



12 April 2019

Mr. Neel Bhowmick
Adviser, Listings Compliance (Sydney)

Sent via email

Subject: Response to ASX query letter

1. Forwarded with this response as a separate attachment.
2. (a) The contract with Enhanced Society was broken down into progressive phases with each phase being a discrete section of work following which YPB would provide consent to move to the next phase or not. Phases 1 and 2 were completed that involved the following services under the contract:
Phase 1:
 - Token design
 - Pitch deck drafting
 - White paper drafting
 - General marketability advice
 - Arrange incorporation of the token issue entity
Phase 2:
 - Introductions to and liaison with specialist service providers – legal, marketing, tax and others
 - Marketing campaign planning
 - Arrange legal analysis of the token plan
 - Design, develop and implement Token Sale Event (“TSE”) platform
 - Plan marketing, public relations and social media campaigns
Subsequent Phases 3, 4 and Post-TSE were also described in the contract though were not proceeded with by YPB. First Growth Funds Limited (FGF) assumed the advisory role in regard to the token. As requested by ASX a summary of phases 3, 4 and Post-TSE is set out below:

Phase 3:
 - Managing the TSE campaign and community
 - Continue Phase 2 public relations, social media and marketing from Phase 2
Phase 4:
 - Token distribution and post-TSE wrap up
Post-TSE as required
 - Blockchain project management
 - Blockchain development
 - Blockchain developer sourcing and training
 - Community building
(b) Phases 1 and 2 were delivered with the effective date of completion of Phase 2 being 11 July 2018. Specifically noting that while advice around the incorporation was received an appropriate existing Australian registered YPB subsidiary entity – Intellectual Property Protection Pty Ltd - was available and thus a new entity was not required.

(c) A total of \$150,000 exclusive of GST was paid to Enhanced Society for the services rendered.

(d) Following completion of Phase 2 Enhanced Society introduced YPB to First Growth Funds Limited. YPB subsequently decided to work directly with FGF to fulfill the role as the Company’s



advisor regarding the token. YPB notified Enhanced Society in regard to termination of their contract and there are no further amounts payable to Enhanced Society.

3. (a) No, however FGF wholly owns LINCD.

(b) Two related documents were entered into by the YPB concerning the token:

- i) A binding term sheet announced to ASX on 29 August 2018 incorporating the convertible note and the token.
- ii) The subsequent formal token facilitation and listing agreement embodying the terms set out in the binding term sheet that came into effect with the settlement of the convertible notes announced to the ASX on 3 December 2018 ("agreement").

As per the announcement released 29 August 2018, the agreement is between YPB and the following parties:

- First Growth Funds Limited (FGF)
- Blockchain Global Limited (BGL)
- DigitalX Limited (DCC)

Under the agreement FGF's role is to assist YPB through:

- *providing initial strategic and industry related advice;*
- *its introduction of YPB to BGL and DCC and to facilitate those parties working together to undertake and otherwise give effect to the Token Sale Event and the Listing Event;*
- *familiarising itself with the business, operations, financial conditions and prospects of YPB to the extent reasonably required by YPB in the context of the Token Sale Event and the Listing Event; and*
- *to provide YPB with (or procure from BGL and DCC) a monthly reconciliation report of the Tokens used for exchange listing and Tokens sold in the exchanges and their corresponding sale price.*

The combined role of BGL and DCC is to:

- *assist with the development, creation and issue of the Tokens and any related matters reasonably necessary to give effect to the Token Sale Event; and*
- *assist YPB to secure the listing of the Token on one or more cryptocurrency exchanges (to be identified by BGL and DCC in their sole and absolute discretion) (Listing Event); and*
- *establish and facilitate demand for Tokens.*

(c) During July and August 2018, YPB held a series of meetings, reference checks as well as background research on FGF and Blockchain Global and DigitalX. DigitalX is an ASX listed entity with a strong digital asset focus. FGF came well recommended based on their experience with similar past agreements of the same nature.

