



14 September 2016

Ms Violetta Codreanu
Adviser, Listings Compliance (Sydney)
ASX Compliance Pty Limited
20 Bridge Street
SYDNEY NSW 2000

By email

Dear Ms Codreanu

Memphasys Limited ("Memphasys" or the Company)

We refer to your letter dated 14 September 2016 regarding the late lodgement of the Appendix 3X for Mr. John Pereira on 14 September 2016.

The Notice was lodged late due a regrettable administrative oversight at a time when the Company was focused on negotiations concerning its holding in PRIME Biologics Pte Ltd and in particular a Letter of Demand received in respect of the A-Bio debt. The Notice was lodged immediately upon the oversight being identified.

Memphasys has processes in place with its Directors to notify the Company of the details of a Director's initial holdings in the Company within the timeframes required by listing rule 3.19A.

Notwithstanding this inadvertent oversight, Memphasys has reviewed the processes followed upon the appointment of a Director and believes that the current arrangements are adequate to ensure future compliance with listing rule 3.19B.

Yours sincerely,

Mark Studd
Company Secretary
Memphasys Limited



14 September 2016

Mr Mark Studd
Company Secretary
Memphasys Limited
30 Richmond Road
Homebush NSW 2140

By email

Dear Mr Studd

Memphasys Limited (the “Entity”): Appendix 3X – Initial Director’s Interest Notice

We refer to the following;

1. The announcement lodged by the Entity with ASX Limited (“ASX”) on Tuesday, 30 August 2016 confirming the appointment of Mr John Pereira as a director of the Entity effective 30 August 2016;
2. The Appendix 3X lodged by the Entity with ASX on Wednesday, 14 September 2016 for Mr John Pereira (the “Appendix 3X”);
3. Listing rule 3.19A which requires an entity to tell ASX the following:

3.19A.1 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.

- On the date that the entity is admitted to the official list.
- On the date that a director is appointed.

The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity’s admission or a director’s appointment.

3.19A.2 A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs



- 3.19A.3 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.

4. Listing rule 3.19B which states as follows.

An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.

As the Appendix 3X indicated that Mr Pereira was appointed on 30 August 2016, it appears that the Appendix 3X should have been lodged with ASX by 6 September 2016. As the Appendix 3X was lodged on 14 September 2016, it appears that the Entity may be in breach of listing rules 3.19A and/or 3.19B.

Please note that ASX is required to record details of breaches of the listing rules by listed entities for its reporting requirements.

ASX reminds the Entity of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Entity make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

Having regard to listing rules 3.19A and 3.19B and Guidance Note 22: *Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities*, under listing rule 18.7 we ask that you answer each of the following questions.

1. Please explain why the Appendix 3X was lodged late.
2. What arrangements does the Entity have in place under listing rule 3.19B with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does the Entity intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by e-mail. It should not be sent to the ASX Market Announcements Office.

A response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (**ie before 9.30 a.m. A.E.S.T.) on Monday, 19 September 2016.**

Under listing rule 18.7A, a copy of this letter and your response will be released to the market, so your response should be in a form suitable for release and must separately address each of the questions asked.



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

Yours sincerely

[sent electronically without signature]

Violetta Codreanu

Adviser, Listings Compliance (Sydney)