

4 April 2018

George Tharian
Adviser, Listings Compliance (Sydney)
20 Bridge Street
Sydney NSW, 2000

Dear George,

APPENDIX 3Y QUERY

We refer to your letter to InvestSMART Group Limited ("the Entity") dated 3 April 2018 regarding the Change of Director's Interest Notice lodged by the Entity with ASX on Wednesday, 14 March 2018, for Kevin Moore.

In answer to the questions raised in your letter, we respond as follows:

1. The Director believed that he was required to report trades on completion of an order given to a broker. The Director placed an order with his broker on 5 March 2018 to buy 30,000 shares. 1,282 shares were bought on this date for value \$479.96. On 13 March 2018 the Director's broker bought a further 23,545 shares for value \$6,922.60. The remainder of the order was cancelled. The trades were reported to the Company Secretary on 14 March 2018 and Appendix 3Y was lodged on the same day.
2. All Directors undergo an induction which includes acknowledgement of Listing Rule 3.19A and the issuance of ASX Guidance Note 22 and discussion thereof.

The Director in question regrets the oversight in informing the Company Secretary after the prescribed time limit.

3. The Company is satisfied that its current arrangements are adequate and that all Directors are aware of their disclosure obligations. In addition to current arrangements, agreements with Directors will be amended to explicitly state that all executed trades, regardless of the status of an order with a broker, should be reported within 24 hours to the Company Secretary.

Yours sincerely,

[sent electronically without signature]

Grant Winberg
Company Secretary



3 April 2018

Mr Grant Winberg
Company Secretary
Investsmart Group Limited
Level 9, 37 York Street
Sydney NSW 2000

By email

Dear Mr Winberg

InvestSMART Group Limited (the “Entity”): Appendix 3Y – Change of Director’s Interest Notice

We refer to the following;

1. The Appendix 3Y lodged by the Entity with ASX on Wednesday, 14 March 2018 for Kevin Moore (the “Appendix 3Y”);
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 as follows.

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 Appendix 3Y indicates that a change in the Director's notifiable interest occurred on 5 March 2018. It appears that the Appendix 3Y should have been lodged with ASX by 12 March 2018. Consequently, the Entity may be in breach of listing rules 3.19A and/or 3.19B. It also appears the directors concerned may have breached section 205G of the Corporations Act.

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

ASX reminds the Entity of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Entity make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

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*, under listing rule 18.7 we ask that you answer each of the following questions.

1. Please explain why the Appendix 3Y was lodged late.
2. What arrangements does the Entity 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 the Entity intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by e-mail. It should not be sent to the ASX Market Announcements Office.

A response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (i.e. before 9.30 a.m. A.E.S.T.) on Friday, 6 April 2018.

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.



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

Yours sincerely

[Sent electronically without signature]

George Tharian

Adviser, Listings Compliance (Sydney)