

22 November 2019

Ms Penelope Reid
Adviser, Listings Compliance (Perth)
ASX Limited
Level 40, Central Park
152 – 158 St Georges Terrace
PERTH WA 6000

ListingsCompliancePerth@asx.com.au.

Dear Penelope,

VAULT INTELLIGENCE LIMITED (VLT) – AWARE QUERY

We refer to the questions and requests contained in your letter dated 21 November 2019 (“Aware Query”) and respond as follows. Unless otherwise defined below, capitalised terms have the meaning given to them in your Aware Query.

1. Does VLT consider the Contract Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?

Yes.

2. If the answer to question 1 is ‘no’, please advise the basis for that view.

Not applicable.

3. When did VLT first become aware of the Contract Information?

As is usual in managing VLT’s pipeline of potential new customer opportunities, VLT’s sales team led the engagement with SurePlan NZ through the various trials and product development work. VLT’s senior executive management team typically do not become involved in new sales opportunities unless and until such time as there is a much greater degree of certainty of successful execution of a material new sales contract regarding VLT’s Solo and Enterprise solutions.

Given that many of VLT’s new customer opportunities are significant organisations, it is often difficult to predict if and when a new customer opportunity may ultimately convert into contracted revenue until an actual sales contract is executed with the relevant target customer.

VLT’s sales team was engaged in ongoing discussions with SurePlan NZ since June 2019 regarding the potential to provide VLT’s SoloDrive solution into SurePlan NZ in order to assist with lifting the driving performance of drivers (including conducting various trials of the SoloDrive solution within SurePlan NZ existing fleet).

The initial expectations of the VLT sales team was that any potential sales contract with SurePlan NZ would be for a much lower value than what was ultimately agreed to, and at a level that was not expected by VLT to have a material effect to the price or value of VLT securities.

However, in discussions between VLT's sales team and SurePlan NZ between 13 November and 15 November 2019, it became clear that SurePlan NZ was potentially considering entering into a much greater commitment to VLT's SoloDrive solution than previously anticipated, with a desire to become VLT's exclusive partner for distribution of VLT's SoloDrive solution into fleet management operations in New Zealand. It was at that time that Mr David Moylan (VLT Managing Director) and Mr David Rose (VLT Chief Operating Officer) became much more involved in negotiations with SurePlan NZ to progress the new customer opportunity and a draft sales contract (including the requested volumes and VLT's proposed pricing) was provided to SurePlan NZ late on 15 November 2019.

At approximately 9:00 am AEDST (11:00 am NZDST) on 19 November 2019, Mr Moylan and Mr Rose were advised by the VLT sales team that there was a high likelihood of SurePlan NZ executing a sales contract with VLT of the scale that had previously been indicated by SurePlan NZ. It was at that time that Mr Rose advised VLT's Company Secretary to request an immediate trading halt be placed on VLT securities.

Negotiations on the contract with SurePlan NZ continued during the morning of 19 November 2019 (to finally agree the proposed volumes and pricing of the proposed contract) with a final contract, executed by SurePlan NZ, being received by VLT during the afternoon of 19 November 2019.

VLT then proceeded to draft the ASX announcement to notify of the execution of the SurePlan NZ contract and its impact on the Guidance Information (noting the speed at which the SurePlan NZ sales opportunity had converted into a sales contract meant that there was insufficient time to prepare a draft ASX announcement prior to contract execution). SurePlan NZ agreed to the final form of ASX announcement (in relation to statements attributed to SurePlan NZ) later that day and VLT proceeded to release the announcement to ASX before the opening of trading on 20 November 2019.

4. If VLT first became aware of the Contract Information before the relevant date, did VLT make any announcement or disclosure prior to the relevant date which disclosed the information (for example at an investor presentation in Melbourne on 19 November 2019)?

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 VLT was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps VLT took to ensure that the information was released promptly and without delay.

VLT did not make any announcement or disclosure regarding the Contract Information prior to the release of the ASX announcement at 10.15am (AEDT) on Wednesday, 20 November 2019.

