



19 June 2020

Mr Corey Lian
Advisor, Listings Compliance (Sydney)
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Dear Mr Lian,

SomnoMed Limited (ASX: SOM) – Appendix 3Y – Change of Director’s Interest Notice Query

Thank you for your letter querying the Appendix 3Y for Dr Neustadt, which may have breached Listing Rules 3.19A and/or 3.19B by being lodged late.

- 1) The Appendix 3Y referred to was required to be lodged at the peak of the COVID-19 crisis in Sydney and due to various other extenuating circumstances at the time it was inadvertently lodged late due to an administrative error. The Company and Dr Neustadt were aware of the lodgement requirements for the Appendix 3Y and in fact on 2 April 2020 another Appendix 3Y was lodged by the Company with ASX within the prescribed timeframe. The Company and Dr Neustadt realised Dr Neustadt’s Appendix 3Y had inadvertently not been lodged with ASX in early April at the time Appendix 3Y’s for other directors of the Company were being finalised for lodgement later in April.
- 2) The Directors are aware that any securities purchased, direct or indirect, must be notified to the Company Secretary. The Company Secretary regularly reviews the Director’s trading records to ensure notifiable transactions are duly notified. As a stated above, the Company Secretary was aware of the change in securities in this instance, however, due to an administrative error it was not lodged with ASX within the prescribed time.
- 3) The Company considers its current arrangements are adequate for ensuring timely notification and that the failure to do so on this occasion was due to an oversight. However, to avoid a repeat of this error, the Company Secretary has requested all Directors ensure appropriate forms are lodged on the ASX platform by the Company Secretary on their behalf, so as to comply with the requirements of the ASX Listing Rules. The Company and its officers take their ASX obligations very seriously and believe in the ordinary circumstances such an oversight would not have occurred and will take all possible steps to ensure such an error does not occur again.

T.A. Flitcroft
Company Secretary



18 June 2020

Reference: 19624

Mr Terence Flitcroft
Company Secretary
Somnomed Limited
Level 3, 20 Clarke Street,

By email:

Dear Mr Flitcroft

SomnoMed Limited ('SOM'): Appendix 3Y – Change of Director's Interest Notice Query

ASX refers to the following:

1. SOM's Appendix 3Y lodged on the ASX Market Announcements Platform ('MAP') on 22 April 2020 for Mr Peter Neustadt (the 'Notice');
2. 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.'*

3. 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.'

The Notice indicates that a change in Mr Neustadt's notifiable interest occurred on 1 April 2020. It appears that the Notice should have been lodged with ASX by 8 April 2020. Consequently, SOM may have breached Listing Rules 3.19A and/or 3.19B. It also appears that Mr Neustadt may have breached section 205G of the *Corporations Act 2001* (Cth).

Please note that ASX is required to record details of breaches of the Listing Rules by listed entities for its reporting requirements.

ASX reminds SOM of its contract with ASX to comply with the Listing Rules. In the circumstances, SOM should make necessary arrangements to ensure it does not continue to breach the Listing Rules.

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 3Y was lodged late.
2. What arrangements does SOM 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 SOM intend to take to ensure compliance with Listing Rule 3.19B?

When and where to send your response

Your response should be sent to me by e-mail at ListingsComplianceSydney@asx.com.au. It should not be sent to the ASX Market Announcements Office.

A response is requested as soon as possible and, in any event, no later than half an hour before the start of trading (i.e. before 9:30 am AEDT) on 22 June 2020.

Under Listing Rule 18.7A, a copy of this letter and your response will be released to the market, so your response should be in a form suitable for release and must separately address each of the questions asked.

Enquiries

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

Kind regards

Corey Lian
Adviser, Listings Compliance (Sydney)