

18 January 2019

Penelope Reid
Adviser Listings Compliance (Perth)
ASX Compliance Pty Ltd
Level 40 Central Park
152-158 St Georges Terrace
PERTH WA 6000

By email: ListingsCompliancePerth@asx.com.au

Dear Penelope

Netlinkz Limited ("NET"): Aware Query

Further to your letter to Netlinkz Limited (Company) dated 15 January 2019 we have set out our response below in relation to the questions raised in your letter (using the numbering in your letter).

1. Does NET consider the information in the First 5 December Twitter Post to be information that a reasonable person would expect to have a material effect on the price or value of its securities? If the answer to this question is "no", please advise the basis for that view.

No. NET has previously disclosed the arrangements with China Telecom and JAST- Netlinkz Hong Kong Limited ("China Based Reseller") - an independent company as well as the potential size of the market in the Jaingsu Province. NET is unable to verify or endorse the number of users quoted by the China Based Reseller.

2. Does NET consider the information in the Second 5 December Twitter Post that NET expects revenue of \$14.9m in the first full year of product roll-out, to be information that a reasonable person would expect to have a material effect on the price or value of its securities? If the answer to this question is "no", please advise the basis for that view.

No. The Second 5 December Twitter Post clearly identifies it is the China Based Reseller who is expressing an opinion as to the revenue the Company could expect from the sale of its IP in Chinaby the China Based Reseller . It is not a financial forecast or statement by the Company. The Company does not endorse the opinion expressed by the China Based Reseller as it is an extrapolation of the expected user base and sale price of the software. NET has previously disclosed the arrangements with China Telecom and its China Based Reseller as well as the potential size of the market in the Jaingsu Province. NET is unable to verify the numbers from the China Based Reseller.

3. Does NET consider the information in the 6 December Twitter Post that NET has partnered with TIAN AN CYBER PARK Group, to be information that a reasonable person would expect to have a material effect on the price or value of its securities? If the answer to this question is "no", please advise the basis for that view.

No. NET has not partnered with the TIAN CYBER PARK Group. The words used in the 6 December Twitter Post by NET were inaccurate. The China Based Reseller has entered into a memorandum of understanding with the TIAN CYBER PARK Group to set up a research and development centre in one TIAN CYBER PARK in Nanjing.

4. Does NET consider the information in the “FZO Announcement”, that NET and Family Zone have agreed to work together on distribution opportunities in India and China, to be information that a reasonable person would expect to have a material effect on the price or value of its securities? If the answer to this question is “no”, please advise the basis for that view.

No. NET is not working with Family Zone on distribution opportunities in China and India. The China Based Reseller has entered into a memorandum of understanding to distribute Family Zone’s products in China and explore the opportunities of distributing NET’s products in India.

5. When did NET first become aware of the information in:

- a) First 5 December Twitter Post;
- b) Second 5 December Twitter Post;
- c) 6 December Twitter Post; and
- d) the FZO Announcement (together, the “Disclosures”)?

NET first became aware of the information in set out in paragraph 5 above in the week before the FZO Announcement and Twitter publications.

6. If NET first became aware of the information in any of the Disclosures before the relevant date of the Disclosure, did NET 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 NET was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps NET took to ensure that the information was released promptly and without delay. In responding to this question, please set out your response for each of the Disclosures separately.

Information contained in the First and Second 5 December Twitter Posts were disclosed in ASX announcements by NET on 18 January 2018, 5 March 2018, 28 March 2018, 5 April 2018, 12 April 2018, 1 May 2018, 4 May 2018, 6 June 2018, 3 July 2018, 18 July 2018, 26 October 2018 and the AGM Presentation 29 November 2018.

The Second 5 December Twitter Post identified the opinion was that of the China based reseller and not an opinion of the Company as to its projected revenue or a financial forecast of the Company.

The Company has taken down the First and Second 5 December Posts.

NET did not need to disclose information contained in the 6 December Twitter Post or the FZO Announcement.

NET will publish a correction of the 6 December Twitter Post confirming that it is the Company’s China based reseller that is partnering with TAIN CYBER PARK Group.

7. Please confirm that NET is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

NET confirms it has been in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

8. Please confirm that NET’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 NET with delegated authority from the board to respond to ASX on disclosure matter

The responses to the Aware Query have been authorised and approved by the Board of NET.

Yours faithfully

A handwritten signature in black ink, appearing to read 'James Tsiolis', with a large, stylized initial 'J'.

