

24 October 2019

Ms Penelope Reid
Adviser, Listings Compliance (Perth)
ASX Limited
Level 40, Central Park
152 – 158 St Georges Terrace
PERTH WA 6000

ListingsCompliancePerth@asx.com.au.

Dear Penelope,

VAULT INTELLIGENCE LIMITED (VLT) – AWARE QUERY

We refer to the questions and requests contained in your letter dated 22 October 2019 (“Aware Query”) and respond as follows. Unless otherwise defined below, capitalised terms have the meaning given to them in your Aware Query.

1. Does VLT 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?

Yes, although VLT notes that previous ASX announcements regarding new customer contracts over the past 12 months and which were considered by VLT at the time to be likely to materially price sensitive did not ultimately appear to have any material impact on the price or value of VLT’s securities upon the release of those announcements.

VLT notes that Damstra Holdings Limited (DTC) listed on ASX on 16 October 2019. VLT understands that DTC is also a software-as-a-service provider to the compliance and safety sector, and as such, is the first peer comparison to VLT on the ASX. VLT believes the listing of DTC on ASX has resulted in increased investor interest in the sector which has contributed to the trading in VLT securities since 16 October 2019.

2. If the answer to question 1 is “no”, please advise the basis for that view.

Not applicable

3. When did VLT first become aware of the Information?

Negotiations with ADT Security regarding the contract the subject of the Announcement have been ongoing for several months.

The last outstanding key commercial term to be agreed between the parties in respect of that contract related to the actual sales volumes and the forward contracted annualised recurring revenue.

ADT Security requested further information regarding the specific calculation methods to be used by VLT in determining compliance with such requirements at 4.07pm (Sydney time) on Monday, 21 October 2019, and VLT subsequently provided this additional information to ADT Security at 4.35pm (Sydney time) later that day.

ADT Security confirmed their agreement to the actual sales volumes and forward contracted annualised recurring revenue applicable to the contract at 9.35am (Sydney time) on Tuesday, 22 October 2019 after which time VLT immediately proceeded to finalise and release the Announcement to ASX (being at approximately 9.39am (Sydney time) on Tuesday, 22 October 2019.

4. If VLT first became aware of the Information before the relevant date, did VLT 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 VLT was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps VLT took to ensure that the information was released promptly and without delay.

Refer to the response to question 3 above – prior to the release of the Announcement on Tuesday, 22 October 2019, the Information the subject of the Announcement was considered by VLT to fall within the exception contained in Listing Rule 3.1A as it concerned an incomplete negotiation regarding the ADT Security customer contract in circumstances where VLT considers that the negotiations remained confidential and that a reasonable person would not expect the Information to be disclosed prior to the time that all key commercial terms applicable to the ADT Security customer contract (including the actual sales volumes and forward contracted annualised recurring revenue applicable to that contract) were agreed.

5. Please confirm that VLT is complying with the Listing Rules and, in particular, Listing Rule 3.1.

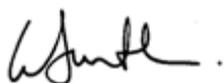
VLT confirms that it is complying with the Listing Rules and in particular Listing Rule 3.1.

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

VLT confirms that its responses to the questions above have been authorised by the Board.

Yours faithfully,

VAULT INTELLIGENCE LIMITED



Graeme Smith
Company Secretary

+61 408 447 493



22 October 2019

Reference: ODIN09354

Mr Graeme Smith
Company Secretary
Vault Intelligence Limited
Level 18, 1 Nicholson Street
EAST MELBOURNE VIC 3002

By email: graeme.smith@vaultintel.com

Dear Mr Smith

Vault Intelligence Limited (“VLT”): Aware Query

ASX refers to the following:

- A. VLT’s securities opening at \$0.305 and closing at \$0.340 on 21 October 2019 and the significant increase in the volume of VLT’s securities traded on 21 October 2019.
- B. VLT’s announcement entitled “Vault Secures five year, multi-million dollar Solo Contract with leading security company ADT Security” lodged on the ASX Market Announcements Platform and released at 9:39 AM on 22 October 2019 (the ‘Announcement’), disclosing that:
 - (i) VLT has entered a “significant contract with ADT Security New Zealand (ADT) for Vault Solo”;
 - (ii) “ADT has committed to a five (5) year contract for Vault Solo. Total Contract Value (TCV) is a minimum A\$6.8M with a minimum of A\$1.36M CARR 1 (Contracted Annual Recurring Revenue)”, (“Information”).
- C. 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.
- D. 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.”
- E. 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.”

- F. 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.”

Request for Information

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

1. Does VLT 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 advise the basis for that view.
3. When did VLT first become aware of the Information?
4. If VLT first became aware of the Information before the relevant date, did VLT 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 VLT was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps VLT took to ensure that the information was released promptly and without delay.
5. Please confirm that VLT is complying with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that VLT’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 VLT 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 3 pm **AWST Thursday, 24 October 2019**.

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, VLT’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 VLT to request a trading halt immediately.

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 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*.

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

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

Suspension

If you are unable to respond to this letter by the time specified above ASX will likely suspend trading in VLT'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)