

7 September 2021

Reference: 38629

ASX Listing Compliance

525 Collins St
Rialto, North Tower Level 4
Melbourne VIC 3000

Response to ASX Query letter

Dear Ms Kostopoulos,

We refer to the ASX letter dated 27 August 2021 regarding IDT's announcement released on the ASX Market Announcements Platform (MAP) at 9:46am AEST on Monday 23 August 2021 titled 'Media Interest Surrounding MIPS' mRNA Receptor Binding Protein Vaccine Candidate and IDT Finalises Sterile Readiness Agreement with the Australian Government', which disclosed the following information (the 'Information'):

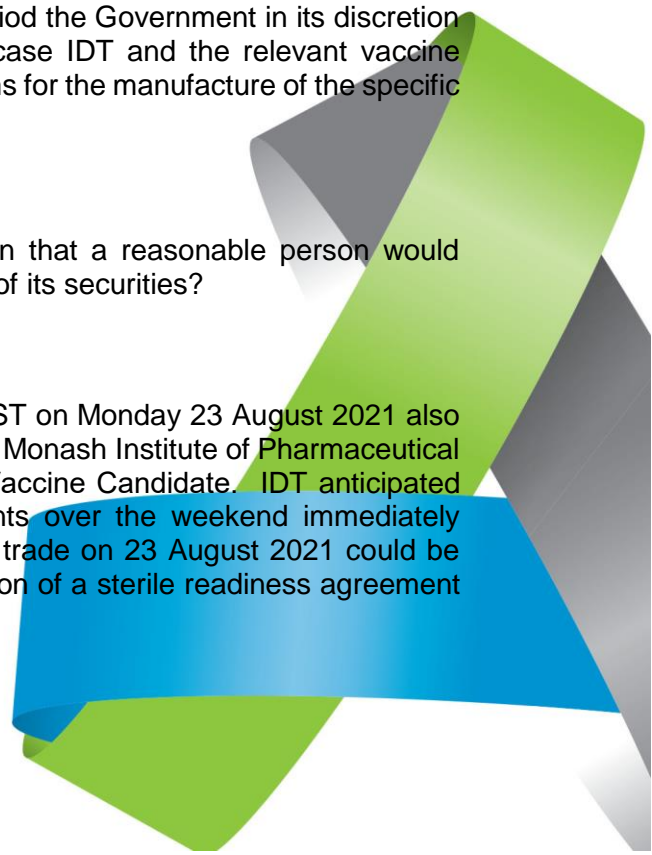
- (i) 'Sterile Readiness Agreement finalised between IDT and The Department of Health (Health) to bring IDT's sterile manufacturing facility into a state of readiness to potentially produce a COVID-19 vaccine.'
- (ii) 'The Department of Health and IDT have today finalised a Sterile Readiness Agreement to formalise these activities'.
- (iii) 'The Sterile Readiness Agreement provides for an exclusivity period with the Australian Government for the use of IDT's sterile manufacturing facility until the earlier of: executing a Supply Agreement for IDT to provide COVID-19 vaccine services to Health, or 4 months from completion of IDT's sterile readiness works.'
- (iv) 'IDT expects that the remaining activities relating to the sterile facility recommissioning and sterile readiness works will continue for the next 1-2 months. At the conclusion of these activities IDT will maintain the facility in a sterile state, exclusively for the Australian Government. During the exclusivity period the Government in its discretion can nominate a COVID-19 vaccine – in which case IDT and the relevant vaccine company would need to agree on commercial terms for the manufacture of the specific COVID-19 vaccine.'

1. Does IDT consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?

Yes.

The Information IDT released on MAP at 9:46am AEST on Monday 23 August 2021 also contained detail regarding media interest surrounding Monash Institute of Pharmaceutical Sciences' (MIPS) mRNA Receptor Binding Protein Vaccine Candidate. IDT anticipated that statements contained in certain press comments over the weekend immediately preceding the IDT announcement before opening of trade on 23 August 2021 could be price sensitive, but IDT did not believe the formalisation of a sterile readiness agreement

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on the morning of 23 August 2021 with the Department of Health (which reflected IDT's prior ASX announcements) was of itself price sensitive.

