

**Extract of Listing Rule 3.1 and related ASX Guidance Note entitled "Continuous Disclosure – Listing Rule 3.1"**

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## Immediate notice of material information

### General rule

- 3.1 Once an entity is or becomes <sup>+</sup>aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's <sup>+</sup>securities, the entity must immediately tell ASX that information.

Introduced 1/7/96. Origin: Listing Rule 3A(1). Amended 1/7/2000, 1/1/2003.

Note: Section 677 of the Corporations Act defines material effect on price or value. As at 11 March 2002 it said for the purpose of sections 674 and 675 a reasonable person would be taken to expect information to have a material effect on the price or value of securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, or buy or sell, the first mentioned securities.

"Information" may include information necessary to prevent or correct a false market, see listing rule 3.1B.

A confidentiality agreement must not prevent an entity from complying with its obligations under the Listing Rules, and in particular its obligation to give ASX information for release to the market where required by the rules.

Examples: The following information would require disclosure if material under this rule:

- a change in the entity's financial forecast or expectation.
- the appointment of a receiver, manager, liquidator or administrator in respect of any loan, trade credit, trade debt, borrowing or securities held by it or any of its child entities.
- a transaction for which the consideration payable or receivable is a significant proportion of the written down value of the entity's consolidated assets. Normally, an amount of 5% or more would be significant, but a smaller amount may be significant in a particular case.
- a change in the control of the responsible entity of a trust.
- a proposed change in the general character or nature of a trust.
- a recommendation or declaration of a dividend or distribution.
- a recommendation or decision that a dividend or distribution will not be declared.
- under subscriptions or over subscriptions to an issue.
- a copy of a document containing market sensitive information that the entity lodges with an overseas stock exchange or other regulator which is available to the public. The copy given to ASX must be in English.
- an agreement or option to acquire an interest in a mining tenement, including the number of tenements, a summary of previous exploration activity and expenditure, where the tenements are situated, the identity of the vendor and the consideration for the tenements. Cross reference: Appendix 5B, which requires this information quarterly, regardless of disclosure because of its materiality.
- information about the beneficial ownership of securities obtained under Part 6C.2 of the Corporations Act.
- giving or receiving a notice of intention to make a takeover.
- an agreement between the entity (or a related party or subsidiary) and a director (or a related party of the director).
- a copy of any financial documents that the entity lodges with an overseas stock exchange or other regulator which is available to the public. The copy given to ASX must be in English.
- a change in accounting policy adopted by the entity.
- any rating applied by a rating agency to an entity, or securities of an entity, and any change to such a rating.
- a proposal to change the entity's auditor.

Cross-reference: Listing rules 3.1A, 3.1B, 5.18, 15.7, 18.7A, 19.2, Guidance Note 8 - Continuous Disclosure: Listing Rule 3.1.

### Exception to rule 3.1

- 3.1A Listing rule 3.1 does not apply to particular information while all of the following are satisfied.

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<sup>+</sup> See chapter 19 for defined terms.

- 3.1A.1 A reasonable person would not expect the information to be disclosed.
- 3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential.
- 3.1A.3 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.
  - The information is a trade secret.

Introduced 1/1/2003.

Note: "Confidential" means confidential as a matter of fact. An entity may give information to third parties in the ordinary course of its business and activities and continue to satisfy rule 3.1A.2, provided the entity retains control over the use and disclosure of the information. Examples include information given to the following:

- the entity's advisers for the purposes of obtaining advice;
- other service providers such as share registries and printers;
- a party with whom the entity is negotiating, for the purposes of the negotiation;
- a regulatory authority or ASX in the course of an application or submission.

ASX would be likely to consider that information has ceased to be confidential if the information, or part of it, becomes known either selectively or generally, whether inadvertently or deliberately. If information becomes known by others in circumstances where the entity does not retain control of its use and disclosure, rule 3.1A.2 is not satisfied, regardless of whether the entity or a third party disclosed the information.

Example: Where there is rumour circulating or media comment about the information and the rumour or comment is reasonably specific, this will generally indicate that confidentiality has been lost.

Cross-reference: Listing rules 3.1, 3.1B, 18.8A; Guidance Note 8 - Continuous Disclosure: Listing Rule 3.1.

## False market

- 3.1B If ASX considers that there is or is likely to be a false market in an entity's securities and asks the entity to give it information to correct or prevent a false market, the entity must give ASX the information needed to correct or prevent the false market.

Introduced 1/1/2003.

