

# Updating ASX's admission requirements for listed entities

CONSULTATION PAPER

12 MAY 2016

ATTACHMENT A: PROPOSED LISTING RULE CHANGES



# Proposed Amendments to ASX Listing Rules

## Proposed amendments to the Introduction to the ASX Listing Rules

### Introduction

#### The Listing Rules

ASX's Listing Rules govern the admission of entities to the \*official list, \*quotation of \*securities, suspension of \*securities from \*quotation and removal of entities from the \*official list. They also govern disclosure and some aspects of a listed entity's conduct.

~~An entity applying to be admitted to the ASX \*official list signs an agreement to comply with the Listing Rules, as in force from time to time. This applies even if the \*quotation of its \*securities is deferred, suspended or subject to a \*trading halt.~~

The Listing Rules are enforceable against listed entities and their associates under the Corporations Act (see sections 793C and 1101B).

~~If an entity does not comply with the Listing Rules, its \*securities may be suspended from \*quotation or it may be removed from the \*official list.~~

#### The principles on which the Listing Rules are based

The 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.

The principles which underpin the obligations imposed on listed entities by the Listing Rules include:

- An entity should satisfy appropriate minimum standards of quality, size and operations before it is admitted to the \*official list and disclose sufficient information about itself to allow an informed market in its \*securities once they are quoted.
- Sufficient investor interest in an entity's \*securities should be demonstrated before it is admitted to the \*official list and its \*securities are quoted.
- \*Securities should be issued in circumstances, and have rights and obligations attaching to them that are fair to new and existing \*security holders.
- Timely disclosure should be made of information which may have a material effect on the price or value of an entity's \*securities.
- Financial statements should be produced in accordance with acceptable accounting and auditing standards.
- An entity should disclose information about its corporate governance practices and explain any departure from generally accepted standards of good corporate governance.
- The practices adopted in relation to meetings of \*security holders should allow \*security holders the opportunity to express their views openly to the board and management.
- Certain significant transactions should require \*security holder approval.

In accepting the benefits of access to the ASX market, listed entities and their officers should also recognise that they assume a concomitant responsibility to the market and investors in that market. In addition to complying with their obligations under the Listing Rules, they are expected to comply with the general law and to maintain high standards of corporate integrity and accountability.

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**Deleted:** The Listings Unit within ASX Compliance makes day to day decisions on the application of the Listing Rules. Guidance Note 17 *Waivers and In-Principle Advice* provides further details of how decisions are made.

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## Application of the Listing Rules

The Listing Rules are not intended to be applied in a mechanistic or legalistic way. They are to be interpreted:

- in accordance with their spirit, intention and purpose;
- by looking beyond form to substance; and
- in a way that best promotes the principles on which they are based (see Listing Rule 19.2).

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 mentioned above on which the Listing Rules are based and the imperative of maintaining the reputation, integrity and efficiency of the ASX market.

ASX recognises that the Listing Rules necessarily cast a wide net. In an appropriate case, ASX may entertain an application for a waiver from compliance with a Listing Rule where:

- the applicant can clearly demonstrate that it will suffer a commercial detriment or other disadvantage if the waiver is not granted;
- ASX is satisfied that granting the waiver is not inconsistent with its statutory obligations as a licensed market operator, the principles on which the Listing Rules are based or the policy underlying the particular rule sought to be waived; and
- ASX is also satisfied that granting the waiver will not adversely affect the reputation, integrity or efficiency of the ASX market.

If ASX decides to grant a waiver, it may do so on conditions. The conditions must be complied with for the waiver to be effective. Waivers are published by ASX periodically and are also advised to \*ASIC.

## How to use the Listing Rules

The Listing Rules are divided into chapters. Related topics have been grouped together as far as possible.

Each chapter begins with a table of the contents. It sets out the main headings in the chapter and the rules which come under that heading. Some chapters also have an explanatory note, which helps readers to understand the structure and content of the chapter. At the foot of each page is the date of the last amendment and reprinting of that page.

Defined terms (except 'ASX' and 'entity') are marked with a cross (eg, \*security). The cross is not used in headings or notes or when the word is used in the definition of the term itself (eg, the word 'acquire' is not marked in the definition of 'acquire'). The definitions are found in chapter 19. The terms 'ASX' and 'entity' are used often throughout the rules and, for ease of reading, are not marked.

There are 'end notes' to the rules. These include the history and origin of the particular rule and sometimes include other relevant information, such as an example of the operation of the rule. If there is an example, it is for guidance only and does not affect the operation of the rule.

## Guidance Notes

ASX issues Guidance Notes to promote commercial certainty, reduce costs to business and assist market participants. They set out ASX's general approach to a subject. They should not be regarded as a definitive statement of the application of the rules in every case. Nor are they a substitute for a listed entity obtaining its own legal advice on a matter of concern to it.