(d) The fees payable to FGF under the agreement is as follows:

- i) *receive 20% of the Tokens issued by YPB under the agreement*



ii) be entitled to an activation fee in the aggregate amount of US\$175,000 to be paid in US dollars from the Net Proceeds YPB receives from the first US\$1 million raised through the sale of Tokens allocated to YPB (First FGF Activation Fee).

iii) be entitled to an activation fee in the aggregate amount of US\$175,000 to be paid in US dollars from the Net Proceeds YPB receives from the second US\$1 million raised through the sale of Tokens allocated to YPB (Second FGF Activation Fee).

iv) be entitled to receive commission equivalent to 6.25% of the US dollar value received from the sale of all Tokens allocated to YPB under this Agreement (FGF Commission). The FGF Commission shall accrue until such time as YPB has raised at least USD\$5 million from the sale of Tokens allocated to it.

The fees payable to BCG and DCC is to:

i) receive 40% and 10% respectively of the total tokens issued by YPB under the agreement

ii) receive an activation fee in the aggregate amount of US\$175,000 to be paid in US dollars from the Net Proceeds YPB receives from the first US\$1 million raised through the sale of Tokens allocated to YPB (First Managers' Activation Fee).

iii) receive an activation fee in the aggregate amount of US\$175,000 to be paid in US dollars from the Net Proceeds YPB receives from the second US\$1 million raised through the sale of Tokens allocated to YPB (Second Managers' Activation Fee).

iv) DCC will be entitled to receive commission equivalent to 2% of the US dollar value received from the sale of all Tokens allocated to YPB under this Agreement (DCC Commission). The DCC Commission shall accrue until such time as YPB has raised at least USD\$5 million from the sale of Tokens allocated to it.

e) LINCD has not commenced any services for YPB at this point however the intention is that LINCD will use its existing its technology expertise to assist with the creation of the tokens.

(f) YPB relies on the guidance of its Facilitator for the token listing, FGF, though notes that members of the YPB team have met with the LINCD founder and YPB is confident in their ability to undertake the task contemplated in the MoU involving a technical scope for smart contracts, token creation and general blockchain advice.

(g) YPB is advised by FGF that the founder of LINCD has over 5 years of technical and commercial experience in blockchain, smart contracts and token creation. Prior to LINCD the founder worked as a management consultant at Accenture and also a senior manager at one of Australia's largest start up accelerators where he was involved in a number of blockchain projects. LINCD has been involved in a number of blockchain projects including the development of a supply chain management solution that FGF considers is particularly useful and relevant experience given the industry YPB operates in.

(h) No binding commitment or discussion of payment terms has yet been entered into.

(i) Only the Token Facilitation Agreement as noted in (b)

(j) As set out in (d)



4. There was no board deliberation of the MoU in itself. The signing of a simple non-binding, non-financial MoU with a wholly-owned subsidiary of an existing partner (FGF) can be approved and signed by the CEO within his delegation of authority. Any subsequent binding agreement may be put to the board for deliberation and approval by the board depending on its materiality.

YPB confirms that Mr. Manzoori was not involved in the YPB decision-making process leading to the decision by the CEO (Executive Chairman, John Houston) to approve the signing of the MoU.

5. Refer 4.

6. YPB is advised by FGF that there is no change as a result of the anticipated change of ownership. YPB is further advised that the key personnel in LINCD remain with the company at completion of the sale to Harris. YPB's MoU is a simple non-binding, non-financial MoU and the sale of LINCD to Harris has no change or impact.

LINCD has focused on the e-commerce sector including the use of blockchain to improve supply chain, scale, and the development of new ecommerce solutions. YPB has a customer engagement platform and also a retail anti-counterfeit solution. These services are each complementary.

7. As an initial comment, the reworking of the 'go-to market strategy' refers to identifying the initial commercial launch clients and does not change the token design. There are otherwise no proposed changes to the YPB token as set out in the 26 July 2018 Announcement.

a) The rights granted to YPB token holders include the ability to redeem products and services. There have been no changes to the proposed token rights since the 26 July 2018 ASX announcement.

b) It is anticipated that the YPB tokens will be offered outside of Australia. A decision has not yet been made on which country the YPB tokens will initially be launched, however there is consideration that it may be Indonesia. Any new tokens offered to investors in Australia will be limited to s708 (wholesale) investors only (see YPB Announcement of 26 July 2018).

c) The tokens will be offered to YPB's customers who are typically brands and businesses that seek to rely upon or use YPB's key technology (see YPB's Announcement dated 26 July 2018). Any new tokens offered to investors in Australia will be limited to wholesale only (see YPB Announcement of 26 July 2018).

