

Date : 28 August 2020

Dale Allen
Principal Advisor, Listing Compliance
ASX Limited
Level 40 Central Park
152-158 St George Terrace
Perth WA 6000

Sent by email : dale.allen@asx.com.au
Copy to : listingscomplianceperth@asx.com.au

Dear Mr Dale Allen

Response to ASX Aware Query

I refer to your letter dated 25 August 2020 (ASX Aware Letter) to Holista Colltech Limited (HCT or the Company). The Company response to each of your queries is as follows:-

1. In relation to the proposed acquisition by HCT of 47% of iGalen from Rajen Manicka, did the Proposed Shareholder Approval occur?

No. It did not occur.

2. If the Proposed Shareholder Approval did not occur, did HCT complete the acquisition of Rajen Manicka's 47% share of iGalen?

No. HCT did not complete the acquisition at the advice of Independent Expert Report (IER).

3. If the Proposed Shareholder Approval did not occur, did HCT provide any update on the status of the Proposed Shareholder Approval after 2017?

There was no subsequent announcement as the transaction did not materialize.

4. Does HCT consider the sale of goods to iGalen to be a transaction to which Listing Rule 10.1 applies? In answering this question, please comment specifically on the value of products sold to iGalen and the 5% Equity Threshold.

Yes. The value of sales is above the 5% threshold.

However, HCT notes that at the time of entry into this agreement (2017), the ASX guidance on Listing Rule 10.1 transactions was not as comprehensive as the version released effective from 1 December 2019 and the Board of the time did not appreciate that it applied to sales of this nature where the asset value would be below the threshold but on a cumulative basis over an extended period of time it may exceed the threshold.

5. If the answer to question 4 is “no”, please advise the basis for that view.

Not applicable.

6. Given the iGalen Commercial Terms state that iGalen is required to pay HCT for products within 30 days of their supply, did HCT continue to supply iGalen with products after 24 September 2019, being the date that HCT first became aware of the iGalen Back Office Shutdown?

Yes.

7. If the answer to question 6 is “yes”, please provide an explanation of why HCT continued to supply iGalen and which HCT directors were involved in the decision to continue supply to iGalen after the date HCT became aware of the iGalen Back Office Shutdown.

At the request of iGalen, HCT continued to supply to iGalen in the 1st half of 2020 with the view that the injection of new business will help improve iGalen’s cashflow and repayment back to HCT for outstanding debts.

HCT management also considered that once the iGalen Back Office Shutdown (being the trigger for delays in payments to HCT) was resolved, its priority was to settle all outstanding liabilities with HCT once it resumes operations.

The decision to supply was at operational level where upon receiving iGalen Purchase Orders, the normal process of sales fulfillment would resumed.

8. Please provide a detailed explanation of the relationship between iGalen and Galen BioMedical Inc., including details of any directors common to HCT, iGalen and Galen BioMedical Inc. If there is no relationship, please confirm this.

iGalen is owned 47% by Dr Rajen Manicka and 53% by Singapore e-Development Limited (an entity in which Chan Heng Fai is CEO and a major shareholder).

Dr Rajen Manicka and Chan Heng Fai are both directors of iGalen.

Galen Biomedical Inc is 75% owned by Dr Rajen Manicka who is also a director of Galen BioMedical Inc. Galen Biomedical Inc is a major shareholder of HCT.

Chan Heng Fai has no shareholding and is not a director of Galen BioMedical Inc.

iGalen and Galen Bio Medical Inc. have Dr Rajen Manicka as common director and shareholder.

Neither iGalen or Galen Biomedical Inc. have a shareholding in the other.

9. Please provide to ASX a copy of the loan agreement between HCT and Galen BioMedical Inc. (not for release to the market). If there is no loan agreement, please confirm this.

Please refer to attached loan agreement – Appendix 1. Please note the agreement is with a subsidiary of HCT, HF Pre IPO Fund LLC and Galen BioMedical Inc. on 1 October 2015.

Please note Dr Rajen Manicka became shareholder of Galen BioMedical Inc on 24 November 2015, after shareholder approval was obtained on 24 November 2015.

10. Please advise which HCT directors were responsible for making the decision to grant a loan to Galen Biomedical Inc.?

The Board of HCT decided as neither the HCT’s Board members were on the Galen Biomedical Inc’s Board at the point of granting loan.

11. Please provide a copy of any board minutes or papers that record the decision to grant a loan to Galen Biomedical Inc. (not for release to the market).

