

18 May 2017

Dawn James  
Adviser Listings Compliance (Perth)  
ASX Compliance Pty Ltd  
Level 40 Central Park  
152-158 St Georges Terrace  
PERTH WA 6000

Via email: dawn.james@asx.com.au

Dear Dawn

**NETLINKZ LIMITED – Appendix 4C**

Further to your letter to Netlinkz Limited (**NetLinkz**) dated 4 May 2017 in which you requested certain information regarding the Appendix 4C which was released by NetLinkz to ASX on 4 May 2017, we have set out our responses below in relation to the questions raised in your letter (using the numbering in your letter).

1. Netlinkz expects to continue to have negative operating cash flows for the time being. Netlinkz is, however, progressing its structuring and arrangements with China Telecom pursuant to which it anticipates receiving licensing income in the 2017/18 financial year, Netlinkz will announce further details as soon as completed.
2. Netlinkz is seeking to undertake a capital raising to raise up to US\$5m and will update the market in due course.
3. Netlinkz is currently undergoing strategic restructuring and will announce further details as soon as completed. NetLinkz believes that such strategic restructuring, in combination with the completion of the capital raising referred to above, will provide sufficient funding for its operations and business objectives for the medium term.
4. Netlinkz is not aware of any information which should have been delivered to ASX under ASX Listing Rule 3.1 in respect of its financial condition which has not already been disclosed to the market.
5. Netlinkz's Board has approved this reply.

Netlinkz believes that the three announcements noted above and Netlinkz's intention to seek re-commencement of trading of its shares on ASX as soon as the capital raising has been completed, is sufficient information for ASX to conclude that Netlinkz is in compliance with Listing Rule 12.2.

Yours faithfully



**Greg MacMillan**  
Company Secretary  
Netlinkz Limited



4 May 2017

Mr Greg MacMillan  
Company Secretary  
Netlinkz Limited  
Level 31, 50 Bridge Street  
Sydney 2000 NSW

By email:

Dear Mr MacMillan

**Netlinkz Limited (“NET”): Appendix 4C Query**

I refer to NET’s Appendix 4C quarterly report for the period ended 31 March 2017 lodged with ASX Market Announcements Platform and released on 4 May 2017 (the “Appendix 4C”).

ASX notes that NET has reported:

- Receipts of \$36,000
- negative net operating cash flows for the quarter of \$1,155,000;
- cash at the end of the quarter of \$22,000; and
- estimated cash outflows for the next quarter of \$1,066,000.

It is possible to conclude, based on the information in the Appendix 4C, that if NET were to continue to expend cash at the rate indicated by the Appendix 4C, NET may not have sufficient cash to continue funding its operations. In view of that, ASX asks NET to answer separately each of the following questions and provide the following confirmations in a format suitable for release to the market in accordance with Listing Rule 18.7A:

1. Does NET expect that it will continue to have negative operating cash flows for the time being and, if not, why not?
2. Has NET taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
3. Does NET expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
4. Please confirm that NET is in compliance with Listing Rule 3.1 and that there is no information that should be given to ASX about its financial condition in accordance with that Rule that has not already been released to the market.
5. Please confirm that NET’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 NET with delegated authority from the board to respond to ASX on disclosure matters.

Please also provide any other information that NET considers may be relevant to ASX forming an opinion on whether NET is in compliance with Listing Rule 12.2 (a listed entity's financial condition must, in ASX's opinion, be adequate to warrant the continued quotation of its securities and its continued listing).

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

This request is made under, and in accordance with Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than 2pm AWST on Monday 8 May 2017.

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, NET'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.

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 Dawn.James@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 Rule 3.1**

Listing Rule 3.1 requires a listed entity to give ASX immediately 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. Exceptions to this requirement are set out in Listing Rule 3.1A.

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

### **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 NET'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 may 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*.

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

Yours sincerely,

*[Sent electronically without signature]*

Dawn James  
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