d) The nature of the consideration to be received by YPB for the issue of the YPB tokens is expected to be cash. YPB is not conducting an ICO. If the YPB token is sold via international digital asset exchanges, then YPB will receive either bitcoin or ethereum.

e) In consultation with FGF as its facilitator, YPB has not set a date of the token launch and is not able to quantify the number of tokens it will sell at this stage.

f) The use of funds will be for expanding the Motif Micro product and its capability and general working capital (see 26 July 2018 Announcement).

g) The legal requirements are articulated in the 26 July 2018 Announcement. YPB has entered into an intermediary authorisation with a holder of an Australian Financial Services Licence pursuant to section 911A2(b) of the Corporations Act. As the jurisdiction in which the tokens will be launched has not yet been decided no formal investigation of the legal and tax frameworks has been initiated. These investigations will be undertaken and a summary disclosed to the market when known.

h) The tokens will only be listed on International Exchanges. The token will not be listed on any Australian exchanges. FGF have not created a shortlist of exchanges for YPB's review at this stage.

8. An initial draft of the FGF announcement released 3 April 2019 concerning the YPB token was provided to YPB for review. YPB reviewed and specifically requested the removal of the reference to "ASX approval" regarding the issue of the YPB token.



A second draft was subsequently shared with the reference to “ASX approval” deleted and YPB advised that they had no objections to that release being issued.

YPB has been advised that the first draft was accidentally released to the market by FGF. YPB had no role in the release of FGF’s announcement and also notes the subsequent retraction notice released by FGF on 8 April 2019. It is also of note that the YPB announcement of 3 April 2019 does not refer to any “approval” by ASX.

9. YPB confirms that it is in compliance with the listing rules and specifically listing rule 3.1.
10. The YPB board has approved the submission to ASX of the responses set out above.

By order of the Board of YPB Group Limited

Adam Gallagher
Company Secretary



8 April 2019

Mr Adam Gallagher
Company Secretary
YPB Group Ltd
c/- William Buck
Level 29
66 Goulburn Street
Sydney NSW 2000

By email

Dear Mr Gallagher

YPB Group Ltd ('YPB'): Query Letter

ASX Limited ('ASX') refers to the following:

- A. YPB's announcement titled 'Update on status of possible Token Sale Event' released on the ASX Market Announcements Platform ('MAP') on 30 April 2018 which disclosed that *'it had entered into a contract with a specialist Blockchain advisor, Enhanced Society, <https://www.enhancedsociety.com/> with relevant experience in Blockchain and Token Sale Events'* for the 'Token Sale Event' that YPB was considering.
- B. YPB's announcement titled 'AGM Presentation' released on MAP on 31 May 2018 which included the following statements:

'Initial issue of YPB Tokens in exchange for digital currency Ether (Ethereum)

YPB will convert Ether to functional currencies (AUD/USD)

Legal opinion supports legality and compliance of YPB Token and TSE ...'

- C. YPB's announcement titled 'Token Issue launches August 2018 target US\$30m' released on MAP on 26 July 2018 (the '26 July 2018 Announcement') which included the following statements (emphasis added):

'It [YPB] intends to proceed with a Token Issue to realise up to US\$30m.

The YPB Token (YPT) is designed to foster greater collaboration between brands and customers in addressing counterfeit and will be integrated into the YPB Connect serialisation and customer communication software platform ...

In the Token Issue, it is YPTs that will be offered in exchange for digital currency that can be converted to cash (fiat) and used to fund the development of the end to end blockchain project including Motif Micro.

YPB's token is intended to be developed on Ethereum and/or other similar blockchain platforms that meet the technical requirements of the token design ...

The Token Issue will have no fixed conclusion date and may continue until YPB and its advisors conclude that it is in the best interest of all stakeholders to finalise the process.

YPB has resolved to offer the YPTs via an intermediary authorisation with an Australian Financial Services Licensee as required to be compliant with Australian laws and regulations. This includes limiting the offer to wholesale investors, both domestically and internationally as required.

The YPT will grant the holder rights to redeem access to YPB's Connect platform and/or other YPB technology such as Motif Micro in lieu of cash payments. The YPTs differ fundamentally from rights

attaching to the Company's shares as the YPTs do not convey voting, dividend or other 'ownership' rights in the Company ...'

