



Ivan Tatkovich
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Dear Ivan

Response to ASX aware query

I refer to your letter dated 21 July 2020 (**ASX Aware letter**) to Reffind Limited (**RFN or the Company**). Unless specifically defined otherwise, capitalised terms used in this letter have the same meaning as given in the ASX Aware Letter.

The Company responds to each of your queries as follows:

- 1. Does RFN consider the Information (see paragraph B of the query) to be information that a reasonable person would expect to have a material effect on the price or value of its securities?**

No

- 2. If the answer to question 1 is 'no', please advise the basis for that view.**

The basis for this view is;

- Reffind had previously advised the market in its Quarterly Activities Report dated 30 April 2020 that it was seeking to recover the debt from Loyyal. The following statement was included in its Appendix 4C:
"therefore made the commercial decision to call in for repayment the Company's unsecured convertible promissory note entered into between Loyyal Corporation (Loyyal) and the Company during the quarter. The Company has decided not to convert the Note for additional shares and instead requested repayment of all outstanding moneys (being USD\$845,315 as at 30 April 2020). The Company is currently negotiating with Loyyal regarding the repayment and will update the market in due course."
- In the context of the ongoing negotiations, part of Reffind's strategy was to commence suit to assist in the negotiations and, upon obtaining a resolution, Reffind would update the market. Accordingly, to the extent that the information was price sensitive, Reffind considered that the information concerned or was part of its incomplete negotiations with Loyyal. It should be noted that Loyyal filed a defence to the claim on 18 July 2020;
- The Company's view that the information was not price sensitive was demonstrated by the fact that upon releasing the information to the market on 17 July 2020 the price of the Company's shares was \$0.002 and it subsequently closed at the same price, with only one small intraday trade at a lower price.

- 3. Please confirm whether RFN commenced legal action against Loyyal and, in turn, first became aware of the Information on 24 June 2020.**



Yes, RFN commenced legal action against Loyyal and became aware of the formal commencement of the action on 25 June 2020. Reffind was advised of service of the claim on Loyyal on 1 July 2020.

- 4. If the answer to question 1 is 'yes' and RFN first became aware of the Information before 17 July 2020, please explain why the Information was not released to the market at an earlier time, commenting specifically on when you believe RFN was obliged to release the Information under Listing Rules 3.1 and 3.1A and what steps RFN took to ensure that the Information was released promptly and without delay.**

Not applicable.

- 5. How many revenue generating subscription-based accounts/customers did Wooboard have as at 30 June 2020?**

As at the end of 30 June 2020, Wooboard has twenty (20) paying business accounts/customers. Each of those customers have a varying number of users (staff of the customers) using Wooboard. Reffind charges each customer on a per user basis.

- 6. What was the average conversion rate of new (trial) accounts/customers to revenue generating subscriptions during the June 2020 quarter?**

Wooboard has seen a 179% increase in new (trial) account openings per the announcement of 17 July 2020. Reffind's view is that this shows there is increased interest in Wooboard and highlights the increased relevance of Wooboard to target customers during these COVID-19 impacted times which have resulted in an increase in staff working from home (remote working).

During the quarter Reffind acquired 3 new paid accounts/customers. That translates to a 1.38% conversion rate of trial accounts to paid for the quarter. Reffind is taking action to increase these conversion rates which will be announced in the upcoming quarterly report.

- 7. Please confirm that RFN is complying with the Listing Rules and, in particular, Listing Rule 3.1**

The Company confirms that it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

- 8. Please confirm that RFN'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 RFN with delegated authority from the board to respond to ASX on disclosure matters.**

The Company confirms that the responses provided by in this letter have been authorized and approved by the Board.

Should you have any further queries, please contact the undersigned.

Your sincerely for and on behalf of Reffind

A handwritten signature in black ink, appearing to read "D Jarrett", followed by a stylized star-like flourish.

Mr Declan Jarrett
Non executive director and company secretary

21 July 2020

Reference: 20634

Mr Declan Jarrett
Non-Executive Director and Company Secretary
Reffind Limited
Suite 452, Level 5
311 Castlereagh Street
Sydney NSW 2000

By email

Dear Mr Jarrett

Reffind Limited ('RFN'): Aware Query

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

- A. RFN's announcement titled 'Interbio agreement discontinued-Wooboard update' released on the ASX Market Announcements Platform ('MAP') at 9:09am on 17 July 2020, which included the following statements:
- (i) *'Over the last three months, growing interest in Reffind's intelligent employee recognition platform, Wooboard, saw an uplift in new customer signups with the average number of new accounts per month reaching 72 – a 179% increase from the previous 3 months ...'*
 - (ii) *'Reffind has proactively contacted each of the new accounts to provide support and see how the Company can serve to assist them in successfully integrating Wooboard into their organisation. This aligns with Reffind's strategic objectives to increase its overall Wooboard subscriber base and funnel new user acquisitions into paid subscription-based accounts for continual revenue generation.'*
- B. RFN's announcement titled 'Loyyal Convertible Note update' released on MAP at 10:44am on 17 July 2020, which included the following statement in relation to amounts owing to RFN under its convertible note with Loyyal Corporation ('Loyyal'):
- 'Reffind filed a claim in the United States District Court (Northern District of California) on 24 June 2020 for recovery of the monies owing in the amount of USD 883,969' (the 'Information').*
- C. 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.
- D. 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."*
- E. 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.'

F. 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.'

Questions and Request for information

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

1. Does RFN consider the Information (see paragraph B above) to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is 'no', please advise the basis for that view.
3. Please confirm whether RFN commenced legal action against Loyyal and, in turn, first became aware of the Information on 24 June 2020.
4. If the answer to question 1 is 'yes' and RFN first became aware of the Information before 17 July 2020, please explain why the Information was not released to the market at an earlier time, commenting specifically on when you believe RFN was obliged to release the Information under Listing Rules 3.1 and 3.1A and what steps RFN took to ensure that the Information was released promptly and without delay.
5. How many revenue generating subscription-based accounts/customers did Wooboard have as at 30 June 2020?
6. What was the average conversion rate of new (trial) accounts/customers to revenue generating subscriptions during the June 2020 quarter?
7. Please confirm that RFN is complying with the Listing Rules and, in particular, Listing Rule 3.1.
8. Please confirm that RFN'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 RFN 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 **9:30am AEST on Friday, 24 July 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, RFN'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 RFN to request a trading halt immediately.

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.

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 RFN'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 RFN's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to RFN'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 RFN'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 with ASX

ASX reserves 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 contact me.

Yours sincerely

Ivan Tatkovich
Adviser, Listings Compliance (Sydney)