

Dale Allen
Senior Advisor
ASX Listings Compliance Tradinghaltspert@asx.com.au
Level 40, Central Park
152-158 St George's Terrace
Perth WA 6000

1st February 2016

Dear Sir, RE: **JV GLOBAL LIMITED ("ENTITY"): ASX AWARE LETTER**

We acknowledge receipt of your Aware Letter dated the 22nd January 2016 and the contents therein and respond as follows:

In relation to the queries in 1.

We advise that the answer is "No"

The entity has previously stated in various announcements and communications that the cash flows of the entity are based on irregular sales and settlements of assets and ventures, depending on market conditions. The latest sale and settlement was delayed by around 6 months due to a number of reasons already announced. As each venture can take around 6 months or longer between initial contract, completion of the work required and settlement, the current market conditions may extend this further. We believe the answers to your queries are self evident in these disclosures. Acquisitions, joint ventures, contractual arrangements, and sales of part and or all of various ventures form part of our day to day operations, albeit with lengthy periods in between until we can increase the number and size of our ventures, as also outlined in our various releases.

Extracts from the entities ASX announcements released to the market over the last 6 months are as follows;

"The current Company's business model is based on funding the activities to the completion of each project and does, nevertheless, suffer from lack of consistent cash flow on a regular basis. This is acceptable to the Board, considering the above average net profit generated from actual capital employed, year on year."

JV Global Limited (ASX Code: JVG)
ABN 80 009 142 125

Registered Office: Shop 12 "South Shore Piazza", 85 South Perth Esplanade, SOUTH PERTH, WA, 6151; Telephone 08 93631750
Principal Place of Business: Shop 12 "South Shore Piazza", 85 South Perth Esplanade, SOUTH PERTH, WA, 6151; Telephone 08 93631750

eMail: info@jvglobal.com.au

Web: www.jvglobal.com.au

“Our current project has been painfully drawn out and delayed because of various Council and Government authorities’ repetitive amendments and requirements. We have however nevertheless arranged the sale of a portion of our project, and an offer is being arranged on the balance conditional on final clearance of all conditions. This has been a disappointing set of circumstances that have affected the profitability of the venture as a whole and incurred higher interest charges because of the delayed approvals. This has also affected our cash flows and made them more accumulative than they would have normally been, and are not in any way a reflection on any of our actions, but by Government and Councils pedantic attitude and inability to provide a one off list of issues rather than drawing them out one by one over a an unnecessary length of period. Market conditions have softened somewhat in recent months back to a normal market clearance time period affecting our partners and project managers operations, whereas we previously had benefited from very quick turnaround disposal and more consistent cash flows. We will nevertheless still achieve a very healthy return on capital employed on the current venture, but not as much as originally anticipated”

In relation to the settlement of part of our current venture on the 18th December 2015 for the sum of \$705,000, this was not only communicated to investors in the 6 months previous, but also specifically highlighted in our 30th June 2015 Preliminary accounts, Full year accounts and elsewhere as below, **although missing from the detailed extracts outlined in your letter.**

Outlined in the entities preliminary Final Report for the year ended 30th June 2015 and released on the 31st August 2015.

“On 26 August 2015 the Company signed an offer and acceptance contract for the sale of the second stage of its current project for \$705,000, subject to finance, with settlement on or before 20 October 2015”.

There were a number of delays to settlement of the contract and this in turn delayed the release of title to the purchaser, as stated below;

“Current borrowed funds are usually rolled over within 12 months and in most cases within 6 months. This provides investors and lenders with above fair returns and a share of profits, and where possible, secured directly against the assets.”

In the Appendix 4C September Quarterly Report released on the 29th October 2015 in our Notes we stated.

. “Our current project has been painfully drawn out and delayed because of various Council and Government authorities’ repetitive amendments and requirements. We have however nevertheless arranged the sale of a portion of our project, and an offer

JV Global Limited (ASX Code: JVG)
ABN 80 009 142 125

Registered Office: Shop 12 “South Shore Piazza”, 85 South Perth Esplanade, SOUTH PERTH, WA, 6151; Telephone 08 93631750
Principal Place of Business: Shop 12 “South Shore Piazza”, 85 South Perth Esplanade, SOUTH PERTH, WA, 6151; Telephone 08 93631750

eMail: info@jvglobal.com.au

Web: www.jvglobal.com.au

is being arranged on the balance conditional on final clearance of all conditions.....
This has also affected our cash flows and made them more accumulative than they would have normally been,”

“The first stage of the current project is complete and whilst one sale has taken place settlements are not anticipated to be achieved until the fourth quarter of the current calendar year. The Company is very happy with the progress of this project albeit with considerable delays as outlined and is expecting around \$1.275m in sales.”

Contained in the **Chairman’s letter** to shareholders dated and posted on the **29th October 2015** it was again reiterated

“Our current venture is partly sold awaiting settlement, and the other part is subject to an offer, both of which are expected to be settled in the last quarter of 2015 generating sales of some \$1.275m, and major reduction of loans, leaving ample funds and facilities for our operations into 2016.

The Appendix 4C December Quarterly Report you have referred to and raised queries on, merely ratify those previous releases above, which clearly mentioned not only the sale, the expected settlement date, but the specific settlement price.

