

26 February 2019

By email: [ListingsComplianceSydney@asx.com.au](mailto:ListingsComplianceSydney@asx.com.au)

Ms Lisa Banh  
Senior Adviser, Listings Compliance (Sydney)  
ASX Limited  
Exchange Centre  
20 Bridge St, Sydney NSW 2000

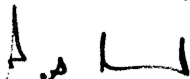
Dear Ms Banh

**Kleos Space S.A (ASX: KSS) – Response to Price Query**

Thank you for your letter dated 26 February 2019. The response to the questions that you ask in your letter are as follows (your numbers referenced below):

1. The Company is not aware of any information concerning it that has not been announced which, if known could be an explanation for recent trading in the securities of the Company.
2. Not applicable.
3. The Company released to the ASX an announcement on 21 February 2019 confirming that the Company had received the second tranche of grant funding totalling €391,600 of the current grant from the Luxembourg Government. The total grant funding received so far is €1,076,900 against a grant commitment of €1,958,000. There is no other explanation that the Company has for the recent trading in the securities of the Company.
4. We confirm that the Company is in compliance with ASX Listing Rules and in particular Listing Rule 3.1.
5. We confirm that the responses to the questions have been authorised and approved by the Board under its continuous disclosure policy.

Yours sincerely



Peter Round  
Chairman



26 February 2019

Mr Adam Sutherland  
Corporate Governance Adviser  
Mertons Corporate Services Pty Ltd

By email:

Dear Mr Sutherland

**Kleos Space S.A ('KSS'): Price Query**

We note the change in the price of KSS's securities from a low of \$0.11, 5 trading days ago to a high of \$0.18 today.

We also note the significant increase in the volume of KSS's securities traded from 20 February 2019 to 26 February 2019.

**Request for Information**

In light of this, ASX asks KSS to respond separately to each of the following questions and requests for information:

1. Is KSS aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes".
  - (a) Is KSS relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in KSS's securities would suggest to ASX that such information may have ceased to be confidential and therefore KSS may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
  - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
  - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that KSS may have for the recent trading in its securities?
4. Please confirm that KSS is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that KSS's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of KSS 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 **3.00 PM AEDT today Tuesday, 26 February 2019**. If we do not have your response by then, ASX will likely suspend trading in KSS's securities under Listing Rule 17.3. 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, KSS'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 [ListingsComplianceSydney@asx.com.au](mailto: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.

### **Listing Rules 3.1 and 3.1A**

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 KSS’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 KSS’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, or if the answer to question 1 is “yes” and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in KSS’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*.

### **Suspension**

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

### **Enquiries**

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

Regards

---

**Lisa Banh**  
Senior Adviser, Listings Compliance (Sydney)