In particular IDT believed that certain press statements over that weekend (made in a television news segment which was broadcast nationally) were potentially price sensitive concerning MIPS' mRNA Receptor Binding Protein Vaccine candidate and this may have also increased interest in the Australian Government Approach to Market (ATM) to establish an onshore mRNA vaccine manufacturing capability - particularly where IDT had itself previously disclosed to the ASX market that IDT was in discussions with the Australian Government about being "sterile ready" for potential COVID-19 vaccine production.

2. If the answer to question 1 is 'no', please advise the basis for that view.

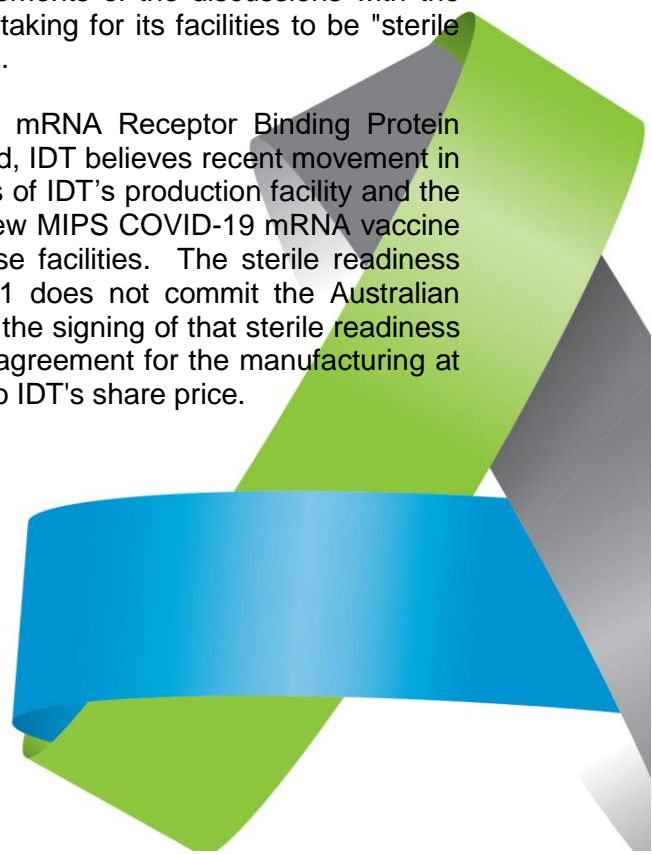
N/A

IDT believed in respect of the discussions with Health on "sterile readiness" that the ASX market was fully informed - see IDT ASX Announcement on 19 March 2021 [that IDT was engaging with the Australian Government to have its facilities sterile ready]; IDT ASX Announcement on 22 June 2021 [that IDT was in discussions regarding cGMP production of the MIPS mRNA COVID-19 vaccine] and IDT response to the ASX price query on 19 August 2021 ["That those discussions are now well advanced and have recently extended to include Health, the Victorian Government and Monash University .."].

3. When did IDT first become aware of the Information?

In regard to the finalisation of the sterile readiness agreement with Health - on 23 August 2021. At 8.02am on 23 August 2021 Health confirmed all internal approvals had now been obtained and confirmed the exchange of the sterile readiness agreement between IDT and Health - merely formalising the earlier IDT announcements of the discussions with the Australian Government and the work IDT was undertaking for its facilities to be "sterile ready" for any potential COVID-19 vaccine production.

