



19 November 2020

Isabella Wong
ASX Adviser, Listings Compliance (Sydney)
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

By email

Dear Isabella

QUERY LETTER – ELIXINOL GLOBAL LIMITED (EXL)

I refer to your correspondence dated 18 November 2020 (**ASX Letter**) containing numerous questions for Elixinol Global Limited (“**Elixinol Global**”, “**EXL**” or “**Company**”).

Elixinol Global responds to your questions as follows:

Capital Raising

- 1. Does EXL consider its consideration, planning and execution of the capital raising detailed in paragraph 1 above (the ‘Information’), or any part thereof, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?**

EXL considers that the execution of the capital raising the subject of the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities. EXL considers that the consideration and planning of that capital raising to be information that a reasonable person would expect to have a material effect on the price or value of its securities depending on a number of circumstances, including the degree to which such consideration and planning had been progressed. In any case, as noted below, EXL considers that the Information is subject to Listing Rule 3.1A.

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

Please see response to question 1.

- 3. When did EXL first become aware of the Information? In answering this question, please address each component of the Information separately.**

EXL became aware of the consideration and planning of the capital raising the subject of the Information on and from the afternoon of Wednesday, 11 November 2020 when EXL was approached by MST Financial Services Pty Ltd (**MST**). EXL became aware of the execution of that capital raising the morning of Friday, 13 November 2020, when EXL determined to proceed to commence the capital raising process, at which time it requested a trading halt from the ASX.



4. When did EXL first initiate discussions regarding the capital raising?

As referred to in the response to question 3, EXL did not initiate discussions regarding the capital raising the subject of the Information.

5. If the answer to question 1 is 'yes' and EXL first became aware of the Information (or any part thereof) prior to 13 November 2020, please explain why the Information was not disclosed to the market at an earlier time, commenting specifically on when you believe EXL was obliged to release the Information under Listing Rules 3.1 and 3.1A and what steps EXL took to ensure that the Information was released promptly and without delay.

EXL considers that the Information was subject to Listing Rule 3.1A. EXL considers that the Information concerned an incomplete proposal or negotiation, and otherwise complied with the requirements set out in Listing Rule 3.1A required for that rule to be relied upon. EXL considers that the capital raising the subject of the Information was no longer an incomplete proposal or negotiation when that capital raising was finalised over the weekend immediately prior to Monday, 16 November 2020, noting that EXL announced the capital raising on Monday, 16 November 2020.

6. Who was responsible for managing the discussions regarding the capital raising on behalf of EXL?

Mr Oliver Horn, Group Chief Executive Officer & Executive Director and Mr Ron Dufficy, Chief Financial Officer.

7. Please provide a copy of any mandate(s) (or equivalent) with the joint lead managers in relation to the placement (not for release to the market).

Please see separate documents provided at Attachment One and Attachment Two.

Off-Market Transfer

8. Did Mr Benhaim complete and submit to the Company Secretary the approval form in Schedule A to EXL's Revised Securities Trading Policy in relation to the Off-Market Transfer (see sub-paragraph D(iv) above)?

Yes.

9. Did EXL's Company Secretary confer with the Chair of the Board in relation to the Off-Market Transfer and provide clearance for the Off-Market Transfer (see sub-paragraphs D(iv) and D(v) above)?

Yes.

10. If the answer to question 8 and/or question 9 above is 'no', please explain why not.

n/a



11. Please clarify why 12 November 2020 did not fall within a closed period (see sub-paragraphs D(ii) and G(iii) above).

The two Securities Trading Request Forms submitted by Mr Benhaim related to proposed transactions (**Transactions**) that were initiated on Monday, 9 November 2020 but which settled on Thursday, 12 November 2020, and which related to the transfer of 4,000,000 fully paid ordinary shares from his existing Margin Loan Facility with Equities First Holdings LLC and the sale of 4,000,000 fully paid ordinary shares in a single off-market trade. EXL confirms that 9 November 2020, the date on which the EXL cleared the Transactions, was not a date which fell within a closed period as set out in section 1.4 of EXL's Securities Trading Policy.

12. Please explain why the Board did not exercise its discretion under the following sections of the Revised Securities Trading Policy in relation to the Off-Market Transfer:

- a. **section 1.5 (see sub-paragraph D(iii) above); and**
- b. **section 3 (see sub-paragraph D(v) above).**

At the time the Board provided clearance for the Transactions on Monday, 9 November 2020, it was of the view that there was no reason to exercise its discretion not to provide clearance. As noted above, EXL was not approached by MST until Wednesday, 11 November 2020 in relation to the capital raising.

