

18 July 2018

Jessica Coupe
Australian Securities Exchange
Level 40, Central Park
152 St Georges Terrace
PERTH WA 6000

BY EMAIL: jessica.coupe@asx.com.au

DIGITALX PRICE QUERY

Dear Jessica,

We refer to your letter dated 17 July 2018 querying the change in trading price of DCC shares from a low of \$0.096 to a high of \$0.125 today and also noting the significant increase in the volume of the securities traded today.

In response to your questions outlined in the Letter, we provide the following information:

1. The Company is not 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 the Company's securities.
2. Not applicable.
3. Over the previous 12 months of so, the Company has seen its share price approximately track the rises and falls of the cryptocurrency markets, in particular the global Bitcoin markets. More recently the Company has generally underperformed in relation to these markets.

Over past weeks, investors may be aware that there has been generally positive news in relation to the cryptocurrency markets, most notably:

- (a) the ongoing acknowledgement of the legitimacy of cryptoassets by various regulators around the world;
- (b) the acknowledgement of the legitimacy and adoption of security tokens as a legally compliant method of raising funds and issuing cryptoassets, which is consistent with the Company's business plan as an adviser operating as an authorized representative of an AFSL holder; and
- (c) one of the world's leading cryptoasset exchanges, Coinbase, has received regulatory approval to list security tokens on its exchange via the acquisition of a firm which holds a broker dealer licence.¹

In addition to these developments, the Company is continuing to execute on its stated objective of providing ICO advisory services, blockchain based consulting, marketing and education and cryptoasset funds management. As part of this strategy, the Company continues to grow and engage in potential business partnerships, generate ongoing revenues and hopes to be in a position to announce new developments in due course. As at the date of this letter, there is no news that would support any such announcement, and there is no

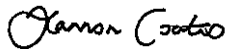
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reason for the Company to believe that there is anything that necessitates the Company considering any breaches of any confidentiality in the Company's ongoing work.

4. The Company confirms it is in compliance with the Listing Rules, in particular Listing Rule 3.1.
5. I confirm that the Entity'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 the Entity with delegated authority from the board to respond to ASX on disclosure matters.

Please do not hesitate to contact me if further information is required.

Yours sincerely



Shannon Coates
Company Secretary

ⁱ <https://www.bloomberg.com/news/articles/2018-07-16/coinbase-says-it-has-green-light-to-list-coins-deemed-securities?srnd=cryptocurrencies>

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17 July 2018

Ms Shannon Coates

Company Secretary
DigitalX Limited
Level 4, 16 Milligan St
Perth WA 6000

By email: shannon@evolutioncapital.com.au

Dear Ms Coates

DigitalX Limited (the “Entity”): price query

We note the change in the price of the Entity’s securities from a low of \$0.096 to a high of \$0.125 today.

We also note the significant increase in the volume of the Entity’s securities traded today.

In light of this, ASX asks the Entity to respond separately to each of the following questions and requests for information:

1. Is the Entity 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?
2. If the answer to question 1 is “yes”:
 - a) Is the Entity relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

Please note that the recent trading in the Entity’s securities would suggest to ASX that such information may have ceased to be confidential and therefore the Entity may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is “yes”, you need to contact us immediately to discuss the situation.
 - b) Can an announcement be made immediately?

Please note, if the answer to this question is “no”, you need to contact us immediately to discuss requesting a trading halt (see below).
 - c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is “no”, is there any other explanation that the Entity may have for the recent trading in its securities?
4. Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that the Entity’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 the Entity 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, 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 half an hour before the start of trading (ie **before 7.30 am WST on 18 July**)

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2018). If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Entity'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, the Entity'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 by e-mail at tradinghaltspert@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.

Listing Rules 3.1 and 3.1A

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 the Entity'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 the Entity'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, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in t's securities under Listing Rule 17.1.

If you wish to request 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*.

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

Kind regards

[Sent electronically without signature]

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Jessica Coupe

Listings Adviser, Listings Compliance (Perth)

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