- D. YPB's announcement titled '\$3.12m raised from Blockchain partners and equity investors' released on MAP on 29 August 2018 which included the following statements (emphasis added):

[YPB] 'has secured strong support from a consortium of crypto pioneers who will take the YPB Token (YPT) directly to leading crypto exchanges and invest \$1.5m in a YPB Convertible Note ...'

The strategic investors are First Growth Funds (ASX: FGF), DigitalX (ASX: DCC) and Blockchain Global all of whom have deep expertise in blockchain, crypto currencies and crypto exchanges. With the support of these investors, it is intended that the YPT will be exchange listed and funds raised via the on-market sale of YPB Token (YPTs). Listing on quality exchanges is vitally important to the success of a Token and this direct access greatly enhances the prospect of achieving YPB's target of raising up to US\$30m as previously advised to the market.

The consortium will be invited to appoint a representative to the YPB Board ...

The objective of YPB's Token Issue is to fully fund the development and commercialisation of its smartphone readable Motif Micro technology and to blockchain-enable the YPB Connect serialisation and customer engagement platform ...'

- E. The announcement by First Growth Funds Limited ('FGF') titled 'FGF INVESTS AND SECURES STRATEGIC PARTNERS IN YPB DEAL' released on MAP on 29 August 2018 which included the following statements (emphasis added):

'it [FGF] has successfully led an investment into YPB Group Limited (ASX:YPB) and has introduced, DigitalX Limited (ASX:DCC) and Blockchain Global Limited, as strategic partners to the transaction ...'

FGF has strategically introduced DigitalX and Blockchain Global to advise and assist YPB with the development and distribution of the "YPB tokens" (Tokens).

In consideration for structuring the investment, FGF is entitled to the fees described in the table below which comprise an amount of up to US\$350,000 on account of activation fees, 6% capital raising fee and 6.25% sale commission on the sale of Tokens allocated to YPB. FGF will also receive 20% of all Tokens generated by YPB on initial issuance ...'

- F. FGF's announcement titled 'Shareholder Update - September 2018' released on MAP on 21 September 2018 which included the following disclosure regarding LINCD:

i) **'Acquisition Details & Investment Strategy'**

FGF is pleased to announce the 100% acquisition of LINCD HQ Pty Ltd 'LINCD' for \$1000 cash payment ...'

Strategically, FGF can provide LINCD with an instant sales channel to its existing investee companies and also provide LINCD access to FGF's established partner network.

FGF has a growing portfolio of investments and sees an opportunity to introduce these companies to LINCD to generate revenue and also to receive Digital Currency tokens. LINCD can service any industry, including e-commerce and supply chain sectors ...'

ii) **'LINCD Solution'**

Blockchain Platform as a Service (BPaaS) allows companies to deploy blockchain solutions within their enterprise without having to learn each blockchain protocol.

With LINCD, enterprises can connect any digital currency and blockchain protocol to their existing software and legacy systems ...'

iii) **'LINCD PLATFORM'**

LINCD provides the middleware that connects to digital currencies and then exposes a public API.

Companies use this API to connect to their own applications whilst leveraging the capability of the underlying blockchain technologies ...'

iv) **'LINCD BUSINESS MODEL'**

...



- G. YPB's announcement titled 'Non-Executive Director Appointment' released on MAP on 19 December 2018 which disclosed that Mr Anoosh Manzoori, the Executive Chairman of FGF, had been appointed as a Non-Executive Director of YPB.

- H. YPB's Appendix 4C for the December 2018 quarter released on MAP on 1 February 2019 (the "December 2018 Quarter Appendix 4C"), which included the following statements (emphasis added):

'The YPB Token project has progressed during the quarter and our facilitators First Growth Funds have advised that listing is expected to occur in the March quarter. The Company will provide further details on the token project in the coming weeks.'

- I. YPB's announcement titled 'Financial Results commentary' released on MAP on 28 February 2019 (the 'Financial Results Commentary'), which included the following statements (emphasis added):

'Given the current lack of liquidity in the crypto market, and the emergence of new commercial opportunities for applied use cases, the go-to-market strategy for the YPB token is currently being reworked with the company's token facilitators FGF with a view to delivering the commercial outcomes previously anticipated. Subject to further discussions with external stakeholders, the new plans for the YPB Token are expected to be announced in the near term. As previously advised, the Company has obtained regulatory clearance (ASX, ASIC) in the form of 'no objections' and has AFSL coverage to facilitate the launch of the token.'