Pet Releaf

13. Has Pet Releaf paid the deposit of US\$1.8 million by way of three equal payments? If the answer to this question is 'no', why not?

No. EXL entered into the agreement with Pet Releaf with a strategic view at that time of Pet Releaf being a long-term partner of Elixinol LLC. EXL understands that Pet Releaf is experiencing difficult trading conditions in light of industry-wide pressures and the global COVID-19 pandemic, and as such has not yet been able to comply with its contractual obligation to pay the deposit.

14. Has Pet Releaf purchased the minimum value of products in accordance with the agreement to date? If the answer to this question is 'no', what is the value of the products that Pet Releaf has purchased under the agreement to date?

No. The value of the products that Pet Releaf has purchased under the agreement to date is US\$1.1 million.

As has previously been advised to the market since the date of the supply agreement (**Agreement**) to which the ASX Letter refers, EXL has revised its commercial strategy by focusing more on the distribution of EXL-branded products, rather than supporting private labelled products to which the Agreement relates.



Japan

15. **ASX notes that EXL does not appear to have disclosed the outcome of its investigation regarding Elixinol Japan, including the findings of the independent legal expert ('Investigation Outcome') (see sub-paragraph B(i) above). Has EXL disclosed the Investigation Outcome to the market? If so, please provide details. If not, please explain why the Investigation Outcome has not been released to the market.**

No. The relevant investigation was not completed by EXL such that there was never an Investigation Outcome. For clarity, after EXL released the announcement titled "Market Update Elixinol Japan Operations" on Wednesday, 23 October 2019, in conjunction with commencing the investigation referred to above, it also assessed its continued interest in Elixinol Japan. As announced to the market on Monday, 2 December 2019, EXL disposed of its interest in Elixinol Japan, such that Elixinol Japan is now a third party with whom EXL has entered into a licensing agreement.

16. **Please clarify why EXL has not been able to independently verify that 'all regulatory investigations had concluded and that no further action was required' in relation to Elixinol Japan (see sub-paragraph B(iii) above).**

On and from about 2 December 2019, Elixinol Japan has no longer been controlled by EXL. In April 2020, EXL separately confirmed with the Japanese Ministry of Health, Labour and Welfare that the regulatory investigation regarding alleged non-compliance with certain Japanese laws had been concluded and that there was no associated criminal investigation. EXL understands that 3 of the 18 products investigated by the relevant Japanese authorities were found to be non-compliant. As a result, EXL understands those products were voluntarily withdrawn from the market. Although EXL has not been able to independently verify that all regulatory investigations have been concluded, Elixinol Japan has advised EXL that this is the case.

17. **Please explain how EXL has satisfied itself that the products being sold into Japan under the licensing agreement with Elixinol Japan (see sub-paragraph B(iv) above) comply with the relevant laws and regulations.**

EXL announced to the ASX on Tuesday, 28 July 2020 that it had entered into an exclusive trademark and know-how license agreement with Elixinol Japan (**Elixinol Japan Agreement**). Under the terms of the Elixinol Japan Agreement, Elixinol-branded products (**Products**) are to be manufactured in Japan with Japanese sourced materials to meet specific Japanese regulatory and legal requirements. Additionally, under the Elixinol Japan Agreement, Elixinol Japan must promptly provide EXL with copies of all communications with any governmental, regulatory or industry authority relating to the Products. These obligations, together with the various warranties and indemnities provided by Elixinol Japan to EXL and the fact that Elixinol Japan has voluntarily recalled defective products in the past, provides EXL with sufficient satisfaction that Elixinol Japan is ensuring that the Products comply with relevant Japanese laws and regulations.

General

18. **Please confirm that EXL is complying with the Listing Rules and, in particular, Listing Rule 3.1.**

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



19. Please confirm that EXL'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 EXL with delegated authority from the board to respond to ASX on disclosure matters.

EXL confirms that its responses to the questions above have been authorised and approved in accordance with its continuous disclosure policy.

Please do not hesitate to contact me if you would like to discuss any of the above matters.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Teresa Cleary', is placed over a faint, light blue circular stamp.

