

16 November 2020

Mr Dean Litis
Compliance Adviser, Listings Compliance
Melbourne

Dear Mr Litis

Crowd Media Holdings Limited (ASX: CM8): Aware Letter

Crowd Media Holdings Limited refers to your letter of 12 November 2020 and provides the followings responses:

- 1. Does CM8 consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?**

Yes

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

n/a

- 3. When did CM8 first become aware of the Information?**

CM8 released to the market 11th November 2020 at pre-open (AEDT).

Agreement with UneeQ Ltd was executed evening 9th November 2020 (CET: European time) which was early morning 10th November 2020 in Australia while VFR Assets and Holdings Ltd was executed afternoon 10th November 2020 (CET: European time) which was early morning 11th November 2020 in Australia.

Both agreements were formally executed while the ASX was closed and/or CM8 was in a trading halt.

- 4. If the answer to question 1 is “yes” and CM8 first became aware of the Information before the relevant date, did CM8 make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe CM8 was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps CM8 took to ensure that the information was released promptly and without delay.**

n/a

- 5. Given the increase in both the price of CM8 securities and in the volume of CM8 securities traded during the Relevant Period, what steps did CM8 take to satisfy itself that the Information remained confidential in accordance with Listing Rule 3.1A.2 and having regard to section 5.8 of Guidance Note 8 (referred to in paragraph J above)? In answering this question, please advise if CM8 considered requesting a trading halt in its securities during the Relevant Period pending the release of the Information on ASX? If not, why not? If so, please state why CM8 did not request a trading halt before 11 November 2020**

As a public company, CM8 reinforces the importance of confidentiality as part of any discussion.

All parties involved understood and agreed that the negotiations are confidential until announced to the (ASX) and we have no reason to believe that this was not the case.

We didn't place CM8 into a trade halt until 10th November 2020 as we didn't believe it was necessary.

As previously noted in previous responses to ASX, Crowd has recently seen a heightened increase in trade activity given more media (social, print and electronic) focus on fintech companies. Crowd also recently engaged Investor relations consultants in Australia and Germany in order to help increase the exposure of the company. We believe these activities have contributed to increased trading in the Company's shares on previous occasions and in relation to the days leading up to the company's trading halt request.

6. Please confirm that CM8 is complying with the Listing Rules and, in particular, Listing Rule 3.1.
Confirmed

7. Please confirm that CM8'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 CM8 with delegated authority from the board to respond to ASX on disclosure matters.
Confirmed

Please do not hesitate to contact me should you wish to discuss further.

Yours sincerely

Laura Newell
Company Secretary



12 November 2020

Reference: ODIN27633

Ms Laura Newell
Company Secretary
Crowd Media Holdings Limited
Level 4, 44 Gwynne Street
Cremorne VIC 3121

By email

Dear Ms Newell

Crowd Media Holdings Limited ('CM8'): General – Aware Query

ASX refers to the following:

- A. ASX's letter of 9 November 2020 to CM8 noting the increase in the price of CM8's securities from a low of \$0.039 on 5 November 2020 to a high of \$0.063 on 9 November 2020 ('Relevant Period') as well as the significant increase in the volume of CM8's securities traded during the same period ('Price Query Letter').
- B. On 10 November 2020, prior to the commencement of trading, CM8 requested and was granted a trading halt in its securities '*pending an anticipated material announcement by [CM8] regarding proposed JV agreements*' ('Trading Halt').
- C. At the same time CM8 provided its response to the Price Query Letter dated 10 November 2020 ('CM8's Response') which included the following response to question 1 of the Price Query Letter:

Is CM8 aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?

For the last 6 months the Company has been working on numerous business opportunities and transactions including a Joint Venture (JV). JV negotiations and documentation are not yet complete. The Company treats all negotiations in the strictest confidence.

- D. CM8's Response also confirmed that it was relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1.
- E. CM8's announcement entitled "CM8 launches 'Talking Head' Beta and signs two partnerships" lodged on the ASX Market Announcements Platform and released at 9:30 AM] on 11 November 2020 (the 'Announcement'), disclosing that (among other things) it had entered into a strategic partnership with UneeQ Ltd for the creation of "Digital Ambassadors" and that it will form a 50-50 joint venture ("Talking-Head JV") with VFR Assets and Holdings Ltd ('Information').
- F. The further increase in CM8 securities following the release of the Information from a low of \$0.068 to a high of \$0.10 before closing at \$0.079 on 11 November 2020.
- G. 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.
- H. 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.”

- I. 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.”

- J. 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.”

Request for information

Having regard to the above, ASX asks CM8 to respond separately to each of the following questions and requests for information:

1. Does CM8 consider the Information 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. When did CM8 first become aware of the Information?
4. If the answer to question 1 is “yes” and CM8 first became aware of the Information before the relevant date, did CM8 make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe CM8 was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps CM8 took to ensure that the information was released promptly and without delay.
5. Given the increase in both the price of CM8 securities and in the volume of CM8 securities traded during the Relevant Period, what steps did CM8 take to satisfy itself that the Information remained confidential in accordance with Listing Rule 3.1A.2 and having regard to section 5.8 of Guidance Note 8 (referred to in paragraph J above)? In answering this question, please advise if CM8 considered requesting a trading halt in

its securities during the Relevant Period pending the release of the Information on ASX? If not, why not? If so, please state why CM8 did not request a trading halt before 11 November 2020?

6. Please confirm that CM8 is complying with the Listing Rules and, in particular, Listing Rule 3.1.
7. Please confirm that CM8'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 CM8 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 **9:30 AM AEDT Monday, 16 November 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, CM8'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 CM8 to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsComplianceMelbourne@asx.com.au**. 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 CM8'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 CM8's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to CM8'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 CM8'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 between ASX and entity

We reserve 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 do not hesitate to contact me.

Yours faithfully

Dean Litis

Principal Adviser, Listings Compliance (Melbourne)