

17th June 2020

Mr Corey Lian
Adviser, Listings Compliance
ASX
20 Bridget Street
SYDNEY NSW 2000

By email: Corey.Lian@asx.com.au

Dear Corey,

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

I refer to your letter dated 17th June 2020 in relation to the above matter and respond as follows:

We had a number of personnel exercise options on 3 March of which John Pavlidis was one of them and the company failed to pick up on that fact at the time when processing the multiple exercises of options. Hence the company failed to lodge an Appendix 3Y for John Pavlidis within the relevant time period and this has only come to light now when dealing with John's subsequent share sales set out below. While we acknowledge that it does not absolve the company of fault, we note that the issue of shares on exercise of options was not a material number and it was in connection with existing securities previously disclosed, and was not the sale or acquisition of securities by a director (ie the director's relevant interest in the securities of the Company was not affected by the change).

With regards to the 5th June share option exercise and sell down and the further subsequent sell down on 16th June to satisfy tax obligations, it was originally anticipated that the exercise and sell down would occur immediately after the 5 June share option exercise (and would be noted in one Appendix 3Y within the permitted five business day period after 5 June). However, due to market conditions and share price movement at that time Mr Pavlidis ended up selling shares in two parcels, with the final parcel only able to be disposed on 16 June. The company had held off on the Appendix 3Y believing the sell down was imminent within the period allowed by the ASX listing rules but given the delays realises that this did not occur. Initially the company wanted to issue one Appendix 3Y to the market (rather than multiple) believing this would be easier for investors to comprehend, particularly given the earlier omission in March. It is noted that the delays ultimately exceeded the time period permitted and the company should ultimately have lodged two Appendix 3Ys to comply with its obligations. However, it is noted that as soon as the disposals were notified on 16 June, the company filed the relevant Appendix 3Y immediately with ASX. It is further noted that the 5 June exercise and disposal was not a material number of shares (51,872 shares).

The company has a procedure to ensure compliance with Listing Rule 3.19 (among other things) which is set out in the company's Continuous Disclosure Policy and also in a Letter of Appointment which each director must sign, whereby they agree to ".... provide all necessary information requested from you to enable the Company to comply with the statutory requirements in respect of its register of directors and to comply with ASX Listing Rule requirements, including complying with all of the Company's corporate governance charters and policies including the Code of Conduct, Securities Dealing Policy and the Price Sensitive Information Policy." Upon receipt of such information, the Company Secretary is aware, and VHT has internal procedures to ensure, that such information is communicated to the market as soon as possible.

The company has reminded its directors of their ASX obligations with respect to share trading and intends to ensure future timely compliance with Listing Rule 3.19.

Please contact me if you have any further queries.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'C Hadfield', with a stylized flourish underneath.

Craig Hadfield
Company Secretary



17 June 2020

Reference: 19585

Mr Craig Hadfield
Chief Financial Officer
Volpara Health Technologies Limited
Level 7, 44 Victoria St
Wellington Central
New Zealand 6011

By email: craig.hadfield@volparasolutions.com

Dear Mr Hadfield

Volpara Health Technologies Limited ('VHT'): Appendix 3Y – Change of Director's Interest Notice Query

ASX refers to the following:

1. VHT's Appendix 3Y lodged on the ASX Market Announcements Platform ('MAP') on 17 June 2020 for Mr John Pavlidis (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 Pavlidis's notifiable interest occurred on 3 March 2020 and 5 June 2020. It appears that the Notice should have been lodged with ASX by 10 March 2020 and 15 June 2020

respectively. Consequently, VHT may have breached Listing Rules 3.19A and/or 3.19B. It also appears that Mr Pavlidis 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 VHT of its contract with ASX to comply with the Listing Rules. In the circumstances, VHT 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 VHT 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 VHT 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 19 June 2020.

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)