



18 August 2017

ASX Limited
By email to dawnjames@asx.com.au

Dear Dawn,

RE: Kabuni Limited Appendix 4C Query

I refer to your letter dated 15 August 2017 regarding Kabuni Limited's Appendix 4C quarterly report and reply to your queries as follows:-

1. Does KBU expect that it will continue to have negative operating cash flows for the time being and, if not, why not?

Yes

2. Has KBU taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

The Company raised \$250,000 through the issue of convertible notes as announced to the ASX on 17 July 2017. The Company will consider further capital raisings as required to continue to fund its operations.

3. Does KBU expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Yes. As previously announced to the ASX on 17 July 2017 the Company has signed a share purchase agreement with Print The Future, Inc, ("PTF") for the sale of its operating subsidiaries. Further details will be provided in a notice of meeting, by which the Company will seek shareholder approval for the transaction with PTF, amongst other resolutions.

4. Please confirm that KBU is in compliance with Listing Rule 3.1 and that there is no information that should be given to ASX about its financial condition in accordance with that Rule that has not already been released to the market.

Yes, the Company is in compliance with ASX Listing Rule 3.1. The Company entered into a trading halt on 17 August 2017 and expects to make an announcement with an update on its transaction with PTF by Monday, 21 August 2017.

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

These responses have been authorised by the board of the Company.

If you have any questions please call Brett Tucker on 08 9482 0506.

For and on behalf of Kabuni Limited

Brett Tucker
Company Secretary



15 August 2017

Mr Brett Tucker
Company Secretary
Kabuni Limited
Ground Floor
16 Ord Street
West Perth
WA 6005

By email: btuckor@ventnorcapital.com

Dear Mr Tucker

Kabuni Limited ("KBU"): Appendix 4C Query

I refer to KBU's Appendix 4C quarterly report for the period ended 30 June 2017 lodged with ASX Market Announcements Platform and released on 31 July 2017 (the "Appendix 4C").

ASX notes that KBU has reported:

- negative net operating cash flows for the quarter of \$459,000;
- cash at the end of the quarter of \$205,000; and
- estimated cash outflows for the next quarter of \$100,000.

It is possible to conclude, based on the information in the Appendix 4C, that if KBU were to continue to expend cash at the rate indicated by the Appendix 4C, KBU may not have sufficient cash to continue funding its operations. In view of that, ASX asks KBU to answer separately each of the following questions and provide the following confirmations in a format suitable for release to the market in accordance with Listing Rule 18.7A:

1. Does KBU expect that it will continue to have negative operating cash flows for the time being and, if not, why not?
2. Has KBU taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
3. Does KBU expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
4. Please confirm that KBU is in compliance with Listing Rule 3.1 and that there is no information that should be given to ASX about its financial condition in accordance with that Rule that has not already been released to the market.
5. Please confirm that KBU'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 KBU with delegated authority from the board to respond to ASX on disclosure matters.

Please also provide any other information that KBU considers may be relevant to ASX forming an opinion on whether KBU is in compliance with Listing Rule 12.2 (a listed entity's financial condition must, in ASX's opinion, be adequate to warrant the continued quotation of its securities and its continued listing).

When and where to send your response

This request is made under, and in accordance with Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than 8.00 am WST on Friday 18 August 2017. If we do not have your response by then, ASX will have no choice but to consider suspending trading in KBU's securities under Listing Rule 17.3.

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, KBU'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.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at Dawn.James@asx.com.au and a copy to tradinghaltsperth@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.

Listing Rule 3.1

Listing Rule 3.1 requires a listed entity to give ASX immediately 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. Exceptions to this requirement are set out in Listing Rule 3.1A.

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

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 KBU'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 may 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*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely,

[Sent electronically without signature]

Dawn James
Adviser, Listings Compliance
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E: Dawn.James@asx.com.au