There were no board minutes in HF Pre IPO as it is an investment Fund. Please refer to Board Minute 27 October 2015 for HCT’s decision to invest into HF Pre IPO fund and Results of AGM announcement on 24 November 2015 for shareholders approval.

12. Does HCT consider the write off of trade receivables owing to HCT from iGalen to be transaction to which Listing Rule 10.1 applies? In answering this question, please comment specifically on the quantum of the impairment amount (being \$1.6m) and the 5% Equity Threshold.

No.

For clarity, there has not been a write off of these trade receivables, rather a provision for impairment of iGalen trade receivable in accordance with HCT accounting policies and applicable accounting standards (Refer to 2019 Annual report Note 5.2.5).

The Directors had determined that the trade receivable to be is classified as a debt instrument which is subsequently measured at amortised costs. The Directors are satisfied that this meets the requirements as to this assets recognition and measurement in accordance with AASB 9 Financial Instruments (equivalent to IFRS 9).

The \$1.6m is only an allowance or provision but not a direct write-off. This provision was made due to there being no payment received on overdue trade receivables, and in accordance with HCT accounting policies and applicable accounting standards.

The Directors note iGalen is not bankrupt nor under any petition for bankruptcy. iGalen were only momentarily inactive due to issues on the backend processing vendors. iGalen was relaunched on 24 August 2020 and is in the process of raising capital before year end and iGalen is committed to repay HCT for amount owing on or before 31 December 2020. As such, the Board does not consider this allowance or provision for credit loss to be a write off of trade receivable but only an impairment provision according to applicable accounting standards and will continue to pursue repayment from iGalen.

13. If the answer to question 12 is “no”, please advise the basis for that view.

Please refer to the response to question 12.

14. Please advise which HCT directors were responsible for making the decision to write off trade receivables owing to HCT from iGalen?

As noted in the above responses, there has not been a write off of trade receivables owing to HCT from iGalen, only a provision for impairment in accordance with HCT accounting policies and applicable accounting standards.

This decision was made by Daniel O’Connor and Jonathan Pager. Dr Rajen Manicka and Chan Heng Fai were not involved in this decision making process given their interest in iGalen.

15. Please provide a copy of any board minutes or papers that record the decision to write off the trade receivables owing to HCT from iGalen (not for release to the market).

As noted in the above responses, there has not been a write off of trade receivables owing to HCT from iGalen, only a provision for impairment in accordance with HCT accounting policies and applicable accounting standards.

Please refer to attached Board minutes dated 30 July 2020.

16. Does HCT consider either the loan from HCT to iGalen or the resultant write off of the loan owing to HCT from iGalen to be a transaction to which Listing Rule 10.1 applies? In answering this question, please comment specifically on the quantum of the original loan amount and the resultant impairment amount (being \$180,701) and the 5% Equity Threshold.

No.

In accordance with ASX Guidance Note 24 (footnote 10 on page 4), an unsecured loan is not considered a transaction to which Listing Rule 10.1 applies.

As discussed above in the response to question 12, there has not been a write off of this amount, rather a provision for impairment in accordance with HCT accounting policies and applicable accounting standards (Refer to 2019 Annual report Note 5.2.5).

For the reasons noted in the response to question 12, the Company will continue to pursue repayment from iGalen.

17. If the answer to question 16 is “no”, please advise the basis for that view.

Please refer to the response to question 16.

18. Please advise which HCT directors were responsible for making the decision to grant the loan to iGalen?

The Board decided to give the loan to iGalen to help fund its Malaysia operations as part of the Multilevel Marketing licensing requirements in Malaysia, and with the clear intention that the said iGalen operation will be owned by HCT. Neither Board members of HCT were on the iGalen Board in Malaysia at the point of granting the loan. Rajen was not a shareholder in iGalen Malaysia as well. After the license was granted, the plan was to transfer ownership of iGalen back into HCT. However, the transaction did not materialise and was aborted based on the Independent Expert Report (IER).

19. Please provide a copy of the board minutes and papers in respect of approving the loan to iGalen (not for release to the market).

We are unable to locate the Board minutes kept by previous company secretary.

20. Where is the iGalen loan recorded in HCT’s 31 December 2019 annual report?

See Notes to Account 5.2.4 (page 49 Annual Report 2019)

21. Please advise which HCT directors were responsible for making the decision to impair the loan owing from iGalen?

This decision was made by Daniel O’Connor and Jonathan Pager. Dr Rajen Manicka and Chan Heng Fai were not involved in this decision making process given their interest in iGalen.

