

# ASX Listings Compliance Activities Report

**1 January 2025 - 31 March 2025**

## Background

As the licensed operator of a listing market, ASX is obliged under the Corporations Act 2001 (Cth)<sup>1</sup> to have adequate arrangements for monitoring and enforcing compliance with its listing rules. Those arrangements are administered by the ASX Listings Compliance team.

The ASX Listings Compliance team also assesses whether applications for admission to the ASX official list conform to the requirements of the listing rules and processes applications for waivers of the ASX listing rules.

ASX's listing rules serve the interests of listed entities and investors, both of whom have a vital interest in maintaining the reputation and integrity of the ASX market and ensuring that it is internationally competitive and facilitates efficient capital raising.

ASX has an absolute discretion concerning the admission of an entity to the official list and the quotation of its securities. ASX also has broad discretions under the listing rules whether to require or waive compliance with the listing rules in a particular case, to remove an entity from the official list and to suspend its securities from quotation.

In exercising these discretions, ASX takes into account the principles on which the listing rules are based (as set out in the introduction to the listing rules) and the imperative of maintaining the reputation, integrity and efficiency of the ASX market.

To enhance transparency and assist stakeholders to understand how ASX interprets and applies the listing rules, ASX publishes on a quarterly basis<sup>2</sup> high level reasons why it has refused or indicated an intention to refuse certain listing applications<sup>3</sup> and why it has rejected certain waiver applications, as well as information about some of its other activities monitoring and enforcing compliance with the listing rules.

## Listing applications

During the period of this report, ASX admitted 3 entities to the ASX official list and quoted their securities and reinstated the securities of 1 entity to quotation following a backdoor listing. ASX did not refuse or indicate that it would be likely to refuse any listing applications during the quarter.

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<sup>1</sup> Referred to in this publication as the 'Corporations Act'. Unless otherwise indicated, references in this publication to a section of an Act are to a section of the Corporations Act.

<sup>2</sup> This information is published by ASX in performance of its obligations under the Corporations Act and in particular sections 792A(a) and (c). ASX also publishes details of waivers granted by ASX on the ASX website twice monthly in the form of a waivers register.

<sup>3</sup> It should be noted that this is a point-in-time publication reflecting applications to be admitted to the official list as an ASX Listing or ASX Foreign Exempt Listing, where ASX has indicated during the period of this report that it intends to decline the application. Some of the entities mentioned in this or in earlier editions of this publication whose listing applications ASX indicated an intention to decline may have since restructured their proposals to address ASX's concerns. It should also be noted that this publication does not include data on ASX Debt Listings.

## Waiver applications

During the period of this report, ASX granted 38 waivers and declined 6 waivers of the listing rules. ASX's reasons for declining those waivers are summarised in the table below.

Rule Number	Reason for not granting waiver
6.23.3	The entity sought a waiver to enable it to change the terms of zero exercise price options that were issued to vendors with prior shareholder approval as consideration for an acquisition. The possibility of the proposed change had not been specifically and prominently disclosed in the notice of meeting containing the original listing rule resolution. The waiver was refused because it would undermine the earlier listing rule approval.
7.26.2	A listing applicant sought a waiver to permit the entity's constitution not to provide that former holders of partly paid shares remain liable for amounts called but unpaid on the shares despite the fact that the shares have been forfeited. The waiver was refused because it was not needed.
7.3.4 2 separate waivers	<p>In the first case, ASX refused to grant the waiver because it related to deferred consideration that would be issued after a period of time without any other conditions or performance milestones needing to be satisfied. There was no compelling reason why the securities could not be issued sooner in compliance with the rule.</p> <p>In the second case, the entity sought a waiver to permit it to issue securities to satisfy an obligation to pay interest on convertible notes more than three months after approval was obtained for the issue. The waiver was refused as no reason was put forward for the delay in issuing the securities other than the entity's convenience. In addition, there was no reasonable certainty about the impact of the issue on the entity's capital structure.</p>
10.13.5 2 separate waivers	<p>In the first case, ASX refused to grant the waiver because it related to deferred consideration that would be issued after a period of time without any other conditions or performance milestones needing to be satisfied. There was no compelling reason why the securities could not be issued sooner in compliance with the rule.</p> <p>In the second case, the entity sought a waiver to permit it to issue securities to satisfy an obligation to pay interest on convertible notes more than one month after approval was obtained for the issue. The waiver was refused as no reason was put forward for the delay in issuing the securities other than the entity's convenience. In addition, there was no reasonable certainty about the impact of the issue on the entity's capital structure.</p>

