20 August 2020

Dean Litis
ASX Compliance Pty Limited
Level 4, North Tower, Rialto
525 Collins Street
Melbourne VIC 3000

Dear Dean

RESPONSE TO ASX PRICE QUERY

Cirralto Limited ('Company') refers to your letter dated 20 August 2020.

Using the numbering in your letter, we respond to your questions as follows:

1. No. 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. The Company does not believe that its earnings for the 12 month period ended 30 June 2020 are likely to come as a surprise to the market.

2. N/A.

3. The Company notes recent market and investor focus on ASX Listed companies that have technologies associated with payment and merchant services such as Afterpay Ltd (APT.ASX), Splitit Payments Ltd (SPT.ASX), Sezzle Inc (SZL.ASX), Zip Co Ltd (Z1P.ASX). Recent sector research has pointed to the rapid enablement and uptake of digital payment services and the general move to a cashless ecosystem.

   In line with this excess demand for exposure to the digital payments sector, the Company notes that its own digital merchant payment platform, Spenda Payments has received substantial investor and media exposure in recent weeks due to its B2B and B2C digital payments solutions.

   Further, peers in the innovative digital payments sector have all successfully completed capital raising initiatives with demand exceeding supply for the issue of new shares and are trading substantially above the share issue price.

The Company recently completed its own capital raise (announced 14 August 2020), with demand for the issue being in excess of the target amount, the Company was in a position to accept oversubscriptions, albeit unable to satisfy the full demand for the issue.

Further, with the excess funds raised under the issue, the Company is in a strong financial position and has commenced restructuring its balance sheet and reducing its liabilities by over $1m.

4. The Company confirms that it 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.

5. The Company confirms that the responses to the questions above have been authorised accordingly.

Yours sincerely

Justyn Stedwell
Company Secretary
On behalf of the Board of Directors
Cirralto Limited

20 August 2020

Reference: ODIN22785

Mr Justyn Stedwell
Company Secretary
Cirralto Limited
2 Queen Street
Melbourne VIC 3000

By email

Dear Mr Stedwell

Cirralto Limited ('CRO'): Price - Query

ASX refers to the following:

A. The change in the price of CRO's securities from a low of $0.0155 yesterday 19 August 2020 to a high of $0.029 at the time of writing today.

B. The significant increase in the volume of CRO's securities traded during the same period.

Request for information

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

1. Is CRO 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?

   In responding to this question, please consider in particular whether CRO is aware of any information that its earnings for the 12 month period ended 30 June 2020:

   (a) are likely to differ materially (downwards or upwards) from any earnings guidance it has given for the period; or

   (b) if CRO has not given any earnings guidance for the period, are otherwise likely to come as a surprise to the market (by reference to analyst forecasts for the period or, if CRO is not covered by analysts, its earnings for the prior corresponding period)?

2. If the answer to question 1 is "yes".

   (a) Is CRO relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in CRO's securities would suggest to ASX that such information may have ceased to be confidential and therefore CRO 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 CRO may have for the recent trading in its securities?

4. Please confirm that CRO is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that CRO's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of CRO 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 **4.30 PM AEST today**. 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, CRO'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 CRO 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, 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 CRO'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 CRO's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to CRO'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 CRO'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)