

3 June 2022

Ms Vanessa Nevjestic
Adviser, Listings Compliance (Perth)
ASX Limited
Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000

Email: vanessa.nevjestic@asx.com.au

Dear Ms Nevjestic

Zimi Limited (ASX Code: ZMM) – Response to ASX Query

We refer to your letter dated 2 June 2022 (**Letter**). Capitalised terms used in this letter have the meaning given in your Letter unless otherwise defined. Set out below is the response of Zimi Limited (**ZMM**) to each of the questions in the Letter.

1. Does ZMM 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?

No.

Due to an internal error during the drafting process which omitted to identify that the announcement was not market sensitive, the announcement was incorrectly tagged as market-sensitive while lodging on ASX online.

On further review, ZMM considers that the better view is that a reasonable person would not expect the information to have a material effect on the price or value of its securities.

The Company has reviewed and revised its procedures to ensure these sorts of administrative errors do not occur again.

2. If the answer to question 1 is “no”, please explain the purpose for ZMM lodging the Announcement on MAP, commenting specifically on why ZMM marked the Announcement as “price-sensitive” on lodgement.

See response to 1 above.

The Company has over a period of time, made a number of announcements about the expansion of its Powermesh and Senoa hardware ranges and development of complementary products to its existing ranges. These new products are driven by customer demand and the expansion of the product portfolio is considered to be of considerable interest to shareholders and the market without necessarily being price sensitive.

3. If the answer to question 1 is “yes”:

- 3.1 When did ZMM first become aware that the Patent had been granted? Please explain the apparent delay in announcing the patent grant, commenting specifically on

whether ZMM believes this was compliant with its obligation to “immediately” disclose material information under Listing Rule 3.1.

3.2 When did ZMM first become aware that it had received a A\$200,000 order from GSM Electrical? Please explain why ZMM considers this to be material in the context of its Half Year Revenue.

3.3 Please explain why ZMM considers that unveiling its new accessibility switches “soon” to be a material development that required disclosure under Listing Rule 3.1.

Not applicable.

4. Please confirm that ZMM 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, including Listing Rule 3.1.

5. Please confirm that ZMM’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 ZMM with delegated authority from the board to respond to ASX on disclosure matters.

ZMM confirms that this response has been authorised and approved by the Board.

Yours sincerely



Catherine Grant-Edwards
Company Secretary



2 June 2022

Reference: ODIN53522

Ms Catherine Grant-Edwards
Company Secretary
Zimi Limited
Level 1, 2A / 300 Fitzgerald Street
North Perth, Western Australia 6006
By email: cath@bellatrixcorp.com.au

Dear Ms Grant-Edwards

Zimi Limited ('ZMM'): Query Letter

ASX refers to the following:

- A. ZMM's announcement titled "Zimi continues to expand its product range" lodged on the ASX Market Announcements Platform ('MAP') on 1 June 2022 (the '**Announcement**') and marked as "price-sensitive" by ZMM, which disclosed that:
- ZMM was "recently" granted a patent in relation to its technology;
 - ZMM had received an order worth A\$200,000 for its 'Multi Dimmer Switch' offering from 'GSM Electrical', which ASX notes is a related party to ZMM; and
 - ZMM will "soon be unveiling" an extended range of accessibility switches.
- (together, the '**Information**').
- B. The Australian Government - IP Australia website 'AusPat', which shows that ZMM's application number 2022100049 (the 'Patent') was granted on 21 April 2022. A link to this record is available here:
- <http://pericles.ipaustralia.gov.au/ols/auspat/applicationDetails.do?applicationNo=2022100049>
- C. ZMM's half year report for the half year ended 31 December 2021 released on MAP on 25 February 2022 (the 'Half Year Report'), which recorded, amongst other things, revenue of A\$2,711,000 for the half year ended 31 December 2021 (the 'Half Year Revenue').
- D. Section 7.10 of Guidance Note 8, which provides (relevantly):
- "ASX is alive to listed entities making market announcements with a view to "ramping up" the price of their securities. Ramping announcements come in many forms, including:*
- the release of a "business update" or something similar, which will typically be worded in an exuberant fashion but which on closer examination contains little in the way of substance that has not already been disclosed to the market" ...*
- "Whenever ASX detects what it suspects to be a ramping announcement, it will give careful consideration to suspending the entity's securities from trading and issuing a query letter to the entity asking the entity:*
- if it marked the announcement as market sensitive when it was lodged on MAP, to identify what information in the announcement the entity considered was market sensitive and why;"*
- E. 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.

F. 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.”

G. 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.”

Request for information

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

1. Does ZMM 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 explain the purpose for ZMM lodging the Announcement on MAP, commenting specifically on why ZMM marked the Announcement as “price-sensitive” on lodgement.
3. If the answer to question 1 is “yes”:
 - 3.1 When did ZMM first become aware that the Patent had been granted? Please explain the apparent delay in announcing the patent grant, commenting specifically on whether ZMM believes this was compliant with its obligation to “immediately” disclose material information under Listing Rule 3.1.
 - 3.2 When did ZMM first become aware that it had received a A\$200,000 order from GSM Electrical? Please explain why ZMM considers this to be material in the context of its Half Year Revenue.
 - 3.3 Please explain why ZMM considers that unveiling its new accessibility switches “soon” to be a material development that required disclosure under Listing Rule 3.1.
4. Please confirm that ZMM is complying with the Listing Rules and, in particular, Listing Rule 3.1.

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5. Please confirm that ZMM'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 ZMM 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 **12:00 AM AWST Wednesday, 8 June 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, ZMM'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 ZMM to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@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 ZMM'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 ZMM's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to ZMM'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 ZMM'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 sincerely

Vanessa Nevjestic
Senior Adviser, Listings Compliance (Perth)