22. Please provide a copy of the board minutes and papers in respect of the impairments of the iGalen Loan (not for release to the market).

Please refer attached Board 30 July 2020 meeting minutes.

23. Does HCT consider that its Code of Conduct provisions with respect to ‘Conflict of Interest’ have been adhered in relation to dealings between HCT and iGalen? In answering this question, please comment specifically on the actions of Rajen Manicka in circumstances where the iGalen Supply Agreement was signed by Rajen Manicka on behalf of iGalen and the iGalen Loan Agreement was signed on behalf of HCT by Rajen Manicka.

Yes. At all times the Board was fully informed and aware of Dr Rajen Manicka’s position with regards to iGalen. For the iGalen loan, the decision was made by the Board and Dr Rajen Manicka was allowed to sign the loan agreement on behalf of HCT as none of HCT Board members were on the Board of iGalen Malaysia nor was Dr Rajen Manicka a shareholder in iGalen Malaysia at that time (ie in 2016). As for Supply agreement with HCT, Daniel O’Connor signed on behalf of HCT and Dr Rajen Manicka signed on behalf of iGalen .

iGalen Malaysia was an independent entity with no common shareholders between this company and any entity associated with HCT's directors when the Loan Agreement were signed.

24. Please confirm that HCT is complying with the Listing Rules and, in particular, Listing Rule 3.1.

Yes.

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

Yes.

Should you require any further information or clarification, please do not hesitate to contact the undersigned.

Yours sincerely for and on behalf

Holista Colltech Limited

A handwritten signature in black ink, appearing to read 'Rajen', with a large, sweeping flourish above the name.

Dr Rajen Manicka
CEO



25 August 2020

Reference: 22994

Mr Blair Michelson
Non-Executive Director & Company Secretary
Holistaco Limited

By email: blair.m@holistaco.com

Dear Mr Michelson

Holista Colltech Limited ('HCT'): Further Aware Query

ASX refers to the following:

- A. HCT's announcement entitled 'HCT Acquires 47% in Global Network Marketing Company iGalen' released on the ASX Market Announcements Platform ('MAP') on 21 September 2017 which contained the following statements:

"Holista CollTech Ltd (ASX: HCT, "Holista" or the "Group") announced today that it will acquire a 47%-stake in iGalen International Inc ("iGalen") a fast-growing network marketing company from Holista's CEO and single-largest shareholder, Dr Rajen Manicka, for the nominal sum of US\$1."

"My other board member and I set up iGalen as a private venture..."

"Pursuant to Listing Rule 10.1, the transaction is subject to Shareholder Approval." ('Proposed Shareholder Approval')

- B. HCT's annual report for the year ended 31 December 2017 released on MAP on 29 March 2018 which indicated the following directors of HCT were in office during the period 1 January 2017 to 31 December 2017 – Rajen Manicka, Daniel O'Connor and Chan Heng Fai ('HCT 2017 Directors').

- C. HCT's annual report for the year ended 31 December 2019 released on MAP on 31 March 2020 which indicated the following:

(i) HCT's equity interests as at 31 December 2019 were \$3,569,602, 5% of which equates to \$178,480 ('5% Equity Threshold'); and

(ii) At note 16 Loans from HCT to an entity called Galen Biomedical Inc., an entity 75% owned by Rajen Manicka ('Galen Biomedical Inc. Loan').

- D. HCT's response to ASX's Aware letter of 14 August 2020 released on the ASX Market Announcements Platform ('MAP') on Thursday, 20 August 2020 which set out among other things the following:

"6. Please refer to attach Supply Agreement Appendix 1. Pursuant to this agreement iGalen shall procure with issuing of their official Purchase Orders and HCT shall deliver the requested products accordingly (clause 2.1 & 2.2). iGalen has 14 days to inspect all products delivered and either accept them or return them (Clauses 3.1 and 4.1). iGalen must pay within 30 days as per item 3 of Schedule 1. HCT can only solely sell the products listed in the agreement to iGalen and not to any other person (clause 5.1.7) and iGalen cannot have any other suppliers other than HCT (clause 6.2)." ('iGalen Commercial Terms')

- E. The supply agreement between HCT and iGalen dated 20 September 2017 signed on behalf of iGalen by Rajen Manicka ('iGalen Supply Agreement').