Note: The obligation to give information under this rule arises even if the exception under rule 3.1A applies. ASX would consider that there is or is likely to be a false market in the entity's securities in the following circumstances:

- The entity has information that has not been released to the market, for example because all of the limbs of the exception from listing rule 3.1 in listing rules 3.1A.1, 3.1A.2 and 3.1A.3 are satisfied; and
- There is reasonably specific rumour or media comment in relation to the entity that has not been confirmed or clarified by an announcement by the entity to the market; and
- There is evidence that the rumour or comment is having, or ASX forms the view that the rumour or comment is likely to have, an impact on the price of the entity's securities.

ASX may make enquiries of an entity under rule 18.7 to satisfy itself whether there is a false market.

Cross-reference: Listing rules 3.1, 3.1A, 18.7A; Guidance Note 8 - Continuous Disclosure: Listing Rule 3.1.

<sup>+</sup> See chapter 19 for defined terms.

## **Extract of Listing Rule 17.1 and related ASX Guidance Note entitled "Trading Halts"**

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## Chapter 17

# Trading halts, suspension, removal

### Table of contents

The main headings in this chapter	Rules
Trading halts	17.1
Suspension of securities from quotation	17.2 - 17.6
Reinstatement of securities to quotation	17.7 - 17.9
Ending quotation	17.10
Removal from the official list	17.11 - 17.16

### Explanatory note

This chapter deals with \*trading halts, suspending \*quotation of an entity's \*securities and removal of an entity from the \*official list.

An entity's \*securities, or a \*class of them, are quoted if they have been granted \*quotation under chapter 2. If ASX ends \*quotation of the \*class, they are no longer a \*class of quoted \*securities. Application for \*quotation would have to be made again in relation to them, and granted, before they could be quoted again. On the other hand, suspension does not amount to a permanent ending of \*quotation, and does not mean that the \*securities are not quoted \*securities.

\*Securities are not suspended merely because:

- transactions in them are interrupted (ie, cannot be effected on \*SEATS because ASX has received a market sensitive announcement in relation to the entity); or
- they are subject to a \*trading halt.

Note: For Corporations Act purposes securities which are suspended may lose the character of being quoted. See, for example, Division 2 of Part 1.2A.

\*Securities that are suspended, or subject to a \*trading halt or interruption, may be reinstated to \*quotation without a fresh application.

If the entity is removed from the \*official list, \*quotation of all its \*securities ends. Application for admission to the \*official list and \*quotation of \*securities would have to be made again, and granted, before the \*securities could be quoted again.

+ See chapter 19 for defined terms.

ASX has issued a Guidance Note on +trading halts.

## Trading Halts

### How and when a trading halt occurs

17.1 ASX may grant a +trading halt at the request of an entity. ASX may require the request to be in writing. ASX is not required to act on the entity's request. The entity must tell ASX each of the following.

- Its reasons for the +trading halt.
- How long it wants the +trading halt to last.
- The event it expects to happen that will end the +trading halt.
- That it is not +aware of any reason why the +trading halt should not be granted.
- Any other information necessary to inform the market about the +trading halt, or that ASX asks for.

17.1.1 The length of the +trading halt cannot exceed the period permitted under ASX's market rules.

Amended 11/3/2004.

Note: ASX Market Rule 16.4.2 says that a trading halt can be applied for a period not exceeding the commencement of normal trading on the second trading day following the day on which it is requested.

Example: On a Monday afternoon a company tells ASX that it expects an important announcement to be made regarding a major acquisition. Owing to the status of negotiations it is uncertain whether the announcement will be made that day or the following day. The company asks for and is granted a trading halt. The trading halt will operate until the announcement is made or the commencement of trading on the Wednesday, whichever occurs sooner.

17.1.2 ASX may suspend +quotation of an entity's +securities, even if the +securities are subject to a +trading halt. However, if the entity requested the +trading halt (without ASX's intervention) to prevent trading in its +securities taking place in an uninformed market, ASX will not suspend +quotation of the +securities before the expiry of the +trading halt.

Introduced: 1/7/96. Amended 1/7/98.

Example: ASX intervenes by querying a price or volume movement that results in the request for the trading halt.

Cross reference: ASX Guidance Note on trading halts.

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<sup>+</sup> See chapter 19 for defined terms.

## Suspension of securities from quotation

### Suspension at entity's request

17.2 ASX may at any time suspend an entity's <sup>+</sup>securities, or a <sup>+</sup>class of them, from <sup>+</sup>quotation at the request of the entity. ASX may require the request to be in writing. ASX is not required to act on the entity's request. The entity must tell ASX each of the following.

