



**Fatfish Internet Group Ltd**  
(ACN 004 080 460)  
Level 4, 91 William Street  
Melbourne  
Victoria 3000  
Australia  
[www.fatfish.co](http://www.fatfish.co)

31 January 2017

Dawn James  
Adviser, Listing Compliance (Perth)  
ASX Compliance Pty Ltd  
Level 40, Central Park  
152-158 St. George's Terrace  
Perth. WA 6000

**Fatfish Internet Group Ltd (ASX:FFG) : Appendix 4C Query**

Dear Dawn

Further to your letter dated 27 January 2017 with regards to the above matter, our response to these queries are as follows:

**1. Does FFG expect that it will continue to have negative operating cash flows for the time being and, if not, why not?**

*Yes, FFG expects to have negative operating cashflows for the time being*

**2. Has FFG taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?**

*The Board of Directors is currently considering a capital raising exercise in the coming quarter to raise further cash for the operations of FFG and we are confident that a fund raising exercise will be completed in the second quarter based on strong interest by potential investors who have expressed interest to participate in future fund raising exercises of FFG. Due announcement will be made upon finalization of this exercise.*

**3. Does FFG expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?**

*Yes – based on current cashflow projection for prudent management of funding requirements for the quarter and the likelihood of the planned capital raising completing in the second quarter.*

---

For personal use only



**Fatfish Internet Group Ltd**  
(ACN 004 080 460)  
Level 4, 91 William Street  
Melbourne  
Victoria 3000  
Australia  
  
[www.fatfish.co](http://www.fatfish.co)

**4. Please confirm that FFG is in compliance with Listing Rule 3.1 and that there is no information that should be given to ASX about its financial condition in accordance with that Rule that has not already been released to the market.**

*Yes we are in compliance with Listing Rule 3.1 and as far as FFG knows there is no information that FFG is aware of that could have material effects on the company.*

**5. Please confirm that FFG'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 FFG with delegated authority from the board to respond to ASX on disclosure matters.**

*Yes – the Board has sanctioned the released of the responses to the questions.*

Thank you.

Yours faithfully

The Board of Directors  
Fatfish Internet Group Ltd

---

For personal use only



27 January 2017

Mr Donald Low  
Fatfish Internet Group Limited  
Level 2, 395 Collins Street  
Melbourne VIC 3000

By email:

Dear Mr Low

**Fatfish Internet Group Limited (“FFG”): Appendix 4C Query**

I refer to FFG’s Appendix 4C quarterly report for the period ended 31 December 2016 lodged with ASX Market Announcements Platform and released on 27 January 2017 (the “Appendix 4C”).

ASX notes that FFG has reported:

- negative net operating cash flows for the quarter of \$376,000;
- cash at the end of the quarter of \$399,000; and
- estimated cash outflows for the next quarter of \$303,000.

It is possible to conclude, based on the information in the Appendix 4C, that if FFG were to continue to expend cash at the rate indicated by the Appendix 4C, FFG may not have sufficient cash to continue funding its operations. In view of that, ASX asks FFG to answer separately each of the following questions and provide the following confirmations in a format suitable for release to the market in accordance with Listing Rule 18.7A:

1. Does FFG expect that it will continue to have negative operating cash flows for the time being and, if not, why not?
2. Has FFG taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
3. Does FFG expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
4. Please confirm that FFG is in compliance with Listing Rule 3.1 and that there is no information that should be given to ASX about its financial condition in accordance with that Rule that has not already been released to the market.
5. Please confirm that FFG’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 FFG with delegated authority from the board to respond to ASX on disclosure matters.

For personal use only

Please also provide any other information that FFG considers may be relevant to ASX forming an opinion on whether FFG is in compliance with Listing Rule 12.2 (a listed entity's financial condition must, in ASX's opinion, be adequate to warrant the continued quotation of its securities and its continued listing).

### **When and where to send your response**

This request is made under, and in accordance with Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than 3.00pm AWST on 1 February 2017. If we do not have your response by then, ASX will have no choice but to consider suspending trading in FFG's securities under Listing Rule 17.3.

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, FFG'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.

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 at [Dawn.James@asx.com.au](mailto:Dawn.James@asx.com.au) 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.

### **Listing Rule 3.1**

Listing Rule 3.1 requires a listed entity to give ASX immediately 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. Exceptions to this requirement are set out in Listing Rule 3.1A.

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

### **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 FFG'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 may 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*.

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

Yours sincerely,

*[Sent electronically without signature]*

Dawn James  
Adviser, Listings Compliance

For personal use only