

24 September 2018

Dean Litis  
Principal Adviser, Listing Compliance (Melbourne)  
ASX Limited

Email: [dean.litis@asx.com.au](mailto:dean.litis@asx.com.au)

Copy: [tradinghaltsmelbourne@asx.com.au](mailto:tradinghaltsmelbourne@asx.com.au)

Dear Dean,

## **AXSESSTODAY LIMITED (ASX: AXL) – INTERIM UPDATE AND EXTENSION OF VOLUNTARY SUSPENSION**

Aksesstoday Limited (the **Company**) refers to its announcements of 14 September 2018, pursuant to which the Company requested a voluntary suspension pending a detailed review of the Company's strategy and, separately, provided an update on management changes. The Company hereby requests an extension of the voluntary suspension of the Company's shares and its simple corporate bond (ASX codes: AXL and AXLHA, respectively).

### **INTERIM UPDATE**

As previously announced, the Board is conducting a detailed review of the Company's business strategy. The strategic review is on-going and Deloitte has been appointed to assist the Company with this review.

As part of the strategic review, the Company is assessing the impact of the previously disclosed change in the arrears reporting methodology (announced on 29 August 2018) on its covenant reporting obligations to its lenders. The Board has become aware that the change in arrears reporting methodology has inadvertently triggered a breach of its financial covenants with its senior bank lenders.

Further to the above, the Board has become aware of other breaches under its facility agreement with its senior bank lenders. These include modifications to the corporate structure of the Company group (by creating new entities within the group) without the prior consent of the senior banks and funding approximately \$2.0m in business loans through one of these new entities outside of the facility terms. Furthermore, under the terms of the facility, if trading of the Company's shares on the ASX has been suspended for more than five consecutive Business Days, the senior bank lenders are entitled to review the facility. Following its review, the senior bank lender may determine to either change any of the conditions of the facility or terminate the facility.

Since becoming aware of these breaches, the Company has been working closely with its senior bank lenders to obtain a waiver for the abovementioned breaches, to re-negotiate the covenant thresholds and to procure their ongoing support. The Company will provide a detailed update immediately upon resolution of these matters.

Following the departure of the CEO, the Company has commenced a search for a new CEO. Further, Joe Flanagan has agreed, at the request of the board, to withdraw his resignation from the Company and resume his roles as Chief Financial Officer and Company Secretary of Aksesstoday Ltd. A Board renewal program is also underway.

## **VOLUNTARY SUSPENSION**

In accordance with ASX Listing Rule 17.2, the Company:

- a) requests that its securities remain suspended from trading pending completion of the detailed review of the Company's business strategy. Given the nature of the review and the need to undertake further work, the Company is not yet in a position to make any additional announcements regarding the potential outcome of the review. The Company considers it appropriate that it remains in voluntary suspension so that it can manage its continuous disclosure obligations and to avoid the market trading in AXL and AXLHA securities on a basis that is not reasonably informed;
- b) requests that the voluntary suspension remain in place until the earlier of the Company making an announcement to the market and the commencement of normal trading on Monday, 22 October 2018.
- c) is not aware of any reason why the voluntary suspension should not be extended; and
- d) is not aware of any other information necessary to inform the market about its suspension at this time.

Yours sincerely

**Kerry Daly**  
**Executive Chairman**