



## Applabs Technologies Ltd

A.C.N 139 977 772

Suite 5, Level 1 - 12-20 Railway Road

Subiaco WA 6008

(08) 6193 6899

[www.applabs.com.au](http://www.applabs.com.au)

17 January 2014

Mr Dave Filov  
ASX Limited  
Exchange Plaza  
2 The Esplanade  
PERTH WA 6000

**By Email: [dave.filov@asx.com.au](mailto:dave.filov@asx.com.au)**

Dear Dave

### **Applabs Technologies Ltd (Company) – Response to ASX aware query**

The Company refers to your letter dated 15 January 2014 regarding:

- (i) The Company's response to ASX's price and volume query lodged with ASX Market Announcements Platform and released at 2.11pm AEDT on Wednesday, 8 January 2014 (**Price Query**); and
- (ii) The Company's announcement entitled "Applabs signs option to acquire stake in unique cloud based online staff rostering company" lodged with ASX Market Announcements Platform and released at 1.34pm AEDT on Wednesday, 15 January 2014 (**Announcement**), disclosing the Entity has signed a binding option agreement to purchase 25% of the issued capital of Roster Elf Pty Ltd (**Transaction**),

and responds to each of the questions set out in that letter below:

- 1. Does the Entity 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, the Company considers the subject matter of the Announcement to have a potentially material effect on the price of the Company's securities.

- 2. If the answer to question 1 is "no", please advise the basis for that view.**

Not applicable.

- 3. If the answer to question 1 is "yes", when did the Entity first become aware of the information.**

In anticipation of an agreement on final terms in respect of the Transaction, the Company requested a trading halt early Tuesday morning 14 January 2014. An agreement was

concluded later that day. The Company remained in trading halt pending finalisation of the formal documentation and preparation of a suitable announcement.

**4. If the answer to question 1 is “yes” and the Entity first became aware of the information before the relevant date, 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.**

The Company did not announce the Transaction in its response to the Price Query on 8 January 2014, in reliance on Listing Rule 3.1A, on the basis that the negotiations were both incomplete and remained confidential.

As stated in paragraph 3 above, the negotiations were not concluded until Tuesday, 14 January 2014. Furthermore, based on the Company’s investigations and analysis upon receiving the Price Query, the Company was of the view that the negotiations remained confidential and that the Price Query resulted from external factors, including but not limited to the following:

- (i) A significant number of companies in the technology sector and that are analogous to the Company also experienced significant share trading volumes and price fluctuations over the period of 6 January – 10 January 2014.
- (ii) Over the period of 6 January to 10 January the Company was one of the companies most viewed and posted about on the online forum “Hotcopper” and was also being posted about on the social networking site Twitter by a share trading enthusiast who has over 3,000 followers. Such interest and discussion was not in respect of any specific activities of the Company, but focused solely on the Company’s cash at hand and market capitalisation and led to an increased awareness of the Company with other traders and investors.
- (iii) Over the week commencing 6 January 2013, the trading and communication activity of many traders and participants on forums such as “Hotcopper” and other social media platforms was significantly higher than over the Christmas and New Year holiday period.
- (iv) On or about 6 January 2014 Apple acquired an Australia entrepreneur’s photo technology application known as “SnappyCam”. This announcement, along with other technology sector acquisitions made by both Apple and Google, were reported in the mainstream press during that week which created interest in and demand for technology based entities including the Company.
- (v) In late December an American based real estate application, which is a competitor to the Company’s “HomeOpen” application, was acquired by HomeFinder.com. Given the similarities between the applications, and the resulting commercial deal, this may have added to the increased interest in the Company and its application.
- (vi) Having observed trading notifications in real time, the Company noted that a significant proportion of the traded volume was both buy and sell transactions suggesting that the

activity was from “day traders” capitalising on the technology sector’s daily price movements.

Accordingly, the Company was and is of the view that the Price Query was coincidental to the above external factors and not due to the negotiations ceasing to be confidential.

**5. Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.**

The Company confirms its compliance with Listing Rule 3.1.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Damon Sweeny', with a stylized flourish at the end.

**Damon Sweeny**



ASX Compliance Pty Limited  
ABN 26 087 780 489  
Level 8 Exchange Plaza  
2 The Esplanade  
PERTH WA 6000

GPO Box D187  
Perth WA 6840

Telephone 61 8 9224 0000  
Facsimile 61 8 9221 2020  
www.asx.com.au

15 January 2014

Mr Damon Sweeny  
Company Secretary  
Applabs Technologies Ltd  
Level 1 Suite 5  
12-20 Railway Road  
SUBIACO WA 6008

By email: [damon@ampere ltd.com.au](mailto:damon@ampere ltd.com.au)

Dear Damon

**Applabs Technologies Ltd (the “Entity”): ASX aware query**

ASX Limited (“ASX”) refers to the following:

1. The Entity’s response to ASX’s price and volume query lodged with ASX Market Announcements Platform and released at 2.11pm AEDT on Wednesday, 8 January 2014, disclosing the Entity was not aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading.
2. The Entity’s announcement entitled “Applabs signs option to acquire stake in unique cloud based online staff rostering company” lodged with ASX Market Announcements Platform and released at 1.34pm AEDT on Wednesday, 15 January 2014 (the “Announcement”), disclosing the Entity has signed a binding option agreement to purchase 25% of the issued capital of Roster Elf Pty Ltd.
3. 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.
4. 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”*.

5. 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.”*

6. 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. Does the Entity 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. If the answer to question 1 is “yes”, when did the Entity first become aware of the information.
4. If the answer to question 1 is “yes” and the Entity first became aware of the information before the relevant date, 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 5.00pm WST Friday, 17 January 2014. 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 [dave.filov@asx.com.au](mailto:dave.filov@asx.com.au) or by facsimile to 08 9221 2020. 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*.

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

Yours sincerely

*[Sent electronically without signature]*

Dave Filov  
**Senior Adviser, Listings (Perth)**