Amended 11/03/02, 03/05/04, 17/12/10, 01/01/12, 01/05/13, 24/12/15, XX/XX/XX

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- in accordance with their spirit, intention and purpose;¶
- by looking beyond form to substance; and¶
- in a way that best promotes the principles on which they are based.¶

If an entity does not comply with the Listing Rules, its \*securities may be suspended from \*quotation or it may be removed from the \*official list.¶

**Deleted:** ASX's addresses¶

The address of each branch office of ASX, and their telephone and fax numbers, are available on the ASX Group website at <http://www.asxgroup.com.au/Listings.htm>.¶

# Proposed amendments to Chapter 1 of the ASX Listing Rules

## Chapter 1

### Admission

[...]

#### ASX Listing

##### Requirements for ASX Listing

1.1 For an entity to be admitted to the official list as an ASX Listing, the following conditions must be met to ASX's satisfaction.

Introduced 01/07/96 Amended 30/09/01

**Condition 1** The entity's structure and operations must be appropriate for a listed entity.

Introduced 01/07/96 Amended XX/XX/XX

Guidance Note 1 Applying for Admission – ASX Listings has guidance on when an entity's structure and operations are appropriate for a listed entity.

**Condition 2** The entity must have a constitution which is consistent with the listing rules or which includes the provisions in Appendix 15A or Appendix 15B (as applicable).

Introduced 01/07/96 Origin: Listing Rule 1A(1)(b) Amended 01/07/98, XX/XX/XX

Note: See ASIC Regulatory Guide 134, Managed Investments: Constitutions, for ASIC's position on whether it will register a scheme that includes a provision to the effect of Appendix 15A in its constitution.

**Condition 3** A prospectus or PDS must be issued and lodged with ASIC or, if ASX agrees, an information memorandum that complies with the requirements of rule 1.4 must be lodged with ASX. The prospectus, PDS or information memorandum must include a prominent statement that ASX takes no responsibility for the contents of the document.

Introduced 01/07/96 Origin: Listing Rule 1A(1)(f) Amended 01/09/99, 13/03/00, 11/03/02, 01/05/13, XX/XX/XX

Note: An offer information statement is not a prospectus. If the entity establishes that it has not raised capital in the past 3 months and does not expect it will need to raise capital in the next 3 months, and has the required spread of security holders, ASX may agree to the issue of an information memorandum.

**Condition 4** If the entity is a foreign company, it must be registered as a foreign company carrying on business in Australia under the Corporations Act.

Introduced 01/07/96 Origin: Listing Rule 1A(8)(i) Amended 01/07/00, 24/10/05, 04/03/13, XX/XX/XX

**Condition 5** If the entity is a trust:

- (a) it must be a registered managed investment scheme or have an exemption from ASIC from that requirement;
- (b) if it is exempted from the requirement to be a registered managed investment scheme, its responsible entity must either be an

**Deleted:** (except an entity admitted as an ASX Foreign Exempt Listing or an ASX Debt Listing)

**Deleted:** Example: When deciding if an entity's structure and operations are appropriate for that entity to be listed, ASX may have regard to whether the principles on which the listing rules are based have been and will be complied with. See the Introduction

**Deleted:** Condition 1A The entity must have a constitution.¶  
Introduced 01/07/98¶

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(a) . If the entity has a certified subregister for quoted securities, it must establish in Australia an Australian securities register (or subregister).¶  
(b) It must appoint an agent for service of process in Australia.¶  
(c) . I

**Deleted:** Note: A subregister for CDIs is a securities subregister.¶  
Cross reference: rule 8.2.¶

\*Australian company or registered as a foreign company carrying on business in Australia under the Corporations Act; and

(c) no-one must be under an obligation to buy-back units in the trust or to allow a \*security holder to withdraw from the trust.

Introduced 01/07/96 Origin: Listing Rule 2A(9), 2F(20) Amended 01/07/98, 30/09/01, XX/XX/XX

Note: Part 5C.1 of the Corporations Act deals with registration of managed investment schemes. Part 5C.6 of the Corporations Act deals with members' rights to withdraw from a scheme. The listing rules allow on-market buy-backs by trusts on conditions comparable to buy-backs by companies. See rule 7.36.

**Condition 6**

The entity must apply for and be granted permission for \*quotation of all the \*securities in its \*main class of \*securities (except \*restricted securities and, if the entity so chooses, \*securities issued under an \*employee incentive scheme that are subject to restrictions on transfer).

Introduced 01/07/96 Amended 01/01/12, XX/XX/XX

Note: Condition 6 is satisfied if permission for quotation (ie, not actual quotation) is granted on conditions. If a condition is not satisfied, the entity may be removed from the official list. An entity may also apply for quotation of other classes of securities. See chapter 2.

**Condition 7**

The entity must have a \*free float at the time of its admission to the \*official list of not less than 20%.

Introduced XX/XX/XX

**Condition 8**

If the entity has a \*free float at the time of its admission to the \*official list with a value of:

- (a) less than \$50 million, there must be at least 200 \*non-affiliated security holders; or
- (b) \$50 million or more, there must be at least 100 \*non-affiliated security holders,

each of whom holds a parcel of the \*main class of \*securities that are not \*restricted securities or subject to \*voluntary escrow with a value of at least \$5,000.

