

4 August 2017

NFM Group Limited
Attn: Mr. Zheng Bowen
Room 302-303, Tower B2 Golden Tower
No. 82 Middle Road, East Fourth Ring
Chaoyang District Beijing
China 100124
Email: zhengbowen@zunzhong.org

Dear Mr Bowen,

NFM Group Limited (the "Company")

Re: Price Query

We have noted a change in price of the company's securities from the last traded price of \$0.12 on 3/08/2017 to \$0.25 on 4/08/2017. The trades below have come to our attention.

Date/Time	Price \$	Volume	Value \$	Buyer	Seller
4/08/2017 15:30:41	0.25	3,500	875.00	Triple C	CPS Capital
3/08/2017 12:02:31	0.12	500	60.00	OpenMarkets	CPS Capital
3/08/2017 10:00:00	0.12	4,000	480.00	OpenMarkets	CPS Capital

In light of this market activity please respond to the following questions.

1. Is the Company aware of any information concerning it that has not been announced, which, if known, could be an explanation for recent trading in the securities of the Company? Examples could include, but are not limited to, financial results, material litigation, material contracts, material leases, change in senior staff, directors or management or any other price sensitive activity.
2. If the answer to 1. is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if an answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation 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 6.4.

It is recommended that you confer with the Company's Nominated Adviser in formulating a response. Your response should be sent to me directly at ron.kaushik@nsx.com.au no later than 4pm on 8th August 2017. Your response will be released to the market along with a copy of this letter. If you wish to discuss the content of your response, please do not hesitate to contact me as soon as possible.



Please be reminded that the Issuer must comply with Chapter 6CA of the Corporations Act and Listing Rules Section IIA 6.4, 6.5 and 6.5A under continuous disclosure.

Listing Rule 6.4

The NSX continuous disclosure rule states:

Generally, and apart from compliance with all the specific requirements, the issuer shall keep the Exchange informed without delay, for dissemination of any information relating to the group of which it is aware that:

- is necessary to enable the Exchange and the public to appraise the financial position of the issuer and the group;
- is necessary to avoid the establishment of a false market in its securities; or
- a reasonable person would expect to have a material effect on the price or value of its securities.

Such information must be made available to the Exchange before the time at which any other public announcement of the information is made.

These provisions will be breached by an issuer who intentionally, recklessly or negligently fails to notify the Exchange of information that:

- is not generally available; and
- a reasonable person would expect, if it were generally available, to have a material effect on the price or value of its securities.

Trading Halts

If the Company is unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, the Company should consider a request for a trading halt in the Company's securities. The request may be writing. The Exchange is not bound to act upon the request. In your request please include the following information:

- a. The reasons for the trading halt.
- b. How long you want the halt to last.
- c. The event you expect to happen that will end the trading halt.
- d. That you are not aware of any reason why the trading halt should not be granted.
- e. Any other information necessary to support your request.

Conditions for the trading halt:

87.1 A trading halt may be imposed by the Exchange if:

- (a) the Exchange releases an announcement in relation to an Issuer which, in the opinion of the Exchange, is market sensitive; or
- (b) an Issuer requests a trading halt and the Exchange agrees to impose a trading halt.

87.2 Securities subject to a trading halt will be placed into Pre-Opening Phase. However, if the trading



halt is imposed after the end of Closing Phase, the Securities subject to a trading halt will be placed into Pre-Opening Phase, the next Trading Day.

87.3 Securities subject to a trading halt must not be traded (including by way of Crossings and Special Crossings) during the period of the trading halt, regardless of whether the Securities have been placed into Pre-Opening Phase.

87.4 A trading halt will end at the earlier of:

- (a) the time announced by the Exchange that the trading halt will end (and the Exchange will provide at least ten minutes notice before the end of the trading halt); or
- (b) the commencement of Normal Trading on the second Trading Day after the day the trading halt is imposed.

87.5 When a trading halt ends, the Securities will be placed in the phase applying to the market as a whole unless the Exchange decides otherwise.

If a trading halt is requested and granted and the Company is still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by the Exchange from the commencement of trading if not previously requested by the Company. The same applies if the Company has requested a trading halt because the Company is unable to release information to the market, and are still unable to do so before the commencement of trading.

Yours sincerely

Ron Kaushik
Manager- Compliance and Market Surveillance