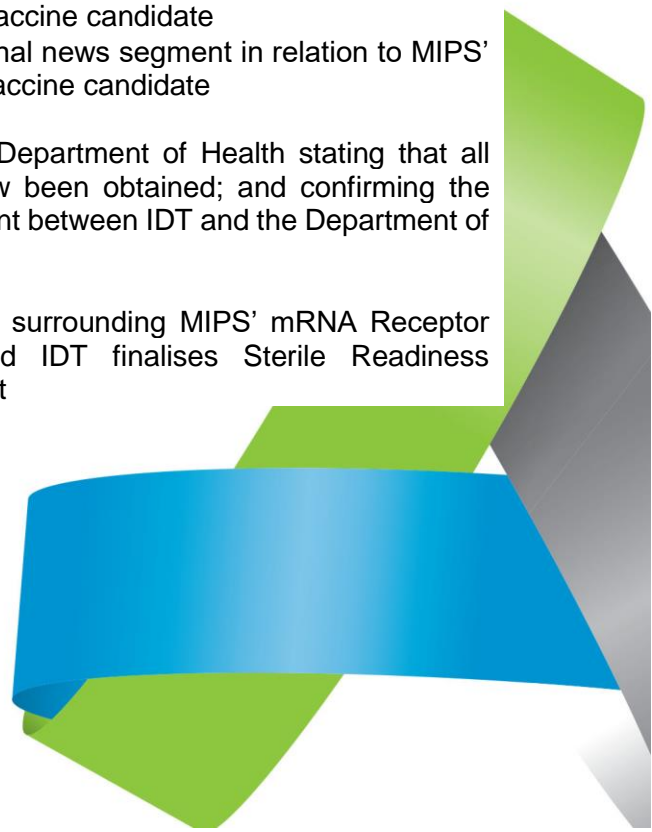
In regard to the media interest surrounding MIPS' mRNA Receptor Binding Protein Vaccine Candidate - on 22 August 2021. As indicated, IDT believes recent movement in its share price reflects the growing market awareness of IDT's production facility and the imminent potential that IDT could manufacture the new MIPS COVID-19 mRNA vaccine or one or more other COVID-19 vaccines from those facilities. The sterile readiness agreement with Health finalised on 23 August 2021 does not commit the Australian Government to use IDT's facilities at all - so of itself, the signing of that sterile readiness agreement is not material - it is only if IDT reaches agreement for the manufacturing at scale of a COVID-19 vaccine that would be material to IDT's share price.



For further information, please see Timeline of Events below:

Timeline of Events

- 19 Mar 2021** IDT ASX announcement - COVID-19 Vaccine - Feasibility Assessment
- 2 Jun 2021** IDT received the first draft of the sterile readiness agreement from the Department of Health
- 22 Jun 2021** IDT ASX announcement - COVID-19 Vaccine Manufacturing discussions with the Victorian Government and MIPS
- 9 Aug 2021** IDT received the final draft of the sterile readiness agreement from the Department of Health requesting “wet ink signatures”
IDT secure posted wet ink part signed counterparts to Department of Health for countersignature
- 18 Aug 2021** Media interest surrounding the Federal Government mRNA Approach To Market
- Sydney Morning Herald - David Crowe article “Australian company offers rival bid to produce mRNA vaccines from 2023”
 - Australian Financial Review - Jill Margo article “Melbourne firm a step ahead in race to make mRNA vaccines”
- 19 Aug 2021** IDT receives Price Query from ASX
- 19 Aug 2021** IDT ASX announcement - Price Query response
- 20 Aug 2021** IDT received an email from Department of Health containing a scanned copy of the sterile readiness agreement. As per requirements from Department of Health for wet ink signatures, IDT sent a follow up email on 20 August to confirm with Department of Health that all internal Government approvals had been satisfied and the parties can date and treat the Agreement as exchanged
- 22 Aug 2021** Media interest surrounding the Monash Institute of Pharmaceutical Sciences’ (MIPS) mRNA Receptor Binding Protein Vaccine candidate
- Channel 9 Television News. National news segment in relation to MIPS’ mRNA Receptor Binding Protein Vaccine candidate
- 23 Aug 2021** 8.02am IDT receives an email from the Department of Health stating that all internal Governmental approvals had now been obtained; and confirming the exchange of the sterile readiness agreement between IDT and the Department of Health could now occur
- 23 Aug 2021** IDT ASX announcement - Media Interest surrounding MIPS’ mRNA Receptor Binding Protein Vaccine candidate and IDT finalises Sterile Readiness Agreement with the Australian Government