- J. YPB's Annual Report released on MAP on 1 April 2019 (the 'Annual Report') which included the following statements (emphasis added):

'The YPB token complements the existing YPB solutions by providing additional incentives for consumers to scan products that contain a YPB marker. The consumer receives value from the brand such as discounts for that brand's products and the value transfer and data capture is facilitated and accessed through the YPB token.

... Since receiving regulatory approval the digital assets market has gone through a consolidation and repricing. The number and amount of funding raised via Initial Coin Offerings (ICO) have also declined significantly ...

We are working very closely with our cornerstone investors First Growth Funds Limited (ASX:FGF), DigitalX (ASX:DCC) and Blockchain Global Limited who have extensive experience in the digital asset and crypto currency sector.

We are exploring a number of opportunities for the YPB token. This includes an enterprise solution that leverages the utility of the YPB token into a commercial product. Our strategy is to ensure a tight product market fit with the YPB token, generate revenue from the sale of YPB tokens and create value in the digital currency asset.

We are also exploring the opportunity to free float (no ICO) of the YPB token on digital asset exchanges in international markets.

- K. FGF's Half Year Financial Report – Amended released on MAP on 4 March 2019 which included the following statements regarding YPB and LINCD:

- i) *'YPB has received regulatory approval to launch a digital asset token and has recently received their AFSL authorisation.'*
- ii) *'On 17 January 2019, FGF has entered into a binding heads of agreement to sell 100% shares of its subsidiary LINCD HQ Pty Ltd to Harris Technology Group Limited (ASX code: HT8) for a consideration of HT8 issuing 30,000,000 shares and 40,055,334 options to FGF ...'*

- L. YPB's announcement titled 'Update on YPB token' released on MAP on 3 April 2019 at 1:26 pm (the 'YPB 3 April 2019 Announcement'), which included the following statements (emphasis added):

'... [YPB] has signed an [sic] Memorandum of Understanding (MoU) with LINCD HQ Pty Ltd ("LINCD") to create the YPB token.

LINCD is a wholly owned subsidiary of YPB's token facilitator First Growth Funds Limited (ASX:FGF). FGF have advised YPB that given the recent improvement in the global market for digital tokens that it is appropriate to move toward creation of the YPB token and that signing the MoU with LINCD is the next step towards this milestone.

YPB is advised that the process of creating the token should be completed by mid-April 2019 at which time YPB will provide further details to the market.'

- M. The announcement by FGF titled 'LINCD TO ASSIST YPB WITH TOKEN CREATION' released on MAP on 3 April 2019 at 1:24 pm (the 'FGF 3 April 2019 Announcement'), which included the following statements (emphasis added):

'...LINCD HQ Pty Ltd, a 100% owned portfolio company of FGF, has signed a Memorandum of Understanding (MOU) with YPB Group Limited (ASX:YPB) to assist with the creation and management of the YPB token.

As previously announced, YPB has received ASX approval to issue a digital currency token. YPB has recently received AFSL authorisation and is working on developing a token with a strong use case that fits within YPB's retail anti-counterfeit and customer engagement solutions.

LINCD has extensive experience in blockchain technologies and will assist YPB with technical advisory for smart contracts and token creation. LINCD has previously developed solutions for supply chain management, which may also be of value to YPB.

On 17 January 2019, FGF announced it had signed an HOA with ecommerce company, Harris Technology (ASX:HT8) for the sale of the LINCD business. A General Meeting for the transaction will be held on 3 May 2019 ...'

ASX notes that the statement "YPB has received ASX approval to issue a digital currency token" is not correct.

- N. 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.

- O. Listing Rule 12.5 which states:

