



18 November 2019

Mr C Lian
Adviser, Listings Compliance (Sydney)
20 Bridge Street
Sydney NSW 2000

Dear Corey

Appendix 3Y – Change of Director's Interest Notice Query

We refer to your letter dated 13 November 2019 regarding the above and respond to your questions as follows:

1. Please explain why the Appendix 3Y was lodged late.

The Appendix 3Y was lodged on 28 October 2019. There was a delay in lodging the Appendix 3Y due to an administrative oversight.

2. What arrangements does VBS 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?

The terms and conditions of appointment of each director of Vectus Biosystems Limited (the Company) include a requirement that the Director provides the necessary information to enable the Company to satisfy its disclosure obligations to ASX Limited. The Company has a standing item to its Board meeting agenda to ensure that all relevant transactions by Directors are identified and communicated to the Company Secretary.

In this particular case there was no increase in securities on issue. On 3 October 2019 100,000 performance rights held by a Director converted into ordinary shares following vesting after performance conditions were met. On that date an Appendix 3B was lodged with ASX providing the required information concerning the conversion.

3. If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?

The Company considers that the arrangements indicated above are sufficient to ensure ongoing compliance with listing rule 3.19B, but has introduced a checklist to ensure that, in respect of any changes associated with a Director, all disclosure obligations are met.

Yours sincerely
Vectus Biosystems Limited

Robert J Waring
Company Secretary

13 November 2019

Reference:

Mr Robert John Waring
Company Secretary
Vectus Biosystems Limited
PO Box 324 Crows Nest, NSW 1585

By email:

Dear Mr Waring

Vectus Biosystems Limited ('VBS'): Appendix 3Y – Change of Director's Interest Notice Query

ASX refers to the following:

1. VBS's Appendix 3Y lodged on the ASX Market Announcements Platform ('MAP') on 28 October 2019 for Mr Peter Bush (the 'Notice');
2. Listing Rule 3.19A which requires an entity to tell ASX the following:
 - 3.19A.1 *'The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.*
 - *On the date that the entity is admitted to the official list.*
 - *On the date that a director is appointed.**The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity's admission or a director's appointment.*
 - 3.19A.2 *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.*
 - 3.19A.3 *The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.'*
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 Bush's notifiable interest occurred on 3 October 2019. It appears that the Notice should have been lodged with ASX by 28 October 2019. Consequently, VBS may have breached Listing Rules 3.19A and/or 3.19B. It also appears that Mr Bush may have breached section 205G of the *Corporations Act 2001* (Cth).

Please note that ASX is required to record details of breaches of the Listing Rules by listed entities for its reporting requirements.

ASX reminds VBS of its contract with ASX to comply with the Listing Rules. In the circumstances, VBS should make necessary arrangements to ensure it does not continue to breach the Listing Rules.

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. Please explain why the Appendix 3Y was lodged late.
2. What arrangements does VBS 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 VBS intend to take to ensure compliance with Listing Rule 3.19B?

When and where to send your response

Your response should be sent to me by e-mail at ListingsComplianceSydney@asx.com.au. It should not be sent to the ASX Market Announcements Office.

A response is requested as soon as possible and, in any event, no later than half an hour before the start of trading (i.e. before 9:30 am AEDT) on 18 November 2019.

Under Listing Rule 18.7A, a copy of this letter and your response will be released to the market, so your response should be in a form suitable for release and must separately address each of the questions asked.

Enquiries

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

Kind regards

Corey Lian
Adviser, Listings Compliance (Sydney)