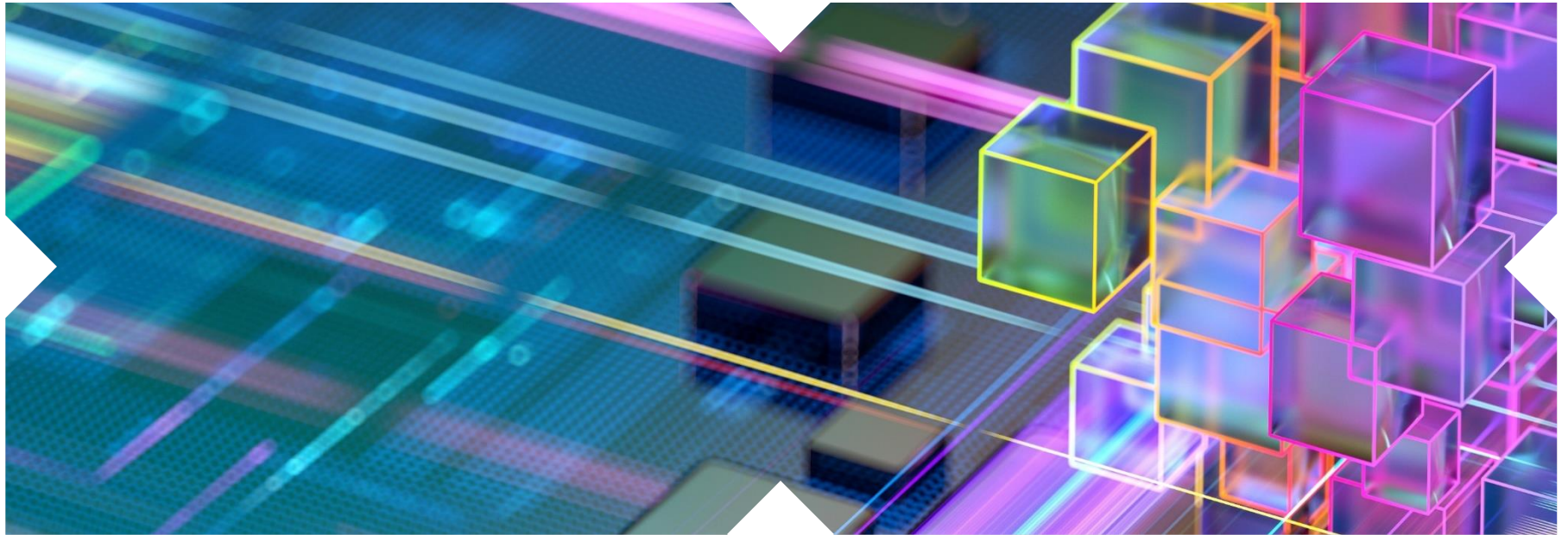


# Compliance Briefing for Company Secretaries



ASX Listings Compliance  
August 2025



# Acknowledging Country

ASX acknowledges the Traditional Owners of Country throughout Australia. We pay our respects to Elders past and present.

**Artwork by Lee Ann Hall**  
My Country My People



# Agenda

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- 01** Notices of Meeting
  - 02** Trading Interruptions
  - 03** Compliance Focus
  - 04** Questions
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# Agenda

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**01**    **Notices of Meeting**

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**02**    Trading Interruptions

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**03**    Compliance Focus

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**04**    Questions

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# Notices of Meeting

## Draft documents and waiver applications

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### Draft Notices of Meeting

- A draft notice of meeting that contains Listing Rule resolutions must be submitted to ASX for review before it is sent to security holders.
- ASX may take 5 business days to advise whether it objects to a draft document and may extend that deadline if it needs further time to review the document.

### Waiver applications

- Guidance Note 17 sets out the usual timeframes for ASX to process waivers, including:
  - 10 business days for standard waivers.
  - 20 business days for non-standard waivers.