If \*CDIs are issued over \*securities in the \*main class, holders of \*CDIs will be included.

This condition is not met if spread is obtained by artificial means.

Introduced 01/07/96 Origin: Listing Rule 1A(3)(b)(ii) Amended 01/09/99, 11/03/02, 01/11/12, XX/XX/XX

Note: Where an entity is undertaking a material capital raising in conjunction with its listing, ASX will normally use the offer price under the prospectus, PDS or information memorandum for that capital raising to calculate the value of the entity's free float and the value of a parcel of securities. ASX may, however, use a different price to determine these values if the entity is not undertaking a material capital raising in conjunction with its listing, or if ASX is concerned that the offer price under the prospectus, PDS or information memorandum does not fairly reflect the value of its main class of securities.

ASX may require some or all of the security holders mentioned above to be residents of Australia.

Guidance Note 1 Applying for Admission – ASX Listings has guidance on what is meant by obtaining spread by artificial means.

**Condition 9**

The entity must satisfy either the profit test in rule 1.2 or the assets test in rule 1.3.

Introduced 01/07/96 Origin: Listing Rule 1A(3)(b)(iii), 1A(3)(b)(iv) Amended 01/09/99

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(a) There must be at least 400 holders each having a parcel of the \*main class of \*securities with a value of at least \$2,000, excluding \*restricted securities and, if the entity has previously been removed from the \*official list, excluding \*securities not acquired by those holders under a recent prospectus or Product Disclosure Statement. If \*CDIs are issued over \*securities in the \*main class, holders of \*CDIs will be included.¶

(b) .

**Deleted:** Both of the following are satisfied.

**Deleted:** • There must be at least 350 holders each having a parcel of the \*main class of \*securities with a value of at least \$2,000, excluding \*restricted securities and, if the entity has previously been removed from the \*official list, excluding \*securities not acquired under a recent prospectus or Product Disclosure Statement. If \*CDIs are issued over \*securities in the \*main class, holders of \*CDIs will be included.¶

• Persons who are not \*related parties of the entity must hold that number of \*securities in the \*main class, excluding \*restricted securities, which is not less than 25% of the total number of \*securities in that \*class.¶

(c) Both of the following are satisfied.¶

• There must be at least 300 holders each having a parcel of the \*main class of \*securities with a value of at least \$2,000, excluding \*restricted securities and, if the entity has previously been removed from the \*official list, excluding \*securities not acquired under a recent prospectus or Product Disclosure Statement.

**Deleted:** • Persons who are not \*related parties of the entity must hold that number of \*securities in the \*main class, excluding \*restricted securities, which is not less than 50% of the total number of \*securities in that \*class.¶

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• Offering non-recourse loans to prospective shareholders to acquire their shares.¶

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**Condition 10** If the entity issues \*restricted securities before it is admitted to the \*official list, it must comply with chapter 9 (except rule 9.3) and give completed restriction agreements to ASX.

Introduced 01/07/96 Origin: Listing Rule 1A(2)(b).  
Cross reference: Chapter 9, Appendix 9A.

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**Condition 11** If, in the 2 years before the date of the application, the entity \*acquired a \*classified asset from a \*related party of the entity or a \*promoter, the consideration must have been \*restricted securities unless:

- (a) ~~the~~ consideration was reimbursement of expenditure incurred in developing the \*classified asset; ~~or~~
- (b) ~~under~~ rule 9.1.3 the entity is not required to apply the restrictions in Appendix 9B.

Introduced 01/07/96 Origin: Listing Rule 3J(37) Amended 01/07/98, ~~XX/XX/XX~~

Note: If restricted securities are issued as consideration for an acquisition or disposal the entity must comply with Chapter 9.

Cross reference: rule 9.1.3, Appendix 9B, clause 3.

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**Condition 12** If the entity has options on issue the exercise price for each \*underlying security must be at least 20 cents in cash.

Introduced 01/07/00

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**Condition 13** The entity must appoint a person to be responsible for communication with ASX in relation to listing rule matters.

Introduced 30/09/01

Note: For many entities the company secretary will be an appropriate person to be responsible for liaison with ASX, although this may not always be the case, taking into account the structure of the entity. ASX expects that the person will have a high degree of familiarity with an entity's operations or have ready access to senior management who have responsibility for day to day management of the entity.

An entity may nominate more than one person to be responsible for communication with ASX but at any time at least one of the persons nominated must be available to ASX.

The nomination of such a person is for administrative convenience only and does not in any way abrogate the responsibility that lies on the listed entity under the Listing Rules.

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**Condition 14** The entity must:

- (a) ~~agree~~ with ASX, in writing, that documents may be given to ASX and authenticated electronically; ~~and~~
- (b) ~~establish~~ the facilities required for the entity to give documents to ASX electronically.

Introduced 01/01/03 ~~Amended XX/XX/XX~~

Cross-reference: Listing rules 15.3 and 15.4A, ASX Guidance Note 20 – ASX Online.