- Its reasons for the suspension.
- How long it expects the suspension to last.
- The event it expects to happen that will end the suspension.
- That it is not <sup>+</sup>aware of any reason why its <sup>+</sup>securities should not be suspended.
- Any other information necessary to inform the market about the suspension, or that ASX asks for.

Introduced: 1/7/96.

### Suspension not at entity's request

#### General rule

17.3 ASX may at any time suspend an entity's <sup>+</sup>securities, or a <sup>+</sup>class of them, from <sup>+</sup>quotation if in ASX's opinion any of the following applies.

17.3.1 The entity is unable or unwilling to comply with, or breaks, a listing rule.

Note: Listing rule 8.1 requires an entity to comply with the ASTC Settlement Rules. Listing rule 17.3 may therefore operate if an entity breaks an ASTC Settlement Rule.

17.3.2 It is necessary to suspend <sup>+</sup>quotation to prevent a disorderly or uninformed market.

17.3.3 ASX's rules require the suspension.

Note: ASX's rules are its listing rules, market rules, and articles of association.

17.3.4 It is appropriate for some other reason.

Introduced: 1/7/96.

Example: If ASTC suspends an entity's participation in CHES, ASX may suspend quotation of the entity's securities. This may occur for a reason that does not break the ASTC Settlement Rules, but it would still affect transfers.

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<sup>+</sup> See chapter 19 for defined terms.

## Compulsory acquisition

- 17.4 In the case of a compulsory acquisition following a takeover bid, ASX will suspend +quotation of an entity's +securities 5 +business days after it receives a copy of the compulsory acquisition notice sent to holders of +securities in the bid class that the bidder is entitled to acquire their +securities.

Introduced: 1/7/96. Origin: Procedure 2(a). Amended 13/3/2000.

Note: At 13/3/2000, section 9 of the Corporations Act says that the bid class of securities for a takeover bid is the class of securities to which the securities being bid for belong.

- 17.4.1 ASX may decide not to suspend +quotation of +securities in a +class that was not the bid class.

Introduced: 1/7/96. Origin: Procedure 2(a). Amended 1/7/97, 13/3/2000.

Note: At 13/3/2000, section 9 of the Corporations Act says that the bid class of securities for a takeover bid is the class of securities to which the securities being bid for belong.

Cross reference: Listing rule 17.14 deals with removal of the entity.

- 17.4A In the case of a compulsory acquisition under Part 6A.2 of the Corporations Act, ASX will suspend +quotation of an entity's +securities 5 +business days after it receives written notice from the entity of either of the following.

- The objection period set out in the compulsory acquisition notice has ended and holders of at least 10% of the +securities covered by the compulsory acquisition notice have not objected to the acquisition before the end of the objection period.
- The court has approved the acquisition under section 664F of the Corporations Act.

Introduced 13/3/2000. Amended 30/9/2001.

Note: As at 13/3/2000, if holders of at least 10% of the securities covered by a compulsory acquisition notice object to the proposed acquisition, the 90% holder may apply to the court under section 664F for court approval of the compulsory acquisition.

- 17.4A.1 ASX may decide not to suspend +quotation of +securities in a +class that was not the +class to which the +securities covered by the compulsory acquisition notice belong.

Introduced 13/3/2000.

Cross reference: Listing rule 17.14 deals with removal of the entity.

## Failure to lodge documents

- 17.5 If an entity fails to give ASX the documents required under rules 4.1, 4.2, 4.2A, 4.3, 4.3A, 4.4, 4.4A, 4.5, 4.7B, 5.1, 5.2 or 5.3 or the +annual report required under rule 4.7, ASX will suspend its +securities from +quotation on the +trading day after the date on which the documents were due. ASX will not waive this rule.

Introduced: 1/7/96. Origin: Procedures 8(a)(i), 8(b). Amended 1/9/99, 31/3/2000, 1/7/2000, 1/1/2003.

Note: The entity's securities are suspended before trading commences.

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+ See chapter 19 for defined terms.



### Failure to pay annual listing fees

- 17.6 If ASX does not receive payment of an entity's annual listing fees within 15 +business days after the due date, ASX will suspend +quotation of the entity's +securities on the next business day. ASX will not waive this rule.

Introduced 1/7/96. Origin: Procedures 8(c)(i), 8(d). Amended 1/7/97.

Note: The due date is 31 July (see rule 16.5 and Guidance Note on fees). The entity's securities are suspended before trading commences.