# Notices of Meeting

## Resources

### Summary of ASX Notice of Meeting requirements

Listing Rule	Heading of rule	Summary of rule	Voting Exclusion? <sup>1</sup>	Specific Listing Rule disclosure requirements	ASX guidance
7.4	Subsequent approval of an issue of securities	Listing Rule 7.4 provides that an issue of securities or an agreement to issue without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and the holders of ordinary securities subsequently approve it.	Yes	7.5	Guidance Note 21, sections 5.10 (re convertible securities), 7.1, 7.4 and 7.5 to 7.8 <a href="#">Listed@ASX Compliance Update no. 09/23</a> item no.2 <a href="#">Listed@ASX Compliance Update no. 10/24</a> item no.1

- Available on the ASX Compliance Downloads page.

### Guidance Notes

- The Guidance Notes contain suggestions about how to prepare resolutions and explanatory material that comply with the Listing Rules.
- Helpful if all the relevant information is set out in one place.

### Listed@ASX Compliance Updates



# Notices of Meeting

## Supplementary material

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### Supplementary disclosures

- Entity may need to make supplementary disclosure to security holders where materially new or different information emerges.
- Supplementary disclosure to be provided at least 10 days before meeting.
- Supplementary disclosure should be sent in the same way as the original notice of meeting.

### Short notice of additional Listing Rule resolutions

- Review of additional Listing Rule resolutions after notice of meeting has been sent.
- Entity must provide satisfactory evidence that the additional resolution will be legally valid if passed.

### Guidance Note 35 *Security Holder Resolutions*

# Notices of Meeting

## Publication of announcements

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### Publication via ASX Online

- Date of meeting and closing date for the receipt of nominations (Listing Rule 3.13.1).
- Finalised notice of meeting and explanatory material (Listing Rule 3.17).
- Prepared announcements to be delivered at the meeting (Listing Rules 3.13.3):
  - Chair or CEOs address.
  - Presentations.
- Results of meeting (Listing Rule 3.13.2):
  - Outcome in respect of each resolution.
  - Details of strikes relating to the adoption of the remuneration report.
  - Template document available on ASX Compliance Downloads.



# Notices of Meeting

## Observations and common issues

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### Identity of recipient of an issue of securities

- Guidance Note 21 sets out when the identity of a person should be disclosed in the notice of meeting for a resolution under the following Listing Rules (instead of referring to the person as a member of a class). These include:
  - Listing Rule 7.3.1 (section 7.2 of Guidance Note 21).
  - Listing Rule 7.3A.6(b), first bullet point (section 7.3 of Guidance Note 21).
  - Listing Rule 7.5.1 (section 7.4 of Guidance Note 21).

### Agreements to issue

- Notice of meeting to summarise the relevant rule and what will happen if security holders give, or do not give, that approval (Listing Rule 14.1A)
- On the date of the agreement, the issue must either:
  - fall within the entity's placement capacity; or
  - be conditional on security holder approval being obtained.
- Listed@ASX Compliance Update no. 09/23

# Notices of Meeting

## Observations and common issues

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### Listing Rule 7.1A mandate

- Notice of meeting to include details of securities issued under prior mandate (Listing Rules 7.3A.6(a) and (b)).
- Ratification under Listing Rule 7.4.
- Listed@ASX Compliance Update no. 09/23.
- Listed@ASX Compliance Update no. 05/25.

### Election of directors – rotation

- An entity which has directors must hold an election of directors at each annual general meeting (Listing Rule 14.5).
- A director must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is longer (Listing Rule 14.4).
- A director appointed to fill a casual vacancy or as an addition to the board must not hold office (without re-election) past the next annual general meeting (Listing Rule 14.4).

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# Trading Interruptions

## Trading Halts and Voluntary Suspensions

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### General Principle - *Trading interruptions should be kept to a minimum*

- Requests for trading halts and voluntary suspensions are not automatically granted.
- ASX needs to be satisfied that the circumstances justify an interruption to trading.

**ASX** will only agree to a trading halt or a voluntary suspension where:

- trading in the affected security might occur while the market as a whole is not reasonably informed;
- there could be a false or disorderly market in the affected security; or
- it is otherwise reasonably required by a listed entity to manage its continuous disclosure obligations.

# Trading Interruptions

## Managing continuous disclosure obligations

- An entity's primary obligation under Listing Rule 3.1 is to give market sensitive information to ASX for release to the market promptly and without delay.
- Entity has become aware of information that a reasonable person would expect to have a material effect on the price or value of its securities but it is not in a position to make an announcement about the information to the market promptly and without delay.

### Example 1

There are indications that the **information** may have **leaked** ahead of a market sensitive announcement.

