Appen Limited
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06 May 2021

Ms Maria Clemente
Advisor, ASX Listings Compliance
20 Bridge Street
Sydney NSW 2000

Dear Ms Clemente,

Response to ASX Price and Volume Query Letter

We refer to your letter of 06 May 2021 in relation to a change in price in the securities of Appen Limited (**Appen**, **Company**) (ASX: APX) and an increase in the volume of APX securities traded from 5 May to 6 May 2021.

In response to your questions (using your numbering), we advise as follows:

1. No, we have no information concerning the Company that has not been announced to the market.

2. Not applicable.

3. No, we have no explanation for the trading activities in the Company's shares today. We draw your attention to a market release earlier this morning and the messaging in the address today is consistent with what was stated in our statements around our FY20 results, regarding the uncertainty and impacts of the advertising downturn and regulatory factors on customers spend and investment priorities. We also draw your attention to the recent share price decline in technology stocks in the US which may be impacting sentiment around the technology sector in Australia.

4. We confirm that the Company is in compliance with the Listing Rules, and in particular Listing Rule 3.1.

5. We confirm that this response has been issued in accordance with the Company's continuous disclosure policy.

Yours sincerely

Carl Middlehurst
Company Secretary
Appen Limited

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6 May 2021

Reference: 34480

Ms Leanne Ralph
Company Secretary
Appen Limited

By email: leanne.ralph@bellev.com.au

Dear Ms Ralph

ASX refers to the following:

A. The change in the price of APX's securities from a low of $14.31 on 5 May 2021 to a low of $12.06 today.

B. The significant increase in the volume of APX's securities traded from 5 May 2021 to 6 May 2021.

Request for information

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

1. Is APX 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 APX relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in APX's securities would suggest to ASX that such information may have ceased to be confidential and therefore APX 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 APX may have for the recent trading in its securities?
4. Please confirm that APX is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that APX'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 APX 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 **3:00 PM AEST Thursday, 6 May 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, APX'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 APX to request a trading halt immediately.

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Your response should be sent to me 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.

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 APX'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 APX's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to APX'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 APX'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

Maria Clemente
Adviser, Listings Compliance (Sydney)