

29 November 2016

Mr Ben Secrett and Mr Jeremy Newman
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Via Email: Ben.Secrett@asx.com.au
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Dear Sirs

Response to ASX Price and Volume Query

We refer to the price and volume query by ASX to Aurora Labs Limited (**Company**) dated 25 November 2016 (**Query Letter**) and respond as follows, adopting the numbering in the Query Letter:

1. Item 1

Yes, at the time of the Query Letter, the Company was aware of information concerning it that had not been announced to the market which, if known by some in the market, could explain the trading in its securities that was the subject of the Query Letter (**Queried Trading**).

2. Item 2

The Company confirms that it has relied on, and continues to rely on, Listing Rule 3.1A as the basis for not announcing the information referred to in paragraph 1 under Listing Rule 3.1, as the information relates to an incomplete proposal and negotiation which is confidential (**Withheld Information**).

The Company does not have any reason to believe that the Withheld Information is no longer confidential.

Since the Query Letter, the Company has made an announcement to ASX on 29 November 2016 concerning its negotiations with a major engineering and project delivery company to enter into a non-binding terms sheet which is to outline four proposed transactions/arrangements (**Proposal**). These negotiations are the subject of the Withheld Information.

Negotiations have been, and remain, ongoing. To this end, the Proposal remains incomplete.

The Company did not consider that a detailed announcement should be made prior to this time as the negotiations with the counterparty were not (and are not) sufficiently certain to provide a reasonable announcement to the market regarding the Proposal. Further, these negotiations were and, to the best of the Company's knowledge and belief, remain confidential.

3. Item 3

The Company speculates that the following may potentially explain the recent trading in the Company's securities:

- (a) Investor interest following the Company's successful roadshow presentations during the week ended 11 November 2016 by Chairman, Mr Paul Kehoe, and Managing Director, Mr David Budge.
- (b) Investor interest following an interview of the Company's Managing Director, Mr David Budge, with financial journalist, Mr Alan Kohler, which was published on the 'Talking Finance' segment of Mr Kohler's investment forum, The Constant Investor, on 24 November 2016.
- (c) The increase in investment in the Company's shares is consistent with, and largely reflects, the general increase in investment interest which has affected a number of other listed 3D printing companies worldwide (of which there are few in number), including Arcam AB, Renishaw plc and SLM Solutions Group AG. In this regard, General Electric (**GE**) made a bid to acquire both SLM Solutions and Arcam in September 2016. GE's bids coincided with the increase in the share price of SLM Solutions, Arcam, Renishaw and the Company.
- (d) Although it has been subjected to a certain amount of volatility, investor interest in the Company's shares has progressively increased since the Company's admission to ASX in August 2016. Again, this has largely coincided with the general increase in investment in 3D printing companies which has occurred in 2016.

4. Item 4

The Company confirms it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

Yours sincerely

AURORA LABS LIMITED



Mathew Whyte
Company Secretary



25 November 2016

Mr Mathew Whyte
Company Secretary
Aurora Labs Limited

By email

Dear Mr Whyte

Aurora Labs Limited (the “Company”): ASX price and volume query

We note the change in the price of the Company’s securities from a closing price of \$2.00 on Thursday, 24 November 2016, to an intraday high of \$2.45 today, 25 November 2016.

We also note the significant increase in the volume of the Company’s securities traded in the past few trading days.

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

1. Is the Company 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 Company relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

Please note that the recent trading in the Company’s securities would suggest to ASX that such information may have ceased to be confidential and therefore the Company 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 Company may have for the recent trading in its securities?
4. Please confirm that the Company is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

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5. Please confirm that the Company'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 Company 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 **4:00 pm (WST) today, 25 November 2016**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Company'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 Company'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 jeremy.newman@asx.com.au and 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 Company'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 Company'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 the Company'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]

Jeremy Newman

Senior Adviser, ASX Listings Compliance (Perth)

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