As outlined in response to Question 3 above, there is often a high level of inherent uncertainty as to whether a new customer opportunity will ultimately convert into contracted revenue for VLT.

VLT believes that up until Tuesday, 19 November 2019, the prospects of entering into a material contract with SurePlan NZ remained unduly speculative such that a reasonable person would not expect information regarding the status of the discussions with SurePlan NZ to have a material effect on the price or value of VLT securities.

When it became clear that SurePlan NZ was looking to imminently finalise a sales contract with VLT for a material contract value, VLT re-assessed the prospects associated with successfully closing a material new sales opportunity with SurePlan NZ and immediately proceeded to request a trading halt from ASX.

Whilst VLT conducted an investor presentation on 19 November 2019 (being a presentation to clients of NWR Communications that was arranged in early November to align with VLT's Managing Director Mr Moylan being in Melbourne on 18 and 19 November), VLT representatives expressly declined to comment at that presentation on the reasons for requesting the halt in the trading of VLT securities. The Contract Information was not disclosed by VLT at that presentation or otherwise prior to the release of the ASX announcement on 20 November 2019.

5. Does VLT consider the Guidance Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?

Yes, VLT considers the Guidance Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities, and regards it as an important measure internally in tracking the growth in sales of its Solo and Enterprise products.

However, VLT notes that it has been releasing regular guidance regarding its expected contracted annual recurring revenue as early as 2017 and that previous positive updates in VLT's contracted annual recurring revenue guidance have not had any material impact on the price or value of VLT's securities upon the release of those updates.

6. If the answer to question 5 is 'no', please advise the basis for that view.

Not applicable

7. When did VLT first become aware of the Guidance Information?

The high level of inherent uncertainty regarding the conversion of new customer opportunities into contracted revenue means that any potential updated revenue guidance (on the basis of a new customer opportunity) is also likely to be premature and potentially unduly speculative, and therefore not materially price sensitive information, unless and until there is a sufficient level of confidence that the new customer opportunity will be converted into contracted revenue.

As set out in response to Question 3 and 4 above, up until Tuesday, 19 November 2019, VLT was of the view that the prospects of entering into a material contract with SurePlan NZ remained unduly speculative such that a reasonable person would not expect information regarding the status of the discussions with SurePlan NZ, and its potential impact on VLT's previously disclosed contracted revenue guidance should VLT ultimately enter into a contract with SurePlan NZ, to have a material effect on the price or value of VLT securities.

However, when it became clear that SurePlan NZ was looking to imminently finalise a sales contract with VLT for a material contract value, VLT re-assessed the prospects associated with successfully closing the SurePlan NZ new sales opportunity and its potential impact on its contracted revenue. It was at that time that VLT proceeded to request a trading halt from ASX.

8. If VLT first became aware of the Guidance Information before the relevant date, did VLT make any announcement or disclosure 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 VLT was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps VLT took to ensure that the information was released promptly and without delay.

See the response to Questions 3, 4 and 7 above.

9. Noting that there had been an announcement entitled 'TTB: Vault Intelligence Partners with Total Brain' on Thursday, 31 October 2019 and the Appendix 3Y on Wednesday, 13 November 2019 and no announcements on Thursday 14 or Friday 15 November 2019, please confirm if VLT is aware of any reason for the increase in price and volume of VLT's securities traded on Friday, 15 November 2019.

VLT is not aware of any specific reason for the increase in price and volume of VLT's securities traded on Friday, 15 November 2019. VLT notes that there remained a high level of inherent uncertainty associated with its ability to convert the SurePlan NZ sales opportunity into material contracted revenue at that time, such that information regarding the status of VLT's discussions with SurePlan NZ at that time was not considered by VLT to be materially price sensitive information.

10. At the time Mr Rose acquired the Rose Shares, was Mr Rose aware of the negotiations about the potential transaction with SurePlan New Zealand? If so, does the VLT consider that the acquisition of the Rose Shares complied with the 'Trading Policy'? Please advise the basis for that view.