- F. The loan agreement between HCT and iGalen dated 5 September 2016 signed on behalf of HCT by Rajen Manicka ('iGalen Loan Agreement')
- G. HCT's response to ASX's Aware letter of 11 August 2020 released on MAP on 14 August 2020 which set out among other things the following:

"9. iGalen is owned 47% by Dr Rajen Manicka and 53% by Singapore e-Development Limited a public listed company on the Singapore Exchange that Mr Chan Heng Fai is CEO of and a major shareholder. Mr Chan Heng Fai is a Chairman of iGalen."

"10. iGalen International Inc ("iGalen") is a network marketing company based in San Diego, U.S.A. launched in February 2017. iGalen has built up network [sic] of distributors in North America, the Philippines, Malaysia and Singapore.

iGalen has a longstanding commitment to source all its network marketing products exclusively from HCT. iGalen has distributed two products and intends to launch an additional two products.

iGalen has been in a dispute with their outsourced service provider which resulted in the back office being shut down. This disruption resulted in delays in payments to HCT. iGalen has found a new service provider and its priority is to settle all outstanding liabilities to HCT once it resumes operations." ('iGalen Back Office Shutdown').

- H. HCT's announcement entitled "Appendix 4C Quarterly Report" lodged on the ASX Market Announcements Platform and released at 1:00 PM AEST on 30 June 2020 (the 'Announcement'), disclosing the following matters:

- (i) "The Company now expects revenue for the six months ended 30 June 2020 is expected to be \$3 million which is 10% lower than the prior corresponding period" ('Revenue Update');
- (ii) "On 11 March 2020, Holista announced its maiden 80Less™ sale of A\$1.4 million by 31 December 2020, which was part of a five-year agreement with Malaysia's Rex Industry Berhad, to supply 80Less™ for a range of sweetened drinks to be sold in Malaysia and Singapore. Due to the impact of the lockdown, commercialization of the product has been delayed and in 1H FY2020 Holista recorded A\$82k of sales of 80Less™ to Rex." ('80Less™ Sales Update')
- (iii) "The Company expects to report a loss before income tax expense for the 6 months to 30 June 2020 of approximately A\$5m. This includes a foreign exchange loss of A\$0.3m and a \$3.2m provision for impairment dissected as follows:

	(A\$)
US Subsidiary good will	584,353
Loan to Shipley	294,533
Prepayment to Proimmune	464,920
iGalen Trade Receivable	1,614,443
Loan to iGalen	180,701
	3,138,950

iGalen is a related party of Dr Rajen Manicka and Mr Chan Heng Fai, with principal business in multilevel network and has a longstanding agreement to sources of its network marketing products exclusively from Holista." ('Related Party Transaction Update')

- I. 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.

J. 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.”

K. 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.”

L. 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.”

M. Listing Rule 10.1 which states:

*“An entity (or, in the case of a trust, the *responsible entity of the trust) must ensure that neither the entity nor any of its *child entities, +acquires or agrees to *acquire a substantial asset from or *disposes of or *agrees to dispose of a substantial asset to, any of the following *persons without the approval of the holders of the entity’s *ordinary securities.*

*10.1.1 A *related party of the entity.*

*10.1.2 A *child entity of the entity.*

*10.1.3 A *person who is, or was at any time in the 6 months before the transaction or agreement, a *substantial (10%+) holder in the entity.*

*10.1.4 An *associate of a *person referred to in rules 10.1.1 to 10.1.3.*

*10.1.5 A *person whose relationship to the entity or a *person referred to in rules 10.1.1 to 10.1.4 is such that, in ASX’s opinion, the transaction should be approved by *security holders.”*

N. Listing Rule 10.2 which states:

*“An asset is substantial if its value or the value of the consideration being paid or received by the entity for it is, or in ASX’s opinion is, 5% or more of the *equity interests of the entity, as set out in the latest accounts given to ASX under the listing rules.”*

O. Paragraph 6.5 of ASX Guidance Note 24 which notes the following with respect to term contacts:

“An agreement by an entity to sell goods to a 10.1 party over an extended term is a disposal of those goods by the entity to the 10.1 party for the purposes of Listing Rule 10.1.

To determine the value of those goods, ASX will typically look at the total purchase price payable for the goods under the agreement over its term (including any option to renew) to determine whether or not it equals or exceeds 5% of the equity interests of the entity, as set out in the latest accounts given to ASX under the Listing Rules. If it does, ASX will regard the goods as a substantial asset and the transaction will require security holder approval under Listing Rule 10.1.”

