

Dear Mr. Smith,

13 November 2019

Actcelerate International Group Limited (the "Company" or "ACT")**Periodic Disclosure Query**

National Stock Exchange of Australia ("NSX") refers to the 2019 Half-Yearly Financial Report¹ lodged on 13 September 2019 in which the Independent Auditor's Review Report states:

A. "Report on the Half-Year Financial Report"**Disclaimer of conclusion**

We were engaged to review the half-year financial report of Actcelerate International Group Limited (the Company), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year then ended, notes comprising a statement of significant accounting policies and other explanatory information, and the directors' declaration.

We do not express a conclusion on the accompanying half-year financial report of the Company. Because of the significance of the matter described in the Basis for disclaimer of conclusion section of our report, we have not been able to obtain sufficient evidence to provide a basis for a review conclusion on this financial report.

Basis for disclaimer of conclusion

(i) During the year ended 31 December 2017, the Company acquired a 30% interest in Eyeport Sdn Bhd and accounted for the interest as an investment in associate. As disclosed in note 5 to the financial report, the investment in associate is carried at \$758,895 on the statement of financial position as at 30 June 2019.

(ii) As disclosed in note 4 to the financial report, the convertible preference shares receivable is carried at \$269,712 on the statement of financial position as at 30 June 2019. This receivable relates to Redeemable Convertible preference shares issued to Eyeport Sdn Bhd.

As there are no audited financial statements available for Eyeport Sdn Bhd for its most recent financial year ended 31 December 2018, we have not been able to obtain sufficient appropriate evidence to provide a basis for a review conclusion on the matters described above, which are significant to the financial statements as at 30 June 2019.

We issued a disclaimer of an opinion on the audit of the financial report for the year ended 31 December 2018 as a result of the same matters.

Emphasis of matter – Material Uncertainty Related to Going Concern

We draw attention to note 1 in the half-year financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and therefore that the Company may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter."

In addition, the Company's response² to NSX Periodic Disclosure Query released to the market on 1 August 2019 stated the following:

- B. "2. As at the date of this response Eyeport's 2018 annual accounts are yet to be finalised. The audit process has taken longer than originally anticipated due to Eyeport having insufficient resources in its accounts team. The Company has been in regular communication with Eyeport and its management, and have been advised that the audit process will be complete in or around mid-August. Additionally, Eyeport is in the process of recruiting a suitable candidate to assist with its bookkeeping and financial reporting."

¹ <https://www.nsx.com.au/ftp/news/021737308.PDF>

² <https://www.nsx.com.au/ftp/news/021737158.PDF>

In relation to the above observations please respond to the following questions:

1. Please confirm whether the audit of Eyeport's 2018 Annual Accounts was completed in or around mid-August as stated in point B above. If yes, please confirm when the audited financial information of Eyeport was provided to the Company. If not, please explain why not and provide the date of when the audit process for Eyeport is due to be completed.
2. Please explain what steps the Company has taken or will take to obtain an unqualified audit report for future financial periods.

This request is made under, and in accordance with, Listing Rule 2.7. It goes to whether the Company is in compliance with Listing Rules Section IIA 6.4, 6.5 and 6.5A.

Your response should be sent to me directly via email no later than **4pm on 15 November 2019**. Your response will be released to the market along with a copy of this letter. If you wish to discuss the content of your response, please do not hesitate to contact me as soon as possible.

Yours sincerely

Ingrid Wei
Market Surveillance Analyst