Mr Rose was aware that SurePlan NZ was a potential customer of VLT, but not aware of the particular timing or the value of any potential contract with SurePlan NZ at the time Mr Rose acquired the Rose Shares.

As set out in response to Questions 3 and 4 above, the negotiations with SurePlan NZ, as with all of VLT's potential new customer opportunities, were progressed by VLT's sales team with an incremental level of involvement by VLT's senior executive management team. Mr Rose only became integrally involved in the negotiations with SurePlan NZ once the potential size of the SurePlan NZ contract became clear on 15 November 2019 (being after the acquisition of the Rose Shares).

Mr Rose disclosed his involvement in the SurePlan NZ new customer opportunity, along with other potential new customer opportunities, to the VLT Chair as part of his request to acquire additional securities.

The VLT Chair approved the request on the basis that to the best of his knowledge (noting that the Chair is routinely made aware of any anticipated new material contract signings in order to prepare for ASX announcements etc), none of the potential new customer opportunities had progressed to the stage where the size of the potential sales contract, or the level of certainty regarding their execution, was such that they could be considered as likely to have a material effect on the price or value of VLT securities.

11. Did Mr Rose obtain the prior written approval of the VLT Chairman or the Board before doing acquiring the Rose Shares in accordance with the approval and notification requirements set out in the Trading Policy?

As set out in response to Question 10 above, Mr Rose received prior written permission from the VLT Chair on 9 November 2019 and subsequently proceeded to acquire the relevant securities on 11 November 2019 in accordance with the Company's Securities Trading Policy.

12. Did the VLT Board consider a black out period pending discussions about the potential transaction with SurePlan New Zealand?

No, as the Company's Security Trading Policy requires approval prior to transacting in securities.

13. Please confirm that VLT is complying with the Listing Rules and, in particular, Listing Rule 3.1.

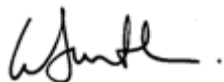
VLT confirms that it is complying with the Listing Rules and in particular Listing Rule 3.1.

14. Please confirm that VLT's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of VLT with delegated authority from the board to respond to ASX on disclosure matters.

VLT confirms that its responses to the questions above have been authorised by the Board.

Yours faithfully,

VAULT INTELLIGENCE LIMITED



Graeme Smith

Company Secretary

+61 408 447 493



21 November 2019

Reference: ODIN10909

Mr Graeme Smith
Company Secretary
Vault Intelligence Limited
Level 18, 1 Nicholson Street
East Melbourne VIC 3002

By email: graeme.smith@vaultintel.com

Dear Mr Smith

Vault Intelligence Limited ('VLT'): Aware Query

ASX refers to the following:

- A. VLT's Appendix 3Y entitled 'Change of Director's Interest Notice – DR' lodged on the ASX Market Announcements Platform ('MAP') on Wednesday, 13 November 2019 (the 'Appendix 3Y'), disclosing VLT executive director Mr David Rose acquired 13,698 fully paid ordinary shares at \$0.362 per share by on-market trade (valued at \$4958.68) (the 'Rose Shares').
- B. VLT's 'Securities Trading Policy' released on MAP on 30 June 2016 and published on VLT's website (the 'Trading Policy') which provides, among other things:
 - *'if a Key Management Personnel is in possession of price sensitive information which is not generally available to the market, then he or she must not deal in the Company's securities at any time';*
 - *'the following are possible examples of price sensitive information which, if made available to the market, may be likely to materially affect the price of the Company's securities:'*
 - '(c) the Company's revenue and profit or loss results materially exceeding (or falling short of) the market's expectations'*
 - '(f) the grant or loss of a major contract'; and*
 - *'Any Key Management Personnel (other than the Chairman) wishing to buy, sell or exercise rights in relation to the Company's securities must obtain the prior written approval of the Chairman or the Board before doing so'.*
- C. VLT's securities opening at \$0.36 and closing at \$0.41 on Friday, 15 November 2019 and the significant increase in the volume of VLT's securities traded on 15 November 2019.
- D. The pause in trade of VLT's securities released by ASX on MAP at 9.59 AM AEDT on Tuesday, 19 November 2019.
- E. The VLT trading halt request released on MAP at 10.10 AM AEDT on Tuesday, 19 November 2019 which stated that VLT were requesting a trading halt 'pending the release of information in relation to the signing of a material contract'.
- F. VLT's announcement entitled 'Multi Million Dollar Contract with SurePlan NZ for SoloDrive' lodged on MAP and released at 10.15 AM AEDT on Wednesday, 20 November 2019, disclosing, among other things:
 - the execution of a 'significant contract' with SurePlan New Zealand for VLT's SoloDrive solution, *'which will deliver a minimum Total Contract Value (TCV) of A\$12.4M over the five (5) year term'* (the 'Contract Information'); and