Teresa Cleary
General Counsel & Company Secretary

For more information please contact:
Ron Dufficy
Chief Financial Officer
ron.dufficy@elixinolglobal.com

About Elixinol Global

Elixinol Global Limited (ASX:EXL; OTCQB:ELLXF) is a global leader in the hemp industry, innovating, marketing and selling hemp derived nutraceutical and food products. The Company's simplified business model is focusing on:

- In the Americas, innovating, marketing and selling high quality Elixinol branded hemp derived nutraceutical products based in Colorado, USA
- In Europe and the UK, educating and selling high quality Elixinol branded and co-branded hemp derived nutraceutical and skincare products based in Utrecht, The Netherlands and London, UK
- In Australia, providing stronger unified planning and support across the group to enable the various regional offices to focus on operational strategy and execution through its Global Executive Office based in Sydney, Australia
- Hemp Foods Australia Pty Ltd (Hemp Foods Australia), a leading hemp food wholesaler, retailer, manufacturer and exporter of bulk and branded raw materials, and finished products
- Across the Rest of World, expanding distribution of Elixinol branded hemp derived products through reputable distributors as key markets open.

See more at www.elixinolglobal.com



18 November 2020

Reference: 27901

Ms Teresa Cleary
General Counsel and Company Secretary
Elixinol Global Limited
Level 12
680 George Street
Sydney NSW 2000

By email

Dear Ms Cleary

Elixinol Global Limited ('EXL'): Query Letter

ASX Limited ('ASX') refers to:

- A. EXL's announcement titled 'Exclusive CBD supply agreement with Pet Releaf' released on the ASX Market Announcements Platform ('MAP') on 8 August 2019, which announced that its subsidiary, Elixinol LLC, had entered into a manufacturing and supply agreement with Altmed Pets, LLC, trading as Pet Releaf ('Pet Releaf') and included the following statements:

'Key components of the Agreement are:

- *an initial 18 month term (term) which can be renewed annually for multiple years;*
- *Pet Releaf to purchase a minimum US\$18.0 million (approximately A\$26,802,000) worth of products over the term; and*
- *Pet Releaf to pay a deposit of US\$1.8 million (approximately A\$2,680,000) (10% of the minimum purchase amount) by way of three equal payments during the term of the Agreement.'*

- B. The following announcements by EXL regarding its activities in Japan:

- (i) EXL's announcement titled 'Market Update Elixinol Japan Operations' released on MAP on 23 October 2019, which included the following statements (emphasis added):

- *'... the Company has established that non-compliant hemp-derived CBD products were being sold by Elixinol Japan.'*
- *'The Company takes its compliance with all legislation and regulations seriously and is conducting an investigation into the circumstances of the non-compliance in relation to the hemp-derived CBD business unit within Elixinol Japan.*

The non-compliance relates to the strict requirements in Japan on sourcing CBD from only hemp stalk and seed. The Company expects that the investigation (which involves an independent legal expert) will be completed by mid-November 2019.

- (ii) EXL's announcement titled 'Elixinol Japan Update' released on MAP on 2 December 2019, which included the following disclosures:

- *'The Company assessed various commercial alternatives for its Japanese business. As a result, Elixinol Global has agreed to sell its 50.5% interest in Elixinol Japan to Mr Takeshi Sakurada who is one of the other shareholders of Elixinol Japan.'*