4. If the answer to question 1 is 'yes' and IDT first became aware of the Information before the relevant date (23 August 2021), did IDT make any announcement prior to the relevant date which disclosed the Information? If so, please provide details. If not, please explain why the Information was not released to the market at an earlier time, commenting specifically on when you believe IDT was obliged to release the Information under Listing Rules 3.1 and 3.1A and what steps IDT took to ensure that the Information was released promptly and without delay.

N/A

IDT received an email at 8.02am on 23 August 2021 from the Department of Health stating that all internal Governmental approvals had now been obtained; and confirming the exchange of the sterile readiness agreement between IDT and the Department of Health could now occur.

IDT only became aware of the media interest over the weekend of 21 and 22 August 2021.

Further to this:

- a) IDT did not request a trading halt during the prior week to the weekend of 21 and 22 August 2021 as IDT believed the market was fully informed, especially regarding discussions taking place between IDT and Health, the Victorian Government and MIPS over the last several months regarding Sterile Readiness and MIPS' mRNA COVID-19 vaccine candidate:
- see IDT ASX Announcement of 19 March 2021 [that IDT was engaging with the Australian Government to have its facilities sterile ready]; and
 - IDT ASX Announcement of 22 June 2021 [that IDT was in discussions regarding cGMP production of the MIPS mRNA COVID-19 vaccine]
- b) However in any event, IDT again included reference to those discussions in its Price Query response on 19 August 2021:
- i.e. "That those discussions are now well advanced and have recently extended to include the Australian Government, the Victorian Government and Monash University."
- c) In its Price Query response on 19 August 2021 IDT also included reference to the significant media interest relating to the Australian Government's mRNA Approach to Market:
- i.e. media comments (detailed in the timeline above) in the preceding 24 to 48 hours on sovereign vaccine manufacturing alternatives in Australia;
 - the Australian Government Approach to Market: Proposals to establish an onshore mRNA manufacturing capability (ATM) this ATM;
 - media reports referring to several entities (including IDT) who have made ATM submissions
 - statements in the media that the Australian Government may make a decision on its ATM in the coming weeks.
- d) Over the weekend of 21 and 22 August 2021 there was substantial press coverage of the possible production by IDT of the new MIPS COVID-19 mRNA vaccine candidate; and as mentioned IDT had previously disclosed that it was in discussions with the Victorian Government and MIPS for manufacturing that possible new MIPS COVID-19 vaccine candidate
- see IDT Announcement of 22 June 2021.

- e) IDT believed on the morning of 23 August 2021 that the likely catalyst for IDT's potential share price increase that day [based on indicative pricing available on the ASX platform before the opening of trade] was due to the weekend press coverage – not continuing discussions and finalising of the sterile readiness agreement with Department of Health.
- f) It was only on the morning of 23 August 2021 at 8.02am that IDT actually received confirmation from the Department of Health that the sterile readiness agreement was approved for exchange between the parties.
- g) The finalisation of the sterile readiness agreement merely formalised those prior discussions and activities which the market was aware of from prior IDT announcements – of itself, IDT did not believe the finalisation of the sterile readiness agreement would have a material impact on IDT share price.
- h) IDT believes the reason for the recent increase in IDT share price over the last several months is primarily the market's growing awareness of IDT's potential vaccine production capability (reflected in IDT moving to become sterile ready) and the potential manufacturing (using those sterile ready facilities) of COVID-19 vaccines (including the novel MIPS COVID-19 mRNA vaccine).
- i) In IDT's view, finalisation of the sterile readiness agreement only formalised the discussions and activities IDT had previously disclosed to the ASX market. The market interest in IDT coincides with IDT's ASX disclosures and the media reports regarding the growing awareness of its production facilities and the potential those facilities may be used for production of a COVID-19 vaccine (such as the Australian Government Approach to Market and the potential new MIPS mRNA vaccine).

