



14 November 2022

Reference: 64090

Mr Thomas Howitt  
Company Secretary  
Cronos Australia Limited  
Suite 8, Level 3  
299 Toorak Road  
South Yarra Vic 3141

By email: tom@cronosaustralia.com

Dear Mr Howitt

**Cronos Australia Limited ('CAU'): Price - Query**

ASX refers to the following:

- A. The change in the price of CAU's securities from a high of \$0.75 at close of trading yesterday to a low of \$0.59 today.
- B. The significant increase in the volume of CAU's securities traded today.

**Request for information**

In light of this, ASX asks CAU to respond separately to each of the following questions and requests for information:

1. Is CAU 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?

If the answer to question 1 is "yes".

- (a) Is CAU relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in CAU's securities would suggest to ASX that such information may have ceased to be confidential and therefore CAU may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
  - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
  - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
2. If the answer to question 1 is "no", is there any other explanation that CAU may have for the recent trading in its securities?
  3. Please confirm that CAU is complying with the Listing Rules and, in particular, Listing Rule 3.1.
  4. Please confirm that CAU's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of CAU with delegated authority from the board to respond to ASX on disclosure matters.

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### 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 Tuesday, 15 November 2022**. 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, CAU'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 CAU 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, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in CAU'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 CAU's securities under Listing Rule 17.3.

### Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to CAU'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 CAU'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.

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Regards

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**Melissa Kostopoulos**

Compliance Adviser, Listings Compliance (Melbourne)

15 November 2022

Ms. Melissa Kostopoulos  
Compliance Adviser, Listings Compliance (Melbourne),  
ASX Compliance Pty Ltd,  
Level 4, North Tower,  
525 Collins Street,  
Melbourne Vic. 3000

Dear Ms. Kostopoulos,

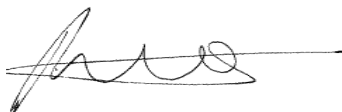
## RESPONSE TO PRICE QUERY

We refer to your letter dated 14 November 2022 entitled *Price - Query* and provide the following responses to the questions raised in the letter. We have responded to your questions as numbered in your letter.

1. Cronos Australia Limited (**Company**) confirms that it is not aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company.
2. The Company notes that:
  - a. shares in the Company representing approximately 73.4% of the total number of shares on issue are due to be released from voluntary escrow on 16 December 2022 (**Escrowed Shares**); and
  - b. there may be speculation in the market that the market price of the Company's shares may fall upon the Escrowed Shares being released from voluntary escrow.
3. The Company confirms that it is in compliance with the Australian Securities Exchange Listing Rules and, in particular, Listing Rule 3.1.
4. The Company confirms that the responses contained in this letter have been authorised and approved under the Company's published continuous disclosure policy by a duly-authorised officer of the Company.

We trust that the above is satisfactory. However, should you have any further questions, please do not hesitate to contact us.

Yours sincerely,



Rodney D. Cocks  
*Chief Executive Officer*