of the HY Accounts.
 - 4.2 Please explain how the Cleansing Notice was valid in light of this.
5. If the answer to either question 2 or 3 is "no", ASX is concerned that NVQ is unable to comply with Listing Rules 3.1, 12.2 and 12.5 if NVQ's directors are unaware of the financial position of NVQ until it receives draft accounts from its external consultant. Please outline what policies and procedures NVQ has in place to allow directors to monitor NVQ's financial position, and if NVQ considers these to be adequate, please explain the basis for that view.
6. Please confirm that NVQ'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 NVQ 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 **9:00 AM AEST Tuesday, 10 September 2024**.

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, NVQ's

obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out above and may require NVQ to request a trading halt immediately if trading in NVQ's securities is not already halted or suspended.

Your response should be sent by e-mail to **ListingsComplianceMelbourne@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow us 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.

Suspension

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

Listing Rules 3.1 and 3.1A

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

Release of correspondence between ASX and entity

We reserve the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A. The usual course is for the correspondence to be released to the market.

Yours sincerely

ASX Compliance