

Market Announcement

17 June 2020

iSignthis Ltd (ASX: ISX)

Release of correspondence by ASX with ISX

This announcement is published by ASX Limited ('ASX'), a licensed market operator, in the performance of its obligations under the Corporations Act 2001 (Cth) and its powers, functions and obligations under the ASX listing rules. It is intended to ensure that the ASX market operates in a fair, orderly and transparent way.

In accordance with Listing Rule 18.7A and in the interest of an informed market, ASX Limited ('ASX') releases a copy of ASX's letter to ISX dated 15 June 2020 requesting information under Listing Rule 18.7 in connection with shareholders' requisitions to be considered at the ISX annual general meeting to be held on 17 July 2020.

ISX has declined to provide to ASX the information requested in ASX's letter, in breach of Listing Rule 18.7.

This latest breach of the Listing Rules will act as a further impediment to the reinstatement of ISX's shares to quotation on ASX.

Issued by ASX



15 June 2020

Reference: ODIN19445

The Directors
iSignthis Ltd
456 Victoria Parade
East Melbourne VIC 3002

By email

Dear Directors

iSignthis Ltd ('ISX'): shareholders' requisitions

ASX refers to the following:

- A. Resolutions 6 and 7 (the 'Requisitioned Resolutions') of ISX's Notice of Meeting/ Proxy Form for its 2020 annual general meeting released on the ASX Market Announcements Platform ('MAP') on 12 June 2020 ('Notice of Meeting'), which were stated to be requisitioned by shareholders under section 249N of the Corporations Act 2001 (Cth) (the 'Act') and which are set out below:

'RESOLUTION 6 – SHAREHOLDERS RESOLUTION TO DELIST FROM THE ASX

This resolution has been requisitioned by shareholders; it is not proposed by the Board. See Explanatory Statement, including the Directors' opinion on it.

*To consider and, if thought fit, to pass with or without amendment, the following resolution as a **special resolution**:*

"That, for the purposes of ASX Listing Rule 17.11 and for all other purposes:

- a) the Company seek its removal from the official list of ASX as soon as possible, unless trading in the Company's shares on the ASX has resumed by the end of May 2020 (unless the Directors consider that it is in the best interests of the Company to nonetheless remain listed), and;*
- b) the Directors of the Company be authorised to do all things reasonably necessary to give effect to this decision."*

RESOLUTION 7 – SHAREHOLDERS RESOLUTION TO LIST ON ANOTHER EXCHANGE

This resolution has been requisitioned by shareholders; it is not proposed by the Board. See Explanatory Statement, including the Directors' opinion on it.

*To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:*

"That the Company authorises the Directors to pursue a listing of the Company and/or its subsidiaries on another securities exchange to enable trading in shares in the Company, on the basis that all shareholders interests and rights are maintained."

- B. Section 249N (2) of the Act, which requires a requisition under that section to be in writing, set out the wording of the proposed resolution and be signed by the members proposing to move the resolution.
- C. Listing Rule 3.17A, which states (relevantly):
- '3.17A An entity must give ASX within two business days of receipt:**

3.17A.1 Information about the material terms of any notice it receives under section ... 249N, ... of the Corporations Act from a holder or holders of securities calling, or requesting the calling of, or proposing to move a resolution at, a general meeting ...

and the note under that rule acknowledging that an entity may satisfy this obligation by giving a copy of the notice to ASX or an announcement summarising its material terms.

- D. The email from ASX's Mr Dean Litis on 12 June 2020 to Ms Warrell, ISX Company Secretary & Chief Financial Officer, at 1:09pm (AEST) with the subject heading 'Listing Rule 3.17A' referring to the Requisitioned Resolutions and requesting that ISX immediately comply with Listing Rule 3.17A.
- E. The email from Mr Karantzis to Mr Litis on 12 June 2020 at 3:35pm (AEST) advising that ISX had lodged an announcement with the information required under Listing Rule 3.17A on MAP.
- F. The email from Mr Litis to Mr Karantzis on 12 June 2020 at 5:01pm (AEST) requesting that ISX:
 - (a) remove the last paragraph from the announcement lodged on MAP as it did not accurately reflect what is required under Listing Rule 3.17A; and
 - (b) requesting, under Listing Rule 18.7, that ISX provide ASX with copies of the written requisitions it had received from shareholders under section 249N in relation to the Requisitioned Resolutions ('Shareholder Requisitions').
- G. The email from Mr Karantzis to Mr Litis on 12 June 2020 at 6:17pm (AEST) advising that ISX had re-lodged the announcement removing the last paragraph as requested.
- H. The email from Mr Litis to Mr Karantzis on 12 June 2020 at 6:18pm (AEST) again requesting that ISX provide ASX with copies of the Shareholder Requisitions.
- I. The email from Mr Karantzis to Mr Litis on 12 June 2020 at 7:54pm (AEST) providing ASX with a list of holdings in ISX (numbers of shares and percentage of ISX issued share capital) with the names of shareholders omitted, that purportedly comprised a list of the requisitioning shareholders under section 249N of the Corporations Act ('List').
- J. The email from Mr Litis to Mr Karantzis on 14 June 2020 at 3:28pm (AEST) thanking him for providing the List but pointing out that it was not what he was referring to in his emails and again requesting that ISX provide copies of the Shareholder Requisitions.
- K. The email from Mr Karantzis to Mr Litis on 14 June 2020 at 4:52pm (AEST) which stated (relevantly) as follows.

'Dear Dean

Please substantiate why the ASX requires this (not just the mechanism), and what it intends to do with the information?

We will then consider if the request is appropriate, under the circumstances.

Our auditors will have access to the information prior to the AGM, and ensure that all is in order in any case...'

- L. Listing Rule 18.7, which states (relevantly):

'18.7 An entity must give ASX any information, document or explanation that ASX:

- (a) *asks for to enable ASX to be satisfied that the entity is, and has been, complying with, or will comply with, the listing rules or any conditions or requirements imposed under the listing rules; ...*

The entity must do so within the time specified by ASX. ...'

Request for Information

In accordance with Listing Rule 18.7, ASX again formally requests copies of the Shareholder Requisitions under Listing Rule 18.7 in order for ASX to be satisfied that ISX has complied with its obligations under Listing Rule 3.17A.

Please provide copies of the Shareholder Requisitions by email to the writer by no later than **9:00am (AEST) tomorrow, 16 June 2020**.

ASX does not intend to release the Shareholder Requisitions to the market. However, should ISX not comply with this request by the deadline stated above, ASX reserves the right, under and in accordance with Listing Rule 18.7A, to release a copy of this letter and any response from ISX to the market.

Should ISX fail to comply with this request by the deadline stated above, ASX also reserves the right to take further action against ISX for this latest breach of Listing Rule 18.7 under and in accordance with the Listing Rules (including, but not limited to, under Listing Rules 17.12 and 18.8A).

Enquiries

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

Yours sincerely

James Gerraty
Senior Manager, Listings Compliance (Melbourne)