**Condition 15** The entity must either:

- (a) ~~be approved to act as an issuer of quoted \*securities under the operating rules of an \*approved CS facility; or~~
- (b) ~~if the entity is established in a jurisdiction whose laws have the effect that the entity's \*securities cannot be registered or transferred under the operating rules of an \*approved CS facility, the issuer must be approved as a foreign issuer of \*CDIs under the operating rules of an \*approved CS facility.~~

~~Introduced XX/XX/XX~~

**Deleted: Condition 13** The entity must provide a statement disclosing the extent to which the entity will follow, as at the date of its admission to the official list, the recommendations set by the \*ASX Corporate Governance Council. If the entity does not intend to follow all the recommendations on its admission to the official list, the entity must separately identify each recommendation that will not be followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it intends to adopt in lieu of the recommendation.¶

An entity which will be included in the \*S & P All Ordinaries Index on admission to the \*official list must have an audit committee. If the entity will be included in the \*S & P / ASX 300 Index on admission to the \*official list it must also comply with the recommendations set by the \*ASX Corporate Governance Council in relation to composition and operation of the audit committee.¶

Introduced 01/01/03 Origin: Listing rule 4.10.2  
Amended 03/05/04, 11/01/10, 01/07/14¶

Note: If the entity is a trust, its audit committee may also be the responsible entity's audit committee.¶  
The statement provided under this condition may incorporate material by reference (for example, on an entity's website or in another part of its annual report) provided that material is freely available and the statement clearly indicates where interested parties can read or obtain a copy of that material.¶  
Cross reference: Listing rules 4.10.3 and 12.7¶

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Condition 16 The entity must provide a statement disclosing the extent to which the entity will follow, as at the date of its admission to the official list, the recommendations set by the \*ASX Corporate Governance Council. If the entity does not intend to follow all the recommendations on its admission to the official list, the entity must separately identify each recommendation that will not be followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it intends to adopt in lieu of the recommendation.

Introduced 01/01/03 Origin: Listing rule 4.10.2 Amended 03/05/04, 11/01/10, 01/07/14, XX/XX/XX

The statement provided under this condition may incorporate material by reference (for example, on an entity's website or in another part of its annual report) provided that material is freely available and the statement clearly indicates where interested parties can read or obtain a copy of that material.

Cross reference: Listing rule 4.10.3

Condition 17 An entity which will be included in the \*S & P All Ordinaries Index on admission to the \*official list must have an audit committee. If the entity will be included in the \*S & P / ASX 300 Index on admission to the \*official list it must also comply with the recommendations set by the \*ASX Corporate Governance Council in relation to the composition and operation of the audit committee.

Introduced 01/01/03 Amended 03/05/04, 11/01/10, 01/07/14, XX/XX/XX

Note: If the entity is a trust, its audit committee may also be the responsible entity's audit committee.

Cross reference: Listing rule 12.7

Condition 18 An entity, which will be included in the \*S & P / ASX 300 Index on admission to the \*official list, must have a \*remuneration committee comprised solely of non-executive directors.

Introduced 01/07/11

Note: If the entity is a trust its remuneration committee may also be the responsible entity's remuneration committee.

Where an entity is part of a corporate group, that has one or more related bodies corporate in the S&P/ASX 300 Index, the board of that entity may utilise a remuneration committee of a related body corporate in the S & P / ASX 300 Index in order to satisfy the requirements of Condition 16.

Cross reference: Listing rule 12.8

Condition 19 The entity must have a \*trading policy that complies with rule 12.9.

Introduced 01/01/11 Amended XX/XX/XX

Guidance Note 27 Trading Policies – ASX Listings has further guidance on the requirements of listing rule 12.9 and other matters that might be included in a trading policy.

Condition 20 The entity must satisfy ASX that each director or proposed director of the entity at the date of listing is of good fame and character.

Introduced 01/01/12

Note: For these purposes, if the entity is a trust, references to the directors or proposed directors of the entity, will be taken to mean the directors or proposed directors of the responsible entity of the trust.

Note: For the purposes of satisfying this condition, ASX will primarily have regard to the documents provided by the entity, in the case of a company under clauses 10A, 10B and 10C, and in the case of other entities under clauses 22A, 22B and 22C, of Appendix 1A in the Listing Rules. However, it may also have regard to any other information it has about the directors or proposed directors and, in an appropriate case, may require an entity to provide additional information about its directors or proposed directors.

Note: The reference in this rule to a "proposed director" includes any person named in a prospectus or PDS, as a proposed director of the entity.

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1.2.3 The entity must give ASX each of the following.