IDT considered a trading halt but it was felt:

- the discussions with the Department of Health had been ongoing for many months and that confidentiality was still maintained;
- previous market announcements clearly indicated that discussions were occurring and were well advanced; and
- IDT's price increase was not driven by finalising an agreement for sterile readiness – the market was already fully informed that the parties were in discussions.

5. Please provide a copy of the correspondence between IDT and the Federal Government Department of Health in relation to the Sterile Readiness Agreement during the period between 1 August and 23 August 2021 (not for release to the market).

To be provided under separate cover.

6. Please confirm that IDT is complying with the Listing Rules and, in particular, Listing Rule 3.1.

IDT believes that it is complying with the Listing Rules, including Listing Rule 3.1.

Discussions with the Australian Government Department of Health had been ongoing since March 2021. IDT continues to believe that confidentiality was maintained.

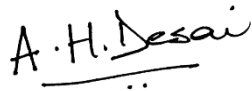
As indicated by the increased share trading activities surrounding IDT's ASX announcements and the media coverage, IDT believes it is the growing market awareness of IDT's production facility and the imminent potential that IDT could manufacture the new MIPS COVID-19 mRNA Receptor Binding Protein Vaccine candidate or other COVID-19 vaccine content from those facilities.

The sterile readiness agreement with the Australian Government does not commit the Australian Government to use IDT's facilities. At present, there is no agreement for the manufacturing, at scale, of a COVID-19 vaccine at IDT's facilities, which would likely be a material event.

7. Please confirm that IDT'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 IDT with delegated authority from the board to respond to ASX on disclosure matters.

Yes. The Company confirms that its responses to the questions above have been authorised and approved by an Officer of the Company with delegated authority from the Board to respond to the ASX on disclosure matters.

Yours sincerely,

A handwritten signature in black ink that reads 'A.H. Desai' with a horizontal line underneath.

Ms Ancila Desai
Company Secretary



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27 August 2021

Reference: 38629

Ms Ancila Desai
Company Secretary
IDT Australia Limited
45 Wadhurst Drive
Boronia VIC 3155

By email: ADesai@idtaus.com.au

Dear Ms Desai

IDT Australia Limited ('IDT'): Query letter

ASX Limited ('ASX') refers to the following:

- A. The change in the price of IDT's securities from a low of \$0.37 on 17 August 2021 to a high of \$0.55 on 19 August 2021, together with the significant increase in the volume of IDT's securities traded on 18 and 19 August 2021.
- B. ASX's price query letter dated 19 August 2021 and IDT's response, released together on the ASX Market Announcements Platform ('MAP') at 4:26pm AEST on Thursday 19 August 2021, which included the following statements in IDT's response (emphasis added):
- (i) *'As outlined above, IDT has a number of current discussions and activities including matters reflecting IDT's prior announcements on:*
 - *19 March 2021 regarding IDT engaging with the Australian Government, Department of Health to conduct a COVID-19 feasibility assessment for IDT to have a sterile ready manufacturing facility and IDT's continuing work on a sterile readiness ...*