## Enforcement letters

During the period of this report, ASX issued the following enforcement letters:

Type	Number of letters
Price query <sup>4</sup>	58

<sup>4</sup> ASX will generally issue a 'price query letter' when it detects abnormal trading in an entity's securities and, in its discussion with the entity about the matter, the entity tells ASX that it is not aware of any information which has not been announced to the market and which could explain the abnormal trading. For further information about price query letters, see section 8.3 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

Aware <sup>5</sup>	43
Show cause <sup>6</sup>	-
ASIC referral <sup>7</sup>	4

## Censures

During the period, ASX censured New Zealand Coastal Seafoods Limited (NZS) for breach of listing rules 10.1 and 3.1. The censure notice was published on the market announcements platform on 18 February 2025 and can be accessed [here](#).

## Listed@ASX compliance updates

*Listed@ASX Compliance Updates* are free email alerts sent to subscribers to advise of market developments, including proposed changes to ASX listing rules and guidance notes, and to provide guidance on topical or emerging compliance issues. You can subscribe to and view *Listed@ASX Compliance Updates* [here](#).

During the period of this report, ASX released the following Listed@ASX Compliance Updates:

Update	Summary
01/25	Published 18 February 2025 covering: <ul style="list-style-type: none"> <li>Two focus areas for entities making announcements about exploration results being 'Announcement headers – balanced reporting' and 'Reporting metal equivalents – Clause 50 of the JORC Code'.</li> <li>Results of a spot check of compliance with Listing Rule 4.10.7 in annual reports. Over 80% of the entities sampled included the correct Listing Rule 4.10.7 information in their annual report.</li> <li>The order in which periodic reporting announcements should be released.</li> </ul>
02/25	Published 5 March 2025 covering ASX's revised approach to naming counterparties to market sensitive contracts in market announcements. ASX's starting position will continue to be that if a transaction is sufficiently material to warrant disclosure under Listing Rule 3.1, the identity of the counterparty/customer will generally itself be material information that must also be disclosed under that rule. However, ASX has slightly broadened the circumstances when it will accept announcements about market sensitive contracts that contain a description of the counterparty/customer, rather than their name, provided that the announcement is complete, accurate and not misleading.
03/25	Published 20 March 2025 covering consolidation of unquoted security codes for securities issued under employee incentive schemes. ASX understands that for entities that frequently issue new securities under their employee incentive schemes, it can be administratively easier to consolidate securities under a single code rather than have multiple codes for different tranches of securities. The update provided details about how to seek a code consolidation.

<sup>5</sup> ASX will typically issue an 'aware letter' to the entity when it has concerns about whether an entity has disclosed market sensitive information at the time it should have under listing rule 3.1. The letter will ask when the entity became aware of the information in question and test when it should have been disclosed under the listing rule 3.1. For further information about aware letters, see section 8.4 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

<sup>6</sup> A 'show cause letter' is a letter initiating a process to terminate an entity's admission to the official list under listing rule 17.12. It will outline the reasons why ASX is proposing to terminate the entity's admission to the official list and ask it to 'show cause' why it should not be removed from the official list.

<sup>7</sup> If ASX suspects that an entity has committed a significant contravention of the listings rules, or that a listed entity or any other person (such as a director, secretary or other officer of a listed entity) has committed a significant contravention of the Corporations Act, it is required under section 792B(2)(c) of the Corporations Act to give a notice to ASIC with details of the contravention. The purpose of the notice is so that ASIC can then consider what enforcement action, if any, it may wish to take in relation to the suspected contravention.

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