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13 August 2020

Mr Corey Lian  
Adviser, Listings Compliance (Sydney)  
ASX, 20 Bridge Street  
Sydney NSW 2000

By email: [ListingsComplianceSydney@asx.com.au](mailto:ListingsComplianceSydney@asx.com.au)

**Smiles Inclusive Limited ('SIL' or "the Company"):  
Appendix 3X – Initial Director's Interest Notice Query**

SIL's refers to your letter dated 11 August 2020, and provide the following responses as requested:

**1. Please explain why the Appendix 3X was lodged late.**

The late lodgement of the Appendix 3X for Michelle Aquilina was an administrative oversight as the Company was in the midst of managing the COVID-19 crisis.

**2. What arrangements does SIL 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?**

The Company (SIL) acknowledges its disclosure obligations under Listing Rule 3.19A and has in place a Continuous Disclosure Policy.

The lodgement of the Appendix 3X under Listing Rule 3.19A.1 was a requirement that was inadvertently overlooked at the time of the appointment of Ms Aquilina as CEO and Managing Director.

**3. If the current arrangements are inadequate or not being enforced, what additional steps does SIL intend to take to ensure compliance with Listing Rule 3.19B?**

The Company (SIL) now has in place an external consultant who provides company secretarial services to the Company. In addition to the Continuous Disclosure Policy that has been adopted, a standing item is noted at the commencement of each meeting of directors to declare any interests in the Company.

For further information please contact:

Michelle Aquilina, Chief Executive Officer  
E: [michelle.aquilina@totallysmiles.com.au](mailto:michelle.aquilina@totallysmiles.com.au)



11 August 2020

Reference: 22292

Mr Andrew Ritter  
Company Secretary  
Smiles Inclusive Limited  
Unit 3, 38-40 Township Dr  
West Burleigh, QLD 4219

By email:

Dear Mr Ritter

**Smiles Inclusive Limited ('SIL'): Appendix 3X – Initial Director's Interest Notice Query**

ASX refers to the following:

1. SIL's announcement lodged on the ASX Market Announcements Platform ('MAP') on 14 April 2020 confirming the appointment of Ms Michelle Aquilina as the chief executive officer and director of SIL; and
2. SIL's Appendix 3X lodged on the MAP on 11 August 2020 for Ms Aquilina confirming the date of appointment was effective on 9 April 2020; (the 'Notice');
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 that:

*'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 Notice indicated that Ms Aquilina was appointed on 9 April 2020, it appears that the Notice should have been lodged with ASX by 20 April 2020. As the Notice was lodged on 11 August 2020, it appears that SIL may

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have breached listing rules 3.19A and/or 3.19B. It also appears that Ms Aquilina may have breached section 205G of the *Corporations Act 2001* (Cth).

### **Request for Information**

Under Listing Rule 18.7, we ask that you answer each of the following questions 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*.

1. Please explain why the Appendix 3X was lodged late.
2. What arrangements does SIL 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 SIL intend to take to ensure compliance with Listing Rule 3.19B?

### **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 **9:30 AM AEST Friday, 14 August 2020**. 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, SIL'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 SIL to request a trading halt immediately.

Your response should be sent to me by e-mail at [ListingsComplianceSydney@asx.com.au](mailto:ListingsComplianceSydney@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.

### **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 SIL'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 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*.

### **Suspension**

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in SIL's securities under Listing Rule 17.3.

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### **Listing Rules 3.1 and 3.1A**

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

### **Release of correspondence between ASX and entity**

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

### **Questions**

If you have any questions in relation to the above, please do not hesitate to contact me.

Kind regards

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**Corey Lian**  
Adviser, Listings Compliance (Sydney)