Cross reference: rule 17.15 deals with removal of the entity.

### Reinstatement of securities to quotation

#### General rule

- 17.7 ASX may at any time reinstate an entity's +securities to +quotation.

Introduced: 1/7/96.

Note: Reinstatement does not necessarily mean that ASX accepts that the entity is complying with the rules.

#### Reinstatement after lodging documents

- 17.8 If an entity's +securities are suspended under rule 17.5 for failure to lodge documents, ASX will normally reinstate +quotation of the +securities before the commencement of trading on the day after ASX receives the documents and any fee payable.

Introduced: 1/7/96. Origin: Procedure 8(a)(ii).

Note: ASX may decide not to reinstate quotation if the securities should be suspended for another reason. See rule 17.3.

Cross reference: rule 16.7.

#### Reinstatement after payment of annual listing fees

- 17.9 If an entity's +securities are suspended under rule 17.6 for failure to pay the listing fees, ASX will normally reinstate +quotation of the +securities before the commencement of trading on the +business day after it receives the listing fees.

Introduced: 1/7/96. Origin: Procedure 8(c)(ii). Amended 1/7/97.

Note: ASX may decide not to reinstate quotation if the securities should be suspended for another reason. See rule 17.3.

Cross reference: rule 17.15.

### Ending quotation

- 17.10 ASX may at any time end +quotation of a +class of an entity's +securities if either of the following applies.

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+ See chapter 19 for defined terms.

- The entity requests it.
- The <sup>+</sup>securities no longer meet the requirements necessary for <sup>+</sup>quotation.

ASX is not required to act on the entity's request.

Introduced: 1/7/96.

Note: ASX may require the entity to advise security holders before ending quotation.

Example: A class of preference shares may no longer be held by enough holders, because of redemption or conversion of them, and ASX may end quotation of the class.

## Removal from the official list

### Removal at entity's request

17.11 ASX may at any time remove an entity from the <sup>+</sup>official list at the request of the entity. ASX may require the entity to establish the authority of the <sup>+</sup>person making the request. If the entity has a seal, ASX may require the request to be under seal. ASX is not required to act on the entity's request, or may require conditions to be satisfied before it will act on the request.

Introduced: 1/7/96. Origin: Procedure 2(b).

Note: Removal is usually effective from the close of business on a date ASX chooses.

### Removal not at entity's request

#### General rule

17.12 ASX may at any time remove an entity from the <sup>+</sup>official list if, in ASX's opinion, any of the following applies.

- The entity is unable or unwilling to comply with, or breaks, a listing rule.

Note: Rule 8.1 requires an entity to comply with the SCH Business Rules. Rule 17.12 may therefore operate if an entity breaks an SCH Business Rule.

- The entity has no quoted <sup>+</sup>securities.
- It is appropriate for some other reason.

Introduced: 1/7/96.

### Automatic removal after a long suspension

17.13 Introduced: 1/7/96. Deleted 30/9/2001.

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<sup>+</sup> See chapter 19 for defined terms.

### Removal following compulsory acquisition notices

- 17.14 If all the quoted <sup>+</sup>securities of an entity have been suspended under rule 17.4 or rule 17.4A, ASX will remove the entity at the close of trading on a date decided by ASX.

Introduced: 1/7/96. Origin: Procedure 2(a). Amended 1/7/97, 13/3/2000.

Note: Normally the removal takes place on the 3rd business day following the date on which the entity's securities were suspended. No request for removal is required.

### Removal for non-payment of annual listing fee

- 17.15 If an entity does not pay an annual listing fee as required under rule 16.5, ASX will remove the entity from the <sup>+</sup>official list at the close of trading on the 20th <sup>+</sup>business day after the due date. ASX will not waive this rule.

Introduced: 1/7/96. Origin: Procedure 8(c)(i). Amended 1/7/97.

Cross reference: rule 17.6.

### When removal from the official list occurs

- 17.16 If ASX's decision to remove an entity from the <sup>+</sup>official list is conditional, the entity is removed after the conditions are met on a date decided by ASX. If the decision is unconditional, the entity is removed on the date specified in the decision. If no date is specified, the entity is removed on a date decided by ASX.

Introduced: 1/7/96. Amended 1/7/2000.

Note: Removal is usually effective from the close of trading on a date decided on by ASX.

Example: ASX may require an entity to notify its security holders that it has requested removal and the removal will take place on a set date.

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<sup>+</sup> See chapter 19 for defined terms.