### Example 2

The entity has been asked by ASX to provide information to correct or prevent a **false market**.

### Example 3

Where the entity considers the announcement to be so significant that it ought to be approved by its board before it is released to the market but, due to the **unavailability of directors**, the board meeting is not able to be held promptly and without delay.

# Trading Interruptions

ASX needs to be satisfied that the circumstances justify an interruption to trading

Reasons for Trading Interruptions that ASX will likely challenge	
<p>ASX is likely to request more information</p> <p><i>... material transaction...</i></p> <p><i>... appoint a new director...</i></p> <p><i>... is conducting an investigation into...</i></p>	<p>ASX is likely to decline to grant a trading interruption and require immediate disclosure</p> <p><i>...received a takeover bid...</i></p> <p><i>... has received correspondence from [INSERT] and is considering its response...</i></p>

*If an entity is able to give the required announcement to ASX promptly and without delay then it will not need a trading halt or voluntary suspension to manage its disclosure obligation.*

# Trading Interruptions

## Voluntary Suspensions

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- A suspension of a listed entity's securities from quotation requested by the entity under Listing Rule 17.2.
  - **Listing Rule 17.2** requires the written request from the entity to detail:
    - Its reasons for the suspension.
    - How long it expects the suspension to last.
    - The event it expects to happen that will end the suspension.
  - When ASX agrees to a voluntary suspension in an entity's securities under Listing Rule 17.2, those securities are placed into the 'suspend state' on the ASX trading platform. In that state, ASX market participants are not able to place or amend orders for, or trade in, the securities. They can, however, cancel existing orders. Prior to the resumption of trading, ASX will purge all of the existing orders for the securities from the ASX trading platform.
  - To rely on the 'cleansing notice' provisions under the Corporations Act in relation to a secondary sale of securities an entity's securities must not have been suspended for more than a total of five trading days.



# Trading Interruptions

## Voluntary Suspensions 3 common circumstances

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### *Following a trading halt*

- An entity has been in a trading halt pending an announcement and it becomes clear that it will not be in a position to make the anticipated announcement before the end of the trading halt.
- A voluntary suspension will generally only be granted for the period ASX considers reasonably necessary for an entity to **manage its continuous disclosure obligations**.
- Voluntary suspensions are not automatic – usual expectation is for an announcement to be made so trading can resume.

### *Genuine financial difficulties*

- ASX is satisfied that the entity is in genuine financial difficulties and continued trading in its securities is likely to be materially prejudicial to its ability to complete a transaction critical to its continued financial viability.
- The stated reasons for the suspension must include a **forthright account of the entity's current financial situation**, details of the transaction that the entity says is critical to its continued financial viability, and an affirmation that, in the entity's opinion, **continued trading of its securities is likely to be materially prejudicial** to its ability to complete that transaction

### *Chapter 11.1 transaction*

- Entity enters into a transaction that requires re-compliance under Listing Rule 11.1.3.

# Trading Interruptions

## Suspension by ASX under Listing Rule 17.3

*See item 2 of Listed@ASX Compliance Update no. 08/24 for further details*

### XXX Limited (ASX: XXX) – Suspension from Quotation

The securities of XXX Limited ('XXX') will be immediately suspended from quotation under Listing Rule 17.3.2 to prevent a disorderly or uninformed market.

Trading in XXX's securities was halted at **Time AM/PM Time Zone Select date** under ASX Listing Rule 17.1, pending the release of a market sensitive announcement.

XXX has provided an announcement to ASX that ASX does not consider to be market sensitive. XXX's securities will remain suspended until the non-sensitive announcement is released to the market, and it is otherwise appropriate for XXX's securities to be reinstated to quotation.

OR

XXX has advised ASX that it will not be making the foreshadowed announcement. XXX's securities will remain suspended until an announcement is released to the market that explains why this occurred, and it is otherwise appropriate for XXX's securities to be reinstated to quotation.

OR

XXX has provided an announcement to ASX that is not in a form that can be released to the market. XXX's securities will remain suspended until an announcement that is suitable for release to the market is received, and it is otherwise appropriate for XXX's securities to be reinstated to quotation.