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

Questions and Requests for Information

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

1. Please provide a copy of the Memorandum of Understanding ('MOU') between YPB and LINCD referred to in the YPB 3 April 2019 Announcement (this is not for release to the market).
2. ASX notes that YPB entered into a contract with Enhanced Society for the 'Token Sale Event' in April 2018 (see paragraph A above). In relation to that contract:
 - a) Please describe in detail the services that were to be provided by Enhanced Society under that contract.
 - b) Please advise whether Enhanced Society delivered those services.
 - c) Please advise what fee or other consideration YPB paid for the delivery of those services.
 - d) Please advise whether YPB's contract with Enhanced Society is still on foot. If it is not, please explain the circumstances leading to the termination of the contract.
3. ASX notes that:
 - The YPB 3 April 2019 Announcement states that LINCD will *'create the YPB token'*, and that FGF is the *'token facilitator'*.
 - The FGF 3 April 2019 Announcement states that LINCD will *'assist with the creation and management of the YPB token'* and *'will assist YPB with technical advisory for smart contracts and token creation'*.
 - The December 2018 Quarter Appendix 4C and Financial Results Commentary state that FGF is the *'facilitator'* for the YPB token project.
 - FGF introduced DigitalX and Blockchain Global to YPB to *'advise and assist YPB with the development and distribution of the "YPB tokens"'* (see paragraph E above).

In relation to the above:

- a) Is FGF a party to the MOU? If not, please explain the contractual arrangements between YPB and FGF for the role it is to play in relation to the YPB tokens.
- b) Please describe in detail the services to be provided by FGF to YPB in relation to the YPB tokens.
- c) Please explain the due diligence that YPB undertook to satisfy itself that FGF has the skills and experience to provide those services.
- d) Please advise what fees or other consideration are payable by YPB to FGF for the delivery of those services and when they are due to be paid.
- e) Please describe in detail the services to be provided by LINCD to YPB in relation to the YPB tokens.
- f) Please explain the due diligence that YPB undertook to satisfy itself that LINCD has the skills and experience to provide those services.
- g) Please outline specifically YPB's understanding of LINCD's prior experience in undertaking 'token creations' and 'token management'.
- h) Please advise what fees or other consideration are payable by YPB to LINCD for the delivery of those services and when they are due to be paid.
- i) What other agreements, arrangements or understandings (if any) exist between YPB and DigitalX or Blockchain Global for the development and distribution of the YPB tokens?

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- j) Please advise what fees or other consideration are payable by YPB to DigitalX or Blockchain Global under those agreements, arrangements or understandings.
4. ASX notes that:
- LINCD is currently a wholly owned subsidiary of FGF.
 - Mr Anoosh Manzoori is the Executive Chairman of FGF and a Non-Executive Director of YPB.
- Was Mr Manzoori excluded from the YPB board deliberations pertaining to FGF, LINCD and the MOU?
5. Please provide a copy of the YPB board minutes approving the execution of the MOU (this is not for release to the market).
6. ASX notes that LINCD will be acquired by Harris Technologies Limited in May 2019. What are the implications (if any) for YPB of LINCD's upcoming change of ownership?
7. ASX notes:
- YPB provided various details in relation to its proposed token issue in the 26 July 2018 Announcement.
 - More recently, in the Financial Results Commentary, YPB states that *'the go-to-market strategy for the YPB token is currently being reworked...'*
 - The Annual Report indicates that the YPB token will provide additional incentives for consumers.
- In light of the above, please outline YPB's current business model/plan for the YPB tokens, specifically highlighting any changes relative to the 26 July 2018 Announcement and specifically referencing the following matters:
- a) The rights that will be granted to YPB token holders.
 - b) The jurisdictions where YPB tokens will be offered.
 - c) The type of persons to whom YPB intends to offer the YPB tokens (e.g. wholesale or retail investors).
 - d) The nature of the consideration to be received by YPB for the issue of the YPB tokens (e.g. cash, ethereum, other digital currencies).
 - e) The quantum (and timing) of the consideration planned to be raised.
 - f) The intended use of any consideration raised.
 - g) The legal requirements YPB must satisfy in order to lawfully make the YPB token issue and how it satisfies those requirements.
 - h) The digital asset exchanges in Australia and/or internationally on which it is proposed to list the YPB tokens.
8. Did YPB approve or otherwise provide input on the FGF 3 April 2019 Announcement before it was released to the market?
9. Please confirm that YPB is complying with Listing Rule 3.1 and that there is no information that should be given to ASX about its financial condition under the rule that has not already been released to the market.
10. Please confirm that YPB'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 YPB 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, 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 **9.30 am AEST on Friday 12 April 2019**.

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. 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

In responding to this letter, you should have regard to YPB'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 YPB's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, providing the information requested in this letter.

Further, 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, YPB's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in this letter.

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

Yours sincerely

Neel Bhowmick
Adviser, Listings Compliance (Sydney)