- (a) Audited \*accounts for the last 3 full financial years. If the entity applies for admission less than 90 days after the end of its last financial year, unless the entity has audited \*accounts for its latest full financial year, the \*accounts may be for the 3 years to the end of the previous financial year. Audit reports must be given to ASX with the \*accounts.
- (b) If the last full financial year for which \*accounts must be given to ASX ended more than 8 months before the entity applies for admission, audited or reviewed \*accounts for the last half year (or longer period if available) from the end of the last full financial year, together with the audit report or review.
- (c) A reviewed pro forma statement of financial position together with the review, unless ASX agrees the pro forma statement of financial position is not needed. The review must be conducted by a registered company auditor (or, if the entity is a ≠foreign entity, an overseas equivalent of a registered company auditor) or an independent accountant.

In each case above, the audit report or review must not contain a modified opinion, emphasis of matter or other matter paragraph that ASX considers unacceptable.

Introduced 01/07/96 Origin: Listing Rule 1A(3)(b)(iii)c and Listing Rule 1.2.6 Amended 01/07/97, 01/07/98, 01/07/00, 01/01/12, ~~XX/XX/XX~~

Note: ASX will generally only accept a modified opinion, emphasis of matter or other matter paragraph that ASIC will accept in a disclosure document, as outlined in Part F of ASIC Regulatory Guide 228.

Cross reference: rule 19.11A.

**Deleted:** The audit reports must not contain a modified opinion, emphasis of matter or other matter paragraph that questions whether the entity can continue as a going concern or has satisfied the profit levels required.

[...]

1.2.5 The entity's consolidated \*profit from continuing operations for the 12 months to a date no more than 2 months before the date the entity applied for admission must exceed \$50,000.

Introduced 01/07/96 Origin: Listing Rule 1A(3)(b)(iii)a and Listing Rule 1.2.6 Amended 01/07/97, 01/07/98, 30/09/01, ~~XX/XX/XX~~

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[...]

### The assets test

1.3 To meet the assets test, an entity ~~that is not~~ an \*investment entity, must satisfy rules 1.3.1, 1.3.2, 1.3.3 and 1.3.5. An \*investment entity must satisfy rules 1.3.4 and 1.3.5.

1.3.1 At the time of admission, ~~an~~ entity ~~that is not an~~ \*investment entity must have net tangible assets of at least \$5 million after deducting the costs of fund raising, or a \*market capitalisation of at least \$20 million.

Amended 01/11/12, ~~XX/XX/XX~~

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~~Introduced 01/07/96 Origin: Listing Rule 1A(3)(b)(iv)a Amended 01/09/99 Deleted XX/XX/XX~~

~~1.3.2 In the case of an entity that is not an \*investment entity, either:~~

(a) less than half of the entity's total tangible assets (after raising any funds) must be cash or in a form readily convertible to cash; or

Introduced 01/07/96 Origin: Listing Rule 1A(3)(b)(iv)b

(b) half or more of the entity's total tangible assets (after raising any funds) are cash or in a form readily convertible to cash, and the entity has commitments consistent with its business objectives to spend at least half of its cash and assets in a form readily convertible to cash. The business objectives must be clearly stated and include an expenditure program. If ~~its~~ ≠prospectus, ≠PDS, or

**Deleted:** At the time of admission, the \*investment entity must satisfy one of the following.¶  
(a) It must have net tangible assets of at least \$15 million after deducting the costs of fund raising.¶  
(b) . It must be a \*pooled development fund and have net tangible assets of at least \$2 million after deducting the costs of fund raising.¶

**Deleted:** Note: ASX would normally not treat a limited recourse loan as a tangible asset.¶

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~~information memorandum does not contain a statement of the business objectives, the entity must give a statement of its business objectives to ASX.~~

Introduced 01/07/96 Origin: Listing Rule 1A(3)(b)(iv)b Amended 01/09/99, 11/03/02, ~~XX/XX/XX~~

Note: In deciding if an entity's total tangible assets are in a form readily convertible to cash, ASX would normally not treat inventories and receivables as readily convertible to cash.

Example: If a start up company raises \$2.3 million, and the cost of its capital raising is \$300,000, ASX would normally require it to have commitments for an additional \$850,000 (which, with the \$300,000, is half the \$2.3 million raised).

Cross reference: rule 4.10.19 which requires reporting on the use of funds in the first two annual reports.

1.3.3 ~~In the case of an entity that is not an investment entity, the entity must satisfy each of the following:~~

(a) ~~If its prospectus, PDS, or information memorandum does not contain a statement that the entity will have enough working capital at the time of its admission to carry out its stated objectives, the entity must give ASX one from an independent expert.~~

(b) ~~The entity's working capital must be at least \$1.5 million, or if it is not, it would be at least \$1.5 million if the entity's budgeted revenue for the first full financial year that ends after listing was included in the working capital. The amount must be available after allowing for the first full financial year's budgeted administration costs and the cost of acquiring any assets referred to in its prospectus, PDS or information memorandum, to the extent those costs are to be met out of working capital. The cost of acquiring assets includes the cost of acquiring and exercising an option over them.~~

Introduced 01/07/96 Origin Listing Rule 1A(3)(g)(i) Amended 01/09/99, 11/03/02, 11/01/10, 17/12/10, 01/12/13, ~~XX/XX/XX~~

Example: An entity which has \$1 million in working capital at the time of listing and budgeted revenue for the first full financial year after listing of \$500,000 satisfies this rule.