We fail to see any basis for the establishment of a link between the recent spike in the shares price in early January and the settlement of an asset which took place in December 2015 as implied in your Aware Letter. This is more likely to be explained by us being victims of market manipulation by day traders and investors seeking out small junior companies who they believe are a low cost entry to companies whose Directors are working very hard for minimal reward and benefits, to bring about an improved share price in difficult times, such as JV Global Ltd. In the event that this assumption is correct we will be doing everything possible to bring about those investors expectations. The spike in the price nevertheless indicates how tight our companies share register is and how it will respond to any good news in the future.

We believe the market was fully informed and we remain unaware of any material information that may explain the spike in trading in our securities early in January 2016, as outlined to you in previous communications and specifically our response of the 4th January 2016.

The Company and its Board view governance and corporate compliance matters seriously. For this reason we are extremely concerned by the matters (and possible

JV Global Limited (ASX Code: JVG)
ABN 80 009 142 125

Registered Office: Shop 12 “South Shore Piazza”, 85 South Perth Esplanade, SOUTH PERTH, WA, 6151; Telephone 08 93631750
Principal Place of Business: Shop 12 “South Shore Piazza”, 85 South Perth Esplanade, SOUTH PERTH, WA, 6151; Telephone 08 93631750

eMail: info@jvglobal.com.au

Web: www.jvglobal.com.au

implications) raised in your letter. For the record, these are disputed in the strongest possible terms.

In response to 5:

Yes the Company is and remains in compliance with the Listing Rules and in particular listing rule 3.1.

Yours sincerely



Collin Vost
Chairman



22 January 2016

Mr Timothy Clark
JV Global Limited
Shop 12 "South Shore Piazza"
85 South Perth Esplanade
South Perth WA 6151

By email

Dear Mr Clark

JV GLOBAL LIMITED ("ENTITY"): ASX AWARE LETTER

ASX Limited ("ASX") refers to the following.

1. The Entity's 2014/2015 Appendix 4C Reports lodged on 31 October 2014, 31 December 2014, 30 April 2015 and 31 July 2015 which in aggregate disclosed annual cash receipts from customers for the period 1 July 2014 to 30 June 2015 of \$5,000 ("2014/15 Cash Receipts").
2. The Entity's Appendix 4C for the September 2015 quarter ("September 2015 Appendix 4C") released on the Platform on 29 October 2015 which disclosed cash receipts from customers of \$nil ("Nil September 2015 Cash Receipts").
3. The Company's Annual Report for 2015 released on the Platform on 31 October 2015 which stated *'The Company continued its activities with the assistance of its Bankers and Investors and commenced construction of the Company's third project in December 2014. The first stage of this project has been completed and is currently in the process of being sold, expected within the next few months. The Company has proceeded with the second stage of this project, expected to be completed and sold within the next 3 months and continues to assess new opportunities. Upon settlement of both stages of the project, in excess of \$1.3 million gross revenue will be provided to fund the Company beyond the December year end'* ("Project Update").
4. The price query letter issued to the Entity by ASX on Monday, 4 January 2016 ("Price Query Letter") and the Entity's response to the Price Query Letter that was released on the Platform at 12.00pm AWST on Monday, 4 January 2016 (the "Price Query Response") which stated that: *'the Entity is not aware of information concerning it that has not been announced to the market, which if known by some in the market, could explain the recent trading in its securities.'*
5. The Entity's Appendix 4C Report for the December 2015 quarter ("December 2015 Appendix 4C") released on the ASX Market Announcements Platform ("Platform") on Thursday, 21 January 2016 disclosing cash receipts from customers of \$705,000 for the December 2015 Quarter ("December 2015 Cash Receipts").



6. Listing Rule 3.1, which 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.

7. The definition of "aware" in Chapter 19 of the Listing Rules. This definition 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."

Additionally, you should refer to section 4.4 in Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information"*.

8. 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 requirements 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."

9. 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 "Listing Rule 3.1A.2 – the requirement for information to be confidential"*. 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."



Having regard to the above, we ask that you answer the following questions in a format suitable for release to the market in accordance with Listing Rule 18.7A:

1. Commenting specifically on the 2014/15 Cash Receipts and the Nil September 2015 Cash Receipts, does the Entity consider that completion of the transaction which generated the December 2015 Cash Receipts disclosed in the December 2015 Appendix 4C 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. If the answer to question 1 is “yes”, when did the Entity first become aware of the completion of the transaction which generated the December 2015 Cash Receipts disclosed in the December 2015 Appendix 4C?
4. If the answer to question 1 is “yes” and the Entity first became aware of the completion of the transaction which generated the December 2015 Cash Receipts disclosed in the December 2015 Appendix 4C before the Entity released the December 2015 Appendix 4C, did the Entity 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 the Entity was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps the Entity took to ensure that the information was released promptly and without delay.
5. Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

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 noon WST on Friday, 29 January 2016**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Entity’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, the Entity’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 tradinghaltspert@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.

The obligation of the Entity to disclose information under Listing Rules 3.1 and 3.1A is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

In responding to this letter, you should have regard to the Entity's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

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 the Entity'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*.

Please contact me if you have any queries or concerns about the above.

Yours sincerely

[sent electronically without signature]

Dale Allen
Senior Adviser, ASX Listings Compliance