Those discussions are now well advanced and have recently extended to include the Australian Government, the Victorian State Government and Monash University (among others).'
 - (ii) *'IDT has previously announced on 19 March 2021 and 22 June 2021 that it is having discussions regarding potentially providing cGMP manufacturing services (and has undertaken work in its facilities) – but at this time does not have any update on those discussions that are still progressing and incomplete.*
 - (iii) *'IDT believes its recent announcements of 19 March 2021 and 22 June 2021 and this response to the ASX price query – reflect the current position.*
- C. IDT's announcement titled 'Media Interest Surrounding MIPS' mRNA Receptor Binding Protein Vaccine Candidate and IDT Finalises Sterile Readiness Agreement with the Australian Government' released on MAP at 9:46am AEST on Monday 23 August 2021, which disclosed the following (the 'Information') (emphasis added):
- (i) *'Sterile Readiness Agreement finalised between IDT and The Department of Health (Health) to bring IDT's sterile manufacturing facility into a state of readiness to potentially produce a COVID-19 vaccine.*
 - (ii) *'The Department of Health and IDT have today finalised a Sterile Readiness Agreement to formalise these activities'.*

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- (iii) *'The Sterile Readiness Agreement provides for an exclusivity period with the Australian Government for the use of IDT's sterile manufacturing facility until the earlier of: executing a Supply Agreement for IDT to provide COVID-19 vaccine services to Health, or 4 months from completion of IDT's sterile readiness works.'*
- (iv) *'IDT expects that the remaining activities relating to the sterile facility recommissioning and sterile readiness works will continue for the next 1-2 months. At the conclusion of these activities IDT will maintain the facility in a sterile state, exclusively for the Government. During the exclusivity period the Government in its discretion can nominate a COVID-19 vaccine – in which case IDT and the relevant vaccine company would need to agree on commercial terms for the manufacture of the specific COVID-19 vaccine.'*

ASX notes that the Announcement was marked as 'price sensitive' when it was lodged by IDT.

- D. IDT's Continuous Disclosure Policy, available on its website,¹ which includes the following statement:

'Once an entity is or becomes aware of any information that a reasonable person would expect to have a material effect on the price or value of the entity's securities, the entity must immediately disclose the information to the ASX, subject to the Company's internal review and authorisation processes to ensure the disclosed information is accurate, factual and balanced.'

- E. Listing Rule 3.1, which requires a listed entity to immediately give ASX 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.

- F. The definition of 'aware' in Chapter 19 of the Listing Rules, which states that:

'an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity' and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B 'When does an entity become aware of information.'

- G. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

'3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:

3.1A.1 One or more of the following applies:

- It would be a breach of a law to disclose the information;*
- The information concerns an incomplete proposal or negotiation;*
- The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- The information is generated for the internal management purposes of the entity; or*
- The information is a trade secret; and*

3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and

3.1A.3 A reasonable person would not expect the information to be disclosed.'

¹ <https://en.idtaus.com.au/wp-content/uploads/2021/05/IDT-Australia-Continuous-Disclosure-Policy.pdf>

- H. ASX's policy position on the concept of 'confidentiality', which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. In particular, the Guidance Note states that:

'Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.'

Questions and Request for information

Having regard to the above, ASX asks IDT to respond separately to each of the following questions and requests for information:

1. Does IDT consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is 'no', please advise the basis for that view.
3. When did IDT first become aware of the Information?
4. If the answer to question 1 is 'yes' and IDT first became aware of the Information before the relevant date (23 August 2021), did IDT make any announcement prior to the relevant date which disclosed the Information? If so, please provide details. If not, please explain why the Information was not released to the market at an earlier time, commenting specifically on when you believe IDT was obliged to release the Information under Listing Rules 3.1 and 3.1A and what steps IDT took to ensure that the Information was released promptly and without delay.
5. Please provide a copy of the correspondence between IDT and the Federal Government Department of Health in relation to the Sterile Readiness Agreement during the period between 1 August and 23 August 2021 (not for release to the market).
6. Please confirm that IDT is complying with the Listing Rules and, in particular, Listing Rule 3.1.
7. Please confirm that IDT'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 IDT 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 **9:30am AEST on Tuesday, 31 August 2021**. 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, IDT'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 IDT 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, you should discuss with us whether it is appropriate to request a trading halt in IDT'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 IDT's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to IDT'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 IDT'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 with ASX

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

Melissa Kostopoulos
Compliance Adviser, Listings Compliance (Melbourne)