Note: ~~As budgeted revenue and budgeted costs are forward-looking statements, the entity must have a reasonable basis for setting those figures.~~

1.3.4 ~~At the time of admission, an investment entity must satisfy one of the following.~~

(a) ~~It must have net tangible assets of at least \$15 million after deducting the costs of fund raising.~~

(b) ~~It must be a pooled development fund and have net tangible assets of at least \$2 million after deducting the costs of fund raising.~~

Introduced as Rule 1.3.1A 01/07/96 Origin: Listing Rule 1A(3)(b)(iv)a Amended 01/09/99, ~~XX/XX/XX~~

Note: ~~ASX would normally not treat a limited recourse loan as a tangible asset.~~

1.3.5 ~~The entity must give ASX each of the following.~~

(a) ~~Unless ASX agrees that such accounts are not needed:~~

- ~~audited accounts for the last 3 full financial years; and~~
- ~~if the last full financial year ended more than 8 months before the entity applied for admission, audited or reviewed accounts for the last half year (or longer period if available) from the end of the last full financial year.~~

~~in each case, together with the audit report or review.~~

Introduced 01/07/97 Amended 01/07/98, 01/07/00, ~~XX/XX/XX~~

Note: ~~ASX will generally only agree to accept less than 3 full financial years of audited accounts in the circumstances where ASIC will accept less than less than 3 full financial years of audited accounts in a disclosure document, as outlined in Part F of ASIC Regulatory Guide 228. Any agreement by ASX to accept less than 3 full financial years of audited accounts may be conditional on the entity providing additional financial information about itself under listing rule 1.17. ASX may require that additional financial information to be audited or reviewed.~~

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Introduced 01/07/96 Origin: Listing Rule 1A(3)(g)(ii)  
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(b) If the entity is proposing to acquire another entity or business:

- audited \*accounts for the last 3 full financial years for that other entity or business; and
- if the last full financial year for that entity or business ended more than 8 months before the entity applied for admission, audited or reviewed \*accounts for the last half year (or longer period if available) from the end of the last full financial year for that other entity or business.

in each case, together with the audit report or review, unless ASX agrees that such \*accounts are not needed.

Introduced XX/XX/XX

Note: Again, ASX will generally only agree to accept less than 3 full financial years of audited accounts in the circumstances where ASIC will accept less than less than 3 full financial years of audited accounts in a disclosure document, as outlined in Part F of ASIC Regulatory Guide 228. Any agreement by ASX to accept less than 3 full financial years of audited accounts may be conditional on the entity providing additional financial information about the relevant entity or business under listing rule 1.17. ASX may require that additional financial information to be audited or reviewed.

(c) A reviewed pro forma statement of financial position, together with the review, unless ASX agrees the pro forma statement of financial position is not needed. The review must be conducted by a registered company auditor, or an overseas equivalent of a registered company auditor, or an independent accountant.

Introduced 01/07/97 Amended 01/07/00, 01/01/12, XX/XX/XX

Example: If an entity raises capital or acquires or disposes of assets, the pro forma statement of financial position will reflect these changes. It will also show any material changes in the financial position of the entity since the date of the last balance sheet. ASX may agree that a pro forma statement of financial position is not needed if there are no changes of this nature.

In each case above, the audit reports or review must not contain a modified opinion, emphasis of matter or other matter paragraph that ASX considers unacceptable.

Introduced XX/XX/XX

Note: ASX will generally only accept a modified opinion, emphasis of matter or other matter paragraph that ASIC will accept in a disclosure document, as outlined in Part F of ASIC Regulatory Guide 228.

Cross reference: rule 19.11A.

1.4 If ASX agrees pursuant to rule 1.1 condition 3 that an entity may provide an \*information memorandum in lieu of a \*prospectus or \*PDS, the \*information memorandum must satisfy the following requirements:

- 1.4.1 If the entity is a company, it must contain a statement that all the information that would be required under section 710 of the Corporations Act if the \*information memorandum were a prospectus offering for subscription the same number of \*securities for which \*quotation will be sought is contained in the \*information memorandum;
- 1.4.2 If the entity is a trust, it must contain a statement that all the information that would be required under section 1013C of the Corporations Act if the \*information memorandum were a \*PDS offering for subscription the same number of \*securities for which \*quotation will be sought is contained in the \*information memorandum;
- 1.4.3 It must be signed by every director, and proposed director, of the entity personally or by a \*person authorised in writing by the director (in the case of a trust, director of the responsible entity);
- 1.4.4 It must include the date it was signed;
- 1.4.5 It must include full particulars of the nature and extent of any interest now, or in the past 2 years, of every director or proposed director of the entity (in the case of a trust,

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the responsible entity), in the promotion of the entity, or in the property acquired or proposed to be acquired by it and:

