

16 December 2020

Mr Dean Litis
Principal Adviser, Listings Compliance (Melbourne)
Level 4, North Tower, Rialto, 525 Collins St, Melbourne VIC 3000

Sent via e-mail to ListingsComplianceMelbourne@asx.com.au.

Dear Dean

I respond to your letter and our phone call of 14 December 2020, subject "Beam Communications Holdings Limited ('BCC')", reference ODIN28885.

The requested information was in relation to:

A. BCC's announcement titled "Beam Receives Another Record Order for ZOLEO" lodged on the ASX Market Announcements Platform and released at 9:30 AM (BCC records show an 8:40 AM release) on 14 December 2020 (the 'Announcement'), disclosing, among other things, that BCC:

- (a) has received its largest order for 12,500,000 ZOLEO units since the device launched in early 2020 ('Order'); and
- (b) the Order was received from its joint venture (JV) entity, ZOLEO Inc. ('ZOLEO JV'), (together, the 'Information').

B. BCC's share price on Friday, 11 December 2020, which opened at \$0.275 and reached a high and closing price of \$0.33. The increase in the volume of the BCC shares traded on the same day.

C. 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.

Your Request for information is as follows:

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

1. Please confirm that BCC is in compliance with the Listing Rules and, in particular, Listing Rule 3.1. In responding to this question, you should have regard to BCC's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8.

BCC Answer: Yes, BCC is in compliance with all Listing Rules.

By way of explanation BCC believes that the increased trading on Friday 11 December 2020 was brought about by the news issued by BCC via the ASX earlier in the week, specifically the announcement on 8 December 2020 "Anaconda to Start Selling ZOLEO" and the heightened awareness of ZOLEO and Beam through a noticeable increase in social media traffic.

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

BCC Answer: Yes

3. If the answer to question 1 is "no", please advise the basis for that view.

BCC Answer: Not applicable

4. When did BCC first become aware of the Information?

BCC Answer: BCC was not in possession of the entirety of the Information from ZOLEO Inc. (the joint venture entity) until late on Friday 11 December 2020 at which time an announcement was finalised for earliest possible release.

5. If the answer to question 1 is "yes" and BCC first became aware of the Information before the relevant date, did BCC make any announcement 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 BCC was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps BCC took to ensure that the information was released promptly and without delay.

BCC Answer: BCC was not able to release the Information earlier as it was not in possession of the entirety of the Information from ZOLEO Inc. until late on Friday 11 December 2020. The information was then included in the final ASX announcement and released before trading commenced, at 8:40am on Monday 14 December.

6. Please provide details of the counterparties to the Order received via ZOLEO JV.

BCC Answer: BCC received the order from ZOLEO Inc. of Toronto, Canada being BCC's JV entity in partnership with Roadpost Inc. also of Toronto Canada. ZOLEO Inc. supplies ZOLEO units exclusively to Roadpost and BCC who distribute the product in North America and Australia/Asia respectively.

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

BCC Answer: I confirm that I am authorised by the board to respond to the ASX.

Yours faithfully



Dennis Payne
Company Secretary



14 December 2020

Reference: ODIN28885

Mr Dennis Payne
Company Secretary & Chief Financial Officer
Beam Communication Holdings Limited
Unit 5, 8 Anzed Court
Mulgrave VIC 3170

By email

Dear Mr Payne

Beam Communications Holdings Limited ('BCC')

ASX refers to the following:

- A. BCC's announcement titled "Beam Receives Another Record Order for ZOLEO" lodged on the ASX Market Announcements Platform and released at 9:30 AM on 14 December 2020 (the 'Announcement'), disclosing, among other things, that BCC:
- (a) has received its largest order for 12,500,000 ZOLEO units since the device launched in early 2020 ('Order'); and
 - (b) the Order was received from its joint venture (JV) entity, ZOLEO Inc. ('ZOLEO JV'), (together, the 'Information').
- B. BCC's share price on Friday, 11 December 2020, which opened at \$0.275 and reached a high and closing price of \$0.33. The increase in the volume of the BCC shares traded on the same day.
- C. 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.
- D. 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."*
- E. 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;*

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- *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.”*
- F. Section 4.15 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B* (‘Guidance Note 8’) which sets out the guidelines on the contents of announcements under Listing Rule 3.1.
- G. Section 4.20 of Guidance Note 8, which sets out ASX’s views in relation to commercially sensitive information. Section 4.22 of Guidance Note 8, which states that:
- “An entity must comply with its disclosure obligations under Listing Rule 3.1 and section 674, even where it is party to a confidentiality or non-disclosure agreement that might otherwise require it to keep information confidential.”*

Request for information

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

1. Please confirm that BCC is in compliance with the Listing Rules and, in particular, Listing Rule 3.1. In responding to this question, you should have regard to BCC’s obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8.
2. Does BCC consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
3. If the answer to question 1 is “no”, please advise the basis for that view.
4. When did BCC first become aware of the Information?
5. If the answer to question 1 is “yes” and BCC first became aware of the Information before the relevant date, did BCC make any announcement 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 BCC was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps BCC took to ensure that the information was released promptly and without delay.
6. Please provide details of the counterparties to the Order received via ZOLEO JV.
7. Please confirm that BCC’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 BCC 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 **9:30 AM AEDT Thursday, 17 December 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, BCC’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 BCC to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsComplianceMelbourne@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 BCC'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 BCC's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

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

Yours sincerely

Dean Litis

Principal Adviser, Listings Compliance (Melbourne)