James Tsiolis
Executive Chairman
Netlinkz Limited



15 January 2019

Mr Greg MacMillan
Company Secretary
Netlinkz Limited
Level 31 AMP Building 50 Bridge Street
SYDNEY NSW 2000

By email: gmacmillan@australianheritage.com.au

Dear Mr MacMillan

Netlinkz Limited ("NET"): Aware Query

ASX refers to the following:

A. NET's (@NetLinkzLtd) post on Twitter on 5 December 2018 ("First 5 December Twitter Post") which states:

"The following information has been supplied from our China Reseller China Telecom user base in Jiangsu Province .

Wuxi	2,421,200
Nanjing	5,714,000
Suzhou	8,723,000
Changzhou	2,113,000
Total	18,971,200"

B. NET's (@NetLinkzLtd) post on Twitter on 5 December 2018 ("Second 5 December Twitter Post") which states:

"Our #China based reseller JAST expects a market penetration of 5 to 7% which will translate into the following expected revenue for @NetLinkzLtd
AUD\$ 14.9m in first full year of product roll-out in @loveJiangsu Province
netlinkz.com/technology/
#Cloud #IoT #5G #security"

C. NET's (@NetLinkzLtd) post on Twitter on 6 December 2018 ("6 December Twitter Post") which states:

"@NetlinkzLtd partnering with TIAN AN CYBER PARK Group to showcase and distribute VIN/VSP product to the business community focused on #IoT.
Established in 1990, it has been developing and managing 17 industrial properties in 11 cities all over China.
en.tianan-cyber.com/AboutUs/"

D. Family Zone Cyber Safety Limited ("FZO")'s announcement entitled "Family Zone Secures Strategic Investment" lodged on the ASX Market Announcements Platform on 21 December 2018 ("FZO Announcement"), which includes the following:

"SCML, Netlinkz and Family Zone have agreed to work together on distribution opportunities in India, and in Netlinkz's strongest market, China, where Netlinkz has entered into a reseller agreement to sell its patented software."

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."

H. 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."

I. Section 4.15 of ASX Guidance Note 8 which includes the following:

"ASX would generally expect an announcement about the signing of a market sensitive contract with a customer to include information about:

- the name of the customer;*
- the term of the contract;*
- the nature of the products or services to be supplied to the customer;*
- the significance of the contract to the entity;*
- any material conditions that need to be satisfied before the customer becomes legally bound to proceed with the contract; and*

- *any other material information relevant to assessing the impact of the contract on the price or value of the entity's securities."*

Request for Information

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

1. Does NET consider the information in the First 5 December Twitter Post to be information that a reasonable person would expect to have a material effect on the price or value of its securities? If the answer to this question is "no", please advise the basis for that view.
2. Does NET consider the information in the Second 5 December Twitter Post that NET expects revenue of \$14.9m in the first full year of product roll-out, to be information that a reasonable person would expect to have a material effect on the price or value of its securities? If the answer to this question is "no", please advise the basis for that view.
3. Does NET consider the information in the 6 December Twitter Post that NET has partnered with TIAN AN CYBER PARK Group, to be information that a reasonable person would expect to have a material effect on the price or value of its securities? If the answer to this question is "no", please advise the basis for that view.
4. Does NET consider the information in the "FZO Announcement", that NET and Family Zone have agreed to work together on distribution opportunities in India and China, to be information that a reasonable person would expect to have a material effect on the price or value of its securities? If the answer to this question is "no", please advise the basis for that view.
5. When did NET first become aware of the information in:
 - a) First 5 December Twitter Post;
 - b) Second 5 December Twitter Post;
 - c) 6 December Twitter Post; and
 - d) the FZO Announcement
 (together, the "Disclosures")?
6. If NET first became aware of the information in any of the Disclosures before the relevant date of the Disclosure, did NET 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 NET was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps NET took to ensure that the information was released promptly and without delay. In responding to this question, please set out your response for each of the Disclosures separately.
7. Please confirm that NET is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
8. Please confirm that NET'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 NET 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 **6.30 am AWST Friday, 18 January 2019**.

If we do not have your response by then, ASX will have no choice but to consider suspending trading in NET'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, NET'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 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.

Listing Rules 3.1 and 3.1A

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 NET'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 NET'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 NET'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 NET's securities under Listing Rule 17.3.

Enquiries

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

Yours sincerely

Penelope Reid

Adviser, Listings Compliance (Perth)