



20 May 2019

Ms P Reid
Advisor, 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

Appendix 4C

We refer to your letter dated 15 May 2019 in regard to Quantify Technology Holdings Limited's (the "Company" or "Quantify") Appendix 4C for the period ending 31 March 2019 and comment as follows:

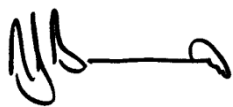
1. The Company expects to continue to have future negative operating cash flows for the time being, resulting from the Company entering the commercialisation phase with continued investment in sales and marketing growth, including global expansion and further product research and development.
2. The Company has a successful track record of being able to secure adequate funding, including capital raisings. The Company is actively seeking funding through a number of channels and believes it will be successful in securing capital in Q2 2019.

The Company will ensure that market is informed in line with its continuous disclosure obligations.

3. Yes, the Company expects to be able to continue its operations and meet its business objectives with the intended receipt of further funding as noted above. In addition, as the Company enters the commercialisation phase it already has sale orders of in excess of \$1.2m (refer ASX announcement 13 May 2019).
4. The Company confirms that it is in compliance with Listing Rule 3.1 and that there is no information that should be given to the ASX about its financial condition in accordance with that Rule that has not already been released to the market.

5. The Company's response has been authorised by the Board of Directors.

Yours faithfully

A handwritten signature in black ink, appearing to be 'NB' followed by a horizontal line and a small flourish.

Neville Bassett
Company Secretary



15 May 2019

Reference: ODIN02122

Mr Neville Bassett
Company Secretary
Quantify Technology Holdings Limited
Level 4, 216 St Georges Terrace
PERTH WA 6000

By email: njb@westarcapital.com.au

Dear Mr Bassett

Quantify Technology Holdings Limited ('QFY'): Appendix 4C Query

ASX refers to QFY'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 QFY has reported:

- negative net operating cash flows for the quarter of \$1,572,000;
- cash at the end of the quarter of \$1,218,000; and
- estimated cash outflows for the next quarter of \$1,528,000.

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

Request for Information

In view of that, ASX asks QFY 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 QFY expect that it will continue to have negative operating cash flows for the time being and, if not, why not?
2. Has QFY 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 QFY expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
4. Please confirm that QFY 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 QFY'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 QFY with delegated authority from the board to respond to ASX on disclosure matters.

Please also provide any other information that QFY considers may be relevant to ASX forming an opinion on whether QFY 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 **3 PM AWST Monday, 20 May 2019**.

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

Yours sincerely

Penelope Reid

Adviser, Listings Compliance (Perth)