- If the interest was, or is, as a member or partner in another entity, the nature and extent of the interest of that other entity; and
- If the interest was or is as a member or partner in another entity, a statement of all amounts paid or agreed to be paid to him or her or the entity in cash, \*securities or otherwise by any \*person to induce him or her to become or to qualify him or her as, a director, or for services rendered by him or her or by the entity in connection with the promotion or formation of the listed entity;

1.4.6 It must include full particulars of the nature and extent of any interest of every expert in the promotion of the entity, or in the property acquired or proposed to be acquired by it and:

- If the interest was, or is, as a member or partner in another entity, the nature and extent of the interest of that other entity; and
- If the interest was or is as a member or partner in another entity, a statement of all amounts paid or agreed to be paid to him or her or the entity in cash, \*securities or otherwise by any \*person to induce him or her to become or to qualify him or her as, a director, or for services rendered by him or her or by the entity in connection with the promotion or formation of the listed entity;

1.4.7 It must include statements that:

- ASX does not take any responsibility for the contents of the \*information memorandum;
- The fact that ASX may admit the entity to its \*official list is not to be taken in any way as an indication of the merits of the entity;
- If the \*information memorandum includes a statement claiming to be made by an expert or based on a statement made by an expert, a statement that the expert has given, and has not withdrawn, consent to the issue of the \*information memorandum with the particular statement included in its form and context; and
- the entity has not raised any capital for the 3 months before the date of issue of the \*information memorandum and will not need to raise any capital for 3 months after the date of issue of the \*information memorandum; and

1.4.8 It must include a statement that the entity will issue a supplementary information memorandum if the entity becomes \*aware of any of the following between the issue of the \*information memorandum and the date the entity's \*securities are \*quoted or reinstated:

- A material statement in the \*information memorandum is misleading or deceptive.
- There is a material omission from the \*information memorandum.
- There has been a significant change affecting a matter included in the \*information memorandum.
- A significant new circumstance has arisen and it would have been required to be included in the \*information memorandum.

Introduced 01/05/13. [Amended XX/XX/XX](#)

1.5 If in accordance with the statement required to be included in an \*information memorandum by rule 1.4.8 an entity becomes obliged to issue a supplementary information memorandum, the supplementary information memorandum must satisfy the following requirements:

- 1.5.1 It must include a prominent statement that it is a supplementary information memorandum;
- 1.5.2 It must correct the misleading or deceptive statement in or material omission from the information memorandum or give details of the significant change or significant new circumstance (as the case may be);
- 1.5.3 It must be signed by every director, and proposed director, of the entity personally or by a person authorised in writing by the director (in the case of a trust, director of the responsible entity); and
- 1.5.4 It must include the date it was signed.

Introduced 01/05/13 Amended XX/XX/XX

[...]

## ASX Debt Listing

### Requirements for admission as an ASX Debt Listing

- 1.8 For an entity to be admitted to the official list as an ASX Debt Listing, the following conditions must be met to ASX's satisfaction.

Introduced 01/07/96 Amended 30/09/01

**Condition 1** The entity must be seeking quotation of debt securities only.

Introduced 01/07/96 Origin: Listing Rule 1A(3)(a)

**Condition 2** The entity must be:

- a public company limited by shares; or
- a government borrowing authority; or
- a public authority; or
- a person approved by ASX.

Introduced 01/07/96 Origin: Listing Rule 1A(3)(a) Amended 01/07/00, XX/XX/XX

**Condition 3** An entity must satisfy one of (a), (b) or (c):

- (a) the entity must:
- have net tangible assets at the time of admission of at least \$10 million or, if the entity is a trustee, the trust must have net tangible assets of at least \$10 million; and
  - give ASX any accounts, together with any audit report or review for the last 2 full financial years (or a shorter period if ASX agrees). If the accounts have not been audited or reviewed, the entity must tell ASX; or
- (b) all debt securities to be issued by the entity for which the entity will seek quotation will be unconditionally and irrevocably guaranteed for the period of quotation of the securities, and the guarantor must:
- be a company which at the time of admission of the entity has net tangible assets of at least \$10 million; and
  - give ASX its accounts, together with any audit report or review for the last 2 full financial years (or a shorter period if ASX agrees); and

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- The entity is the issuer of the debt securities.¶
- The trust is a special purpose trust constituted solely for the purpose of the issue of the class of debt securities to be listed on ASX.¶

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- provide an undertaking to provide to ASX for release to the market the documents required to enable the entity to comply with rule 4.7A.1.

If its \*accounts have not been audited or reviewed, the guarantor must tell ASX: or

- (c) the \*debt securities for which the entity seeks quotation are rated at least "investment grade" by any of Moody's Investor Services Inc., Standard & Poors, Inc., and Fitch, Inc. or any other credit rating agency advised to the market by ASX from time to time or any of their subsidiaries and none of those credit rating agencies, has issued a rating less than "investment grade" in relation to those \*debt securities.

Note: If the issue of debt securities is a retail issue, ASX would expect the issuer to provide investors with details of not only the rating, but also some explanation of the rating and its significance in the context of other ratings. For example, this could be done by including a comparative table, with brief descriptions of each category of rating.