-
- That EXL and Elixinol Japan would engage in good faith negotiations to enter into a non-exclusive licensing agreement.
- (iii) EXL's announcement titled 'Investor Presentation' released on MAP on 5 May 2020, which included the following statements on page 24 (emphasis added):
- 'Compliance with laws and regulation; risk of litigation and regulatory investigations***
- Elixinol operates in a highly regulated and rapidly growing and changing industry and is subject to extensive laws and regulatory requirements in multiple jurisdictions ... Elixinol announced on 2 December 2019 that it had sold its interest in Elixinol Japan to another shareholder of Elixinol Japan and has since received correspondence from Elixinol Japan stating that all regulatory investigations had concluded and that no further action was required. Notwithstanding this correspondence, the Company cannot independently verify this information ...'*
- (iv) EXL's announcement titled 'EXL enters into exclusive License Agreement in Japan' released on MAP on 28 July 2020, which disclosed that EXL had signed an exclusive Trademark and Know-How License Agreement with Elixinol Co., Ltd ('Elixinol Japan') and included the following statements:
- *'Under the terms of the agreement, Elixinol Japan can use Elixinol trademarks and know-how in connection with the manufacture, advertising, distribution and sale of licensed CBD products in Japan. The Agreement is for two years with an automatic renewal of a further three year term and requires Elixinol Japan to pay Elixinol Global royalties equal to 3% of Elixinol Japan's net sales for the first year, then a royalty of 5% on net sales for subsequent years ... Elixinol products will be manufactured in Japan to meet market specific regulatory requirements.'*
 - *'Mr Horn continued: "This new license agreement has been made possible not only because of Elixinol Japan's leadership team and their passion for our brand, but also as a result of having established a local supply chain that can bring Japan-specific and compliant products to market fast and effectively ..."'*
- C. The Appendix 3Y for Mr Paul Benhaim, a non-executive director and the largest shareholder of EXL, lodged by EXL on MAP on 18 September 2020, which included the following statements by Mr Benhaim in the covering letter:
- 'I refer to the commitment made to the market regarding my intentions with my trust's shares released from escrow, as detailed in the Elixinol market announcement on 18 December 2019. As committed, I have not sold more than 20% of my holdings this year ... As well as my continuing direct involvement as a Director of the Company, I will continue to be the largest shareholder of Elixinol at this time and do not intend to sell any further equity until at least after the release of the Full Year results which are expected to be disclosed in February 2021.'*
- D. EXL's Revised Securities Trading Policy approved by EXL's board and released on MAP on 22 October 2020, which sets out the procedures for EXL's directors, officers and employees dealing in EXL's securities, and includes the following provisions:
- (i) In section 1.1 (Policy): *'Restricted Persons must restrict their buying and selling of the Group's securities within the Group trading window established by this Policy (i.e. times other than the closed periods) and must also comply with the Insider Trading Policy of the Group in section 2 below.'*
 - (ii) In section 1.4 (Prohibition on dealing in Securities): *'Restricted Persons may not deal whilst in the possession of "Inside Information" (see section 2) – this restriction applies at all times. In addition, the Restricted Persons must not deal in the Group's Securities during the closed periods.'*

The closed periods are: ...

(d) any other period as advised to the Group by the Board.'

- (iii) In section 1.5 (Board of Directors' discretion): 'The Board has an absolute discretion to place an embargo on Restricted Persons and/or their respective associated parties trading in the Group's Securities at any time in addition to the above.'
- (iv) In section 1.6 (Notification rules in relation to dealing in Securities): 'Restricted Persons are required to notify the Group of intended dealings in Securities, including entering into transactions or arrangements which operate to limit the economic risk of their security holdings in the Group, by themselves or their associated parties, of the Group prior to such intended dealings.

This should be done by completing and submitting to the Company Secretary the approval form in Schedule A to this Policy.

The Company Secretary may confer with the Chair of the Board in relation to any proposed dealing and any clearance to trade can be given or refused by the Group in its discretion, without giving any reasons. The Company Secretary will maintain a register of requests, confirmations and refusals to trade ...'

- (v) In section 3 (Market Perception Obligation): 'Individuals must not deal in the Group's Securities if a proposed dealing could be perceived by the market as taking advantage of that person's position in an inappropriate way. This is referred to in this Policy as the "market perception obligation". Where approval is required for a dealing under this Policy, approval will not be granted where the dealing does not satisfy the market perception obligation.'

E. The change in the price of EXL's securities from a low of \$0.14 as at the close of trading on 5 November 2020 to a high of \$0.225 as at 9 November 2020, and the significant increase in the volume of EXL's securities traded from 6 November 2020 to 9 November 2020.

F. ASX's price query letter dated 9 November 2020 (updated) and EXL's response dated 9 November 2020, released together on MAP on 10 November 2020, which included the following questions (in bold) and answers:

'1. Is EXL 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 in its securities?'

The Company is not aware of any information concerning it that has not been announced to the market and which could be an explanation for the recent trading in the Company's securities ...

3. If the answer to question 1 is "no", is there any other explanation that EXL may have for the recent trading in its securities?'

No.

4. Please confirm that EXL is complying with the Listing Rules and, in particular, Listing Rule 3.1.'

The Company is in compliance with the Listing Rules, in particular Listing Rule 3.1.'

G. The Appendix 3Y for Mr Paul Benhaim lodged by EXL on MAP at 8:42am AEDT on 13 November 2020, which disclosed the following:

- (i) The sale of 4,000,000 shares by Raw with Life Pty Ltd as trustee for Benhaim Trading Trust on 12 November 2020 via an off-market transfer ('Off-Market Transfer').
- (ii) That the consideration for the Off-Market Transfer was approximately \$760,000 (or \$0.19 per share).