P. HCT’s Code of Conduct published on its website which states the following at section 4, entitled ‘Conflicts of Interest’:

“Directors, management and employees must not involve themselves in situations where there is a real or apparent conflict of interest between them as individuals and the interest of the Company. Where a real or apparent conflict of interest arises, the matter should be brought to the attention of:

(i) the Chair in the case of a Board member or;

(ii) the Managing Director in the case of a member of management; and

(iii) a supervisor in the case of an employee,

so that it may be considered and dealt with in an appropriate manner for all concerned.”

Request for information

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

1. In relation to the proposed acquisition by HCT of 47% of iGalen from Rajen Manicka, did the Proposed Shareholder Approval occur?
2. If the Proposed Shareholder Approval did not occur, did HCT complete the acquisition of Rajen Manicka’s 47% share of iGalen?
3. If the Proposed Shareholder Approval did not occur, did HCT provide any update on the status of the Proposed Shareholder Approval after 2017?
4. Does HCT consider the sale of goods to iGalen to be a transaction to which Listing Rule 10.1 applies? In answering this question, please comment specifically on the value of products sold to iGalen and the 5% Equity Threshold.
5. If the answer to question 4 is “no”, please advise the basis for that view.
6. Given the iGalen Commercial Terms state that iGalen is required to pay HCT for products within 30 days of their supply, did HCT continue to supply iGalen with products after 24 September 2019, being the date that HCT first became aware of the iGalen Back Office Shutdown?
7. If the answer to question 6 is “yes”, please provide an explanation of why HCT continued to supply iGalen and which HCT directors were involved in the decision to continue supply to iGalen after the date HCT became aware of the iGalen Back Office Shutdown.

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8. Please provide a detailed explanation of the relationship between iGalen and Galen BioMedical Inc., including details of any directors common to HCT, iGalen and Galen BioMedical Inc. If there is no relationship, please confirm this.
 9. Please provide to ASX a copy of the loan agreement between HCT and Galen BioMedical Inc. (not for release to the market). If there is no loan agreement, please confirm this.
 10. Please advise which HCT directors were responsible for making the decision to grant a loan to Galen Biomedical Inc.?
 11. Please provide a copy of any board minutes or papers that record the decision to grant a loan to Galen Biomedical Inc. (not for release to the market).
 12. Does HCT consider the write off of trade receivables owing to HCT from iGalen to be transaction to which Listing Rule 10.1 applies? In answering this question, please comment specifically on the quantum of the impairment amount (being \$1.6m) and the 5% Equity Threshold.
 13. If the answer to question 12 is “no”, please advise the basis for that view.
 14. Please advise which HCT directors were responsible for making the decision to write off trade receivables owing to HCT from iGalen?
 15. Please provide a copy of any board minutes or papers that record the decision to write off the trade receivables owing to HCT from iGalen (not for release to the market).
 16. Does HCT consider either the loan from HCT to iGalen or the resultant write off of the loan owing to HCT from iGalen to be a transactions to which Listing Rule 10.1 applies? In answering this question, please comment specifically on the quantum of the original loan amount and the resultant impairment amount (being \$180,701) and the 5% Equity Threshold.
 17. If the answer to question 16 is “no”, please advise the basis for that view.
 18. Please advise which HCT directors were responsible for making the decision to grant the loan to iGalen?
 19. Please provide a copy of the board minutes and papers in respect of approving the loan to iGalen (not for release to the market).
 20. Where is the iGalen loan recorded in HCT’s 31 December 2019 annual report?
 21. Please advise which HCT directors were responsible for making the decision to impair the loan owing from iGalen?
 22. Please provide a copy of the board minutes and papers in respect of the impairments of the iGalen Loan (not for release to the market).
 23. Does HCT consider that its Code of Conduct provisions with respect to ‘Conflict of Interest’ have been adhered in relation to dealings between HCT and iGalen? In answering this question, please comment specifically on the actions of Rajen Manicka in circumstances where the iGalen Supply Agreement was signed by Rajen Manicka on behalf of iGalen and the iGalen Loan Agreement was signed on behalf of HCT by Rajen Manicka.
 24. Please confirm that HCT is complying with the Listing Rules and, in particular, Listing Rule 3.1.
 25. Please confirm that HCT’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 HCT 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 **1:00 PM AWST Friday, 28 August 2020**. 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, HCT'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 HCT to request a trading halt immediately.

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.

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 HCT'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 HCT's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

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

Yours sincerely

Dale Allen
Principal Adviser, Listings Compliance (Perth)