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ASX Compliance

# Trading Interruptions

## Example 1 (Guidance Note 16)

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Entity A, whose principal asset is a mine in a remote region, has just learnt that its mine has been hit by a major earthquake. Early reports indicate that the damage is significant. A intends to fly a team of experts to the mine to assess the damage but it is likely to take 48 hours for them to reach the mine and report back to A and then for A to prepare an appropriate announcement to the market about the extent of the damage and its likely impact on A's operations.

It would be appropriate for A at that point to request a trading halt pending that announcement. The request for the trading halt, which would be released to the market, should mention that A's mine has been significantly damaged by the earthquake, that A is sending a team to assess the damage and that a further announcement about the damage is anticipated within 48 hours.

In this case, ASX would likely grant a trading halt that covers the 48 hour period A says it needs to assess the damage and make an announcement to the market.

**On the morning that the trading halt is due to lift Entity A requests a voluntary suspension for an additional 2 weeks and the reason provided is that Entity A needs more time to consider the damage and provide an update to the market.**

# Trading Interruptions

## Example 2 (Guidance Note 8)

**Step 1** - **Company A** submits a confidential non-binding offer to **Company B** regarding a merger by way of a scheme of arrangement where security holders in **Company B** transfer their securities to **Company A** in return for a cash payment (25% premium to market price). The offer is phrased as incomplete and subject to a number of conditions, including due diligence.

**Step 2** - The next day **Company B's** board meets to consider the offer and resolves to reject it on the basis it is opportunistic and undervalues the entity. A letter is sent to **Company A** confirming rejection of the offer.

**Step 3** - A week later **Company A** submits a revised confidential non-binding indicative offer increasing the offer (30% premium to market price). The offer is subject to a number of conditions, including due diligence.

**Step 4** - **Company B's** board resolves to enter negotiations. Its legal advisers write a letter to **Company A** confirming **Company B** is prepared to recommend the offer to its security holders in the absence of higher offer, subject to final terms being satisfactory.

**Step 5** - **Company A** completes due diligence and is prepared to proceed at price indicated in its second confidential indicative non-binding offer, subject to the negotiation and signing of a legally binding merger implementation agreement.

**Step 6** - Parties complete negotiations and sign merger implementation agreement.



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# Disclosure of Waivers

Listed@ASX Compliance Update  
no. 08/25

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## Disclosure of waivers on the market announcements platform by listed entities

- ASX will require a listed entity that is granted a waiver to disclose the nature and effect of the waiver and the entity's reasons for seeking the waiver within one business day of ASX communicating to the entity that the waiver has been granted.
- If the waiver relates to a confidential and incomplete proposal or negotiation, disclosure must be made when the matter ceases to be confidential or incomplete.
- To support the new practice, waiver applicants will need to submit to ASX when they make a waiver application, a draft statement for release to the market that outlines:
  - the nature and effect of the waiver; and
  - the entity's reasons for seeking the waiver.

# Earnings Suprise

Listed@ASX Compliance Update  
no. 08/25

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## Continuous disclosure – Focus on earnings surprises in August

- ASX will have a focus on entities in the S&P/ASX 200 whose security price moves by 10% or more following the release of their results.
- ASX will likely send an aware letter to the entity to give it an opportunity to explain what it did to manage its continuous disclosure obligations in the lead up to the announcement of its results.
- The purpose of the aware letter is to establish how the entity determined what the market's expectations were, whether the entity considered that its earnings materially varied from, or were in line with, market expectations, and the date when it became aware of this with a reasonable degree of certainty.



# Close Review Procedure

Listed@ASX Compliance Update  
no. 06/25

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## Market disclosure - close review procedure when ASX has serious concerns about disclosure practices

- ASX will introduce a new close review procedure. The procedure may be used when ASX has serious concerns about an entity's willingness or ability to comply with ASX's disclosure-related listing rules.
- Under the procedure, ASX will apply additional scrutiny to an entity's market announcements for a period of 6 months.
- If ASX decides to initiate a close review period, the commencement of the period will be announced to the market by ASX releasing an announcement against the entity's ASX code.
- The purpose of the close review procedure is to drive improvement in the entity's disclosure practices. If an entity's practices do not improve for a prolonged period of more than 12 months, ASX is likely to take steps towards removing the entity from the official list.
- ASX's expectation is that there would only be a small number of entities subject to the close review procedure at any one time. Ideally, there will be none.



# Questions



Thank you

ASX