-
- (iii) That the Off-Market Transfer did not occur during a closed period (see response to question 1 in Part 3).
- (iv) In the covering letter to the Appendix 3Y: *'The Company has been informed that Mr Benhaim was approached by an institutional investor who has been following Elixinol Global. Mr Benhaim subsequently transferred 4,000,000 Secured Shares from the Loan Facility and sold them in a single off-market trade.'*
- H. EXL's request for a trading halt provided to ASX by email at 8:49am AEDT on 13 November 2020 and released on MAP together with ASX's market announcement regarding the trading halt at 9:08am AEDT on 13 November 2020. The trading halt request included the following information:
- 'Elixinol Global is requesting the Trading Halt for the purpose of considering, planning and executing a capital raise (Capital Raise)'*
- I. EXL's announcement titled 'Completion of Institutional Offer' released on MAP on 16 November 2020, which disclosed that:
- (i) it had completed a placement to raise \$8.2 million and will undertake an accompanying share purchase plan ('SPP') which aims to raise up to \$2.0 million; and
- (ii) the issue price of the shares to be issued under the placement and SPP will be \$0.17 per share, representing an 8.1% discount to EXL's closing share price of \$0.185 on 12 November 2020 and a 17.7% discount to its 10-day VWAP.
- J. 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.
- K. 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.'*
- L. 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.'*

-
- M. 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.'

Questions and Request for information

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

Capital Raising

1. Does EXL consider its consideration, planning and execution of the capital raising detailed in paragraph I above (the 'Information'), or any part thereof, 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 EXL first become aware of the Information? In answering this question, please address each component of the Information separately.
4. When did EXL first initiate discussions regarding the capital raising?
5. If the answer to question 1 is 'yes' and EXL first became aware of the Information (or any part thereof) prior to 13 November 2020, please explain why the Information was not disclosed to the market at an earlier time, commenting specifically on when you believe EXL was obliged to release the Information under Listing Rules 3.1 and 3.1A and what steps EXL took to ensure that the Information was released promptly and without delay.
6. Who was responsible for managing the discussions regarding the capital raising on behalf of EXL?
7. Please provide a copy of any mandate(s) (or equivalent) with the joint lead managers in relation to the placement (not for release to the market).

Off-Market Transfer

8. Did Mr Benhaim complete and submit to the Company Secretary the approval form in Schedule A to EXL's Revised Securities Trading Policy in relation to the Off-Market Transfer (see sub-paragraph D(iv) above)?
9. Did EXL's Company Secretary confer with the Chair of the Board in relation to the Off-Market Transfer and provide clearance for the Off-Market Transfer (see sub-paragraphs D(iv) and D(v) above)?
10. If the answer to question 8 and/or question 9 above is 'no', please explain why not.
11. Please clarify why 12 November 2020 did not fall within a closed period (see sub-paragraphs D(ii) and G(iii) above).
12. Please explain why the Board did not exercise its discretion under the following sections of the Revised Securities Trading Policy in relation to the Off-Market Transfer:
 - (a) section 1.5 (see sub-paragraph D(iii) above); and
 - (b) section 3 (see sub-paragraph D(v) above).

Pet Releaf

13. Has Pet Releaf paid the deposit of US\$1.8 million by way of three equal payments? If the answer to this question is 'no', why not?
14. Has Pet Releaf purchased the minimum value of products in accordance with the agreement to date? If the answer to this question is 'no', what is the value of the products that Pet Releaf has purchased under the agreement to date?

Japan

15. ASX notes that EXL does not appear to have disclosed the outcome of its investigation regarding Elixinol Japan, including the findings of the independent legal expert ('Investigation Outcome') (see sub-paragraph B(i) above).

Has EXL disclosed the Investigation Outcome to the market? If so, please provide details. If not, please explain why the Investigation Outcome has not been released to the market.
16. Please clarify why EXL has not been able to independently verify that *'all regulatory investigations had concluded and that no further action was required'* in relation to Elixinol Japan (see sub-paragraph B(iii) above).
17. Please explain how EXL has satisfied itself that the products being sold into Japan under the licensing agreement with Elixinol Japan (see sub-paragraph B(iv) above) comply with the relevant laws and regulations.

General

18. Please confirm that EXL is complying with the Listing Rules and, in particular, Listing Rule 3.1.
19. Please confirm that EXL'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 EXL 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 **9:30am AEDT on Wednesday, 25 November 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, EXL'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 EXL to request a trading halt immediately.

Your response should be sent to me by e-mail. 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 EXL'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 EXL's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to EXL'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 EXL'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 contact me.

Yours sincerely

Isabella Wong
Adviser, Listings Compliance (Sydney)