

13 February 2023

Yulia Gurdina
Senior Adviser
Listings Compliance
Level 6, 20 Bridge Street
NSW 2000

Dear Yulia,

ABx Group Limited ('ABX'): Appendix 3Y – Change of Director's Interest Notice Query

Thank you for your email. We provide answers to your questions as set out below:

Q1. Why was the Notice, as it relates to the Options lodged late?

A1. The Notice *inter alia* corrected a technical oversight in reporting that occurred in December 2021 and was identified during preparation of an Appendix 3Y referring to the on-market purchase of 250,000 shares by a director.

The Company conducted a Share Purchase Plan (**SPP**) in October 2021.

The SPP provided for participants in the SPP the opportunity to receive one free option exercisable at \$0.20 before 31 May 2023 for every one Share they applied for under the SPP for nil consideration (**SPP Options**).

The offer of the SPP Options was made separately to the SPP under a prospectus in early November.

An EGM was held on 16 December 2021, where Shareholders approved the issue of 40,486,500 SPP Options.

Additionally, shareholders approved the issue of 300,000 SPP Options to a director who participated in the SPP.

On 16 December 2021 the Company announced the results of the meeting and lodged a Notification Regarding Unquoted Securities which included the SPP Options issued to a director.

Due to an administrative oversight, the relevant Appendix 3Y was not lodged with respect to the director's SPP Options within 5 business days following their issue.

The oversight occurred because the issue of the director's SPP Options was consolidated with the general issue of SPP Options approved by Shareholders at the EGM and regrettably Listing Rule 3.19A.2 was overlooked.

The Company regrets this oversight.

An Appendix 3Y was lodged on 10 February 2023 following the on-market purchase of 250,000 Fully Paid Ordinary Shares by a director and, as is the practice of the Company, the director's holdings were confirmed against the Company Register.

It was noted during the review that there was a discrepancy in the number of options disclosed under an Appendix 3Y. The cause of this discrepancy was identified (as noted above) and was immediately corrected in the Appendix 3Y released on 10 February 2023.

Q2. What arrangements does ABX have in place under Listing Rule 3.19B with its directors to ensure that it is able to meet its disclosure obligations under Listing Rule 3.19A?

A2. The Company has adopted a Policy on Dealing with Company Securities, which includes the requirement for a director to notify the Company of any such dealings **(Policy)**.

The oversight occurred in 2021 and was not caused by the director's recent share purchase which adhered to the Policy and the ASX Listing Rules. Rather, the oversight which occurred in December 2021 was identified whilst performing checks and balances that the Company conducts when preparing notices on behalf of directors. The Company immediately corrected the record.

In accordance with the Policy, the Company Secretary was correctly informed by the director of the purchase on-market of 250,000 Shares.

The Policy applies to directors, officers, key management personnel, contractors and all other employees dealing in the securities of the Company.

Q3. If the current arrangements are inadequate or not being enforced, what additional steps does ABX intend to take to ensure compliance with Listing Rule 3.19B?

A3. The issue of the SPP Options in the circumstance noted above was not a common occurrence and the Company, now being cognizant of this circumstance, will cross check the issue of securities to directors in any future general distribution of securities that occurs in a similar circumstance. Otherwise, the Company believes current arrangements are adequate and being enforced.

I trust the above satisfactorily answers your questions.

Please do not hesitate to contact me for any further clarification.

Kind regards

A handwritten signature in blue ink, appearing to read 'Henry Kinstlinger', with a stylized flourish at the end.

Henry Kinstlinger
Company Secretary



10 February 2023

Reference: ODIN67992

Mr Henry Kinstlinger
Company Secretary
ABx Group Limited
Level 5 52 Phillip Street
SYDNEY NSW2000

By email

Dear Mr Kinstlinger

ABx Group Limited ('ABX'): Appendix 3Y – Change of Director's Interest Notice Query

ASX refers to the following:

1. ABX's Appendix 3Y lodged on the ASX Market Announcements Platform ('MAP') on 10 February 2023 for Mr Paul Anthony Lennon (the 'Notice');
2. Listing Rule 3.19A.2 which requires an entity to tell ASX the following:

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 Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.

3. Listing rule 3.19B which states that:

'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.'

The Notice indicates that a change in Mr Lennon's notifiable interest, by virtue of an issue of 300,000 options ('Options'), occurred in December 2021. It appears that an Appendix 3Y should have been lodged with ASX by 23 December 2021 given the Options were issued on 16 December 2021. Consequently, ABX may have breached Listing Rules 3.19A and/or 3.19B. It also appears that Mr Lennon may have breached section 205G of the *Corporations Act 2001* (Cth).

Request for Information

Under Listing Rule 18.7, we ask that you answer each of the following questions 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*.

1. Why was the Notice, as it relates to the Options lodged late?
2. What arrangements does ABX have in place under Listing Rule 3.19B 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 ABX intend to take to ensure compliance with Listing Rule 3.19B?

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 AEDT on Tuesday, 14 February 2023**. 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, ABX'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 ABX to request a trading halt immediately.

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

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 ABX'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 ABX's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to ABX'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 ABX'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 a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Regards

Yulia Gurdina
Senior Adviser, Listings Compliance