-
- that VLT has ‘already exceeded the market guidance of a minimum A\$10M CARR (Contracted Annual Recurring Revenue) by the end of FY20’ and ‘[c]urrent CARR for FY20 is approximately A\$11M’ (the ‘Guidance Information’).
- G. VLT’s securities opening at \$0.48 (last trading prior to the halt at \$0.39 on Monday, 18 November 2019) and reaching an intra-day high of \$0.49 on 20 November 2019 and the significant increase in the volume of VLT’s securities traded on Wednesday, 20 November 2019.
- H. Listing Rule 3.1, which requires a listed entity to immediately give ASX 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.
- I. The definition of ‘aware’ in Chapter 19 of the Listing Rules, which 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’ and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B ‘When does an entity become aware of information.’*
- J. 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 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.’
- K. 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. 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.’*

Request for Information

Having regard to the above, ASX asks VLT to respond separately to each of the following questions and requests for information:

1. Does VLT consider the Contract 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. When did VLT first become aware of the Contract Information?
4. If VLT first became aware of the Contract Information before the relevant date, did VLT make any announcement or disclosure prior to the relevant date which disclosed the information (for example at an investor presentation in Melbourne on 19 November 2019)?

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 VLT was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps VLT took to ensure that the information was released promptly and without delay.

5. Does VLT consider the Guidance Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
6. If the answer to question 5 is 'no', please advise the basis for that view.
7. When did VLT first become aware of the Guidance Information?
8. If VLT first became aware of the Guidance Information before the relevant date, did VLT make any announcement or disclosure 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 VLT was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps VLT took to ensure that the information was released promptly and without delay.

9. Noting that there had been an announcement entitled 'TTB: Vault Intelligence Partners with Total Brain' on Thursday, 31 October 2019 and the Appendix 3Y on Wednesday, 13 November 2019 and no announcements on Thursday 14 or Friday 15 November 2019, please confirm if VLT is aware of any reason for the increase in price and volume of VLT's securities traded on Friday, 15 November 2019.
10. At the time Mr Rose acquired the Rose Shares, was Mr Rose aware of the negotiations about the potential transaction with SurePlan New Zealand? If so, does the VLT consider that the acquisition of the Rose Shares complied with the 'Trading Policy'? Please advise the basis for that view.
11. Did Mr Rose obtain the prior written approval of the VLT Chairman or the Board before doing acquiring the Rose Shares in accordance with the approval and notification requirements set out in the Trading Policy?
12. Did the VLT Board consider a black out period pending discussions about the potential transaction with SurePlan New Zealand?
13. Please confirm that VLT is complying with the Listing Rules and, in particular, Listing Rule 3.1.
14. Please confirm that VLT's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of VLT with delegated authority from the board to respond to ASX on disclosure matters.

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 **5.00 PM AEDT Friday, 22 November 2019**.

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, VLT'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 VLT to request a trading halt immediately.

If you wish to request 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*.

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 ListingsCompliancePerth@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.

Listing Rules 3.1 and 3.1A

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

Suspension

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

Enquiries

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

Yours sincerely

Penelope Reid
Adviser, Listings Compliance (Perth)