

20 May 2019

Anjuli Sinniah
Senior Adviser, Listings Compliance (Perth)
Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000

via email to ListingsCompliancePerth@asx.com.au

Dear Ms Sinniah,

EVE Investments Limited ("EVE") is in receipt of your letter dated 16 May 2019 regarding the Company's Appendix 4C for the period ended 31 March 2019.

The Company responds to your questions as follows:

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

The Company expects positive operating cash flows from parts of its business while overall operating cash flow requirements are likely to be negative due to expansion and investment activities undertaken by other parties of EVE's business. Due to the timing of cashflows from sales this might not be the case for each individual quarter.

- 2. Has EVE 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?**

As included in its Appendix 4C for the March quarter, there are expected inflows from revenue for the June quarter to fund operations as well as the existing cash reserves.

Additionally, the Appendix 4C stated that EVE is in advanced discussions with potential strategic investors to provide further funding to meet the capital requirements of EVE's business which is expected to be completed in this quarter.

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

EVE expects to be able to continue its operations to meet its business objectives on the basis of the aforementioned responses.

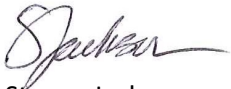
- 4. Please confirm that EVE is in compliance with Listing Rule 3.1 and that there is no information about its financial condition that should be given to ASX in accordance with that Rule that has not already been released to the market.**

EVE confirms that it is in compliance with Listing Rule 3.1.

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

EVE confirms that the response above have been authorised in accordance with the Company's continuous disclosure policy.

For and on behalf of EVE Investments Limited

A handwritten signature in dark ink, appearing to read 'S Jackson', with a stylized flourish at the end.

Steven Jackson
Company Secretary



16 May 2019

Mr Steven Jackson
Company Secretary

By email:

Dear Mr Jackson

Eve Investments Limited ('EVE'): Appendix 4C Query

ASX refers to EVE's Appendix 4C quarterly report for the period ended 31 March 2019 lodged with the ASX Market Announcements Platform and released on 30 April 2019 (the 'Appendix 4C').

ASX notes that EVE has reported:

- negative net operating cash flows for the quarter of \$169,000;
- cash at the end of the quarter of \$545,000; and
- estimated cash outflows for the next quarter of \$698,000

It is possible to conclude, based on the information in the Appendix 4C, that if EVE were to continue to expend cash at the rate indicated by the Appendix 4C, EVE may not have sufficient cash to continue funding its operations.

Request for Information

In view of that, ASX asks EVE to answer separately each of the following questions and provide the following confirmations in a format suitable for release to the market under Listing Rule 18.7A:

1. Does EVE expect that it will continue to have negative operating cash flows for the time being and, if not, why not?
2. Has EVE 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 EVE expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
4. Please confirm that EVE is complying with Listing Rule 3.1 and that there is no information that should be given to ASX about its financial condition under that rule that has not already been released to the market.
5. Please confirm that EVE'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 EVE with delegated authority from the board to respond to ASX on disclosure matters.

Please also provide any other information that EVE considers may be relevant to ASX forming an opinion on whether EVE is complying with Listing Rule 12.2 that 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 Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **9 AM AWST Tuesday, 21 May 2019**.

If we do not have your response by then, ASX will have no choice but to consider suspending trading in EVE'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, EVE'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 Rule 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 EVE'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 EVE'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 EVE's securities under Listing Rule 17.1. If you wish to request 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*.

Enquiries

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

Regards

Anjuli Sinniah
Senior Adviser, Listings Compliance (Perth)