ASX recognises that there may need to be changes to the credit rating agencies on whose ratings it believes it can reasonably rely. Those changes may consist of either additions to or deletions from the list of credit ratings agencies advised by ASX to the market.

Introduced 01/07/96 Amended 30/09/01, 24/10/05, XX/XX/XX

Condition 4 If the \*debt securities to be quoted on ASX are \*retail securities, the entity's structure and the terms of the \*debt securities must be appropriate for \*retail securities.

Introduced 01/07/96 Amended 30/09/01, 24/10/05, XX/XX/XX

Condition 5 The entity must apply for and be granted \*quotation of all the \*securities that are in the \*class for which it seeks \*quotation.

Introduced 01/07/96

Note: There must be a deed for debt securities and convertible debt securities. See rule 2.1.

Debt securities belong to the same class if they have the same issue date, same maturity date and are issued on exactly the same terms as each other. For asset-backed securities to belong to the same class, they must also confer on investors recourse to the same pool of assets or rights on the same terms, and with the same priority ranking.

Cross reference: Chapter 2.

Condition 6 If the entity is a \*foreign entity, ASX must be satisfied that the entity complies with its constitution and the laws that govern it, and the listing rules (or their equivalent) of its \*overseas home exchange (if any).

Introduced 01/09/16 Origin: Listing Rules 1A(8)(i) and 1.8 Condition 4(d)

Condition 7 If the entity is a \*foreign company, it must be registered as a foreign company carrying on business in Australia under the Corporations Act.

Introduced 01/07/96 Origin: Listing Rules 1A(8)(i) and 1.8 Condition 4(b) and (c) Amended 01/07/00, 24/10/05, 04/03/13, XX/XX/XX

Condition 8 If the entity is a trust:

- (a) the \*responsible entity of the trust must be the issuer of the debt securities;
- (b) the trust must be a special purpose trust constituted solely for the purpose of issuing the class or classes of debt securities to be quoted on ASX;

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(a) If the entity has a \*certificated subregister for quoted \*securities, it must establish in Australia an Australian \*securities register (or subregister). If ASX agrees, other appropriate facilities for the registration of transfers may be provided instead of an Australian \*securities register (or subregister).¶

(b) . It must appoint an agent for service in Australia.¶

(c) It must be registered as a foreign company under the Corporations Act.¶

(d) . ASX must be satisfied that the entity complies with its constitution and the laws that govern it, and the listing rules (or their equivalent) of its \*overseas home exchange (if any).¶

(e) ASX must be satisfied that the \*debt securities to be quoted are financial products as defined in the Corporations Act.¶

Introduced 01/07/96 Origin: Listing Rule 1A(8)(i) Amended 01/07/00, 24/10/05, 04/03/13¶

Note: A subregister for CDIs is a securities subregister.¶

Cross reference: rules 8.2, 8.15.¶

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- (c) if the \*debt securities to be quoted on ASX are \*retail securities, it must be a registered managed investment scheme or have an exemption from ASIC from that requirement; and
- (d) if the entity is a \*foreign trust, its \*responsible entity must either be an \*Australian company or registered as a foreign company carrying on business in Australia under the Corporations Act.

Introduced XX/XX/XX.

Condition 9

The entity must appoint a person to be responsible for communication with ASX in relation to listing rule matters.

Introduced 11/3/02

Note: For many entities the company secretary will be an appropriate person to be responsible for liaison with ASX, although this may not always be the case, taking into account the structure of the entity. ASX expects that the person will have a high degree of familiarity with an entity's operations or have ready access to senior management who have responsibility for day to day management of the entity.

An entity may nominate more than one person to be responsible for communication with ASX but at any time at least one of the persons nominated must be available to ASX.

The nomination of such a person is for administrative convenience only and does not in any way abrogate the responsibility that lies on the listed entity under the Listing Rules.

**Deleted:** 01/07/96 Origin: Listing Rules 1A(3)(a)(ii)  
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Condition 10

The entity must:

- (a) agree with ASX in writing that documents may be given to ASX and authenticated electronically.
- (b) establish the facilities required for the entity to give documents to ASX electronically.

Introduced 01/01/03 Amended XX/XX/XX

Cross-reference: Listing rules 15.3 and 15.4A, ASX Guidance Note 20 - ASX Online.

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Condition 11

The entity must either:

- (a) be approved to act as an issuer of quoted \*securities under the operating rules of an \*approved CS facility; or
- (b) if the entity is established in a jurisdiction whose laws have the effect that the entity's \*securities cannot be registered or transferred under the operating rules of an \*approved CS facility, the issuer must be approved as a foreign issuer of \*CDIs under the operating rules of an \*approved CS facility.

Introduced XX/XX/XX

Condition 12

If the entity proposes to apply for quotation of \*asset-backed securities:

- (a) there must be a security trustee or other independent \*person representing the interests of the holders of the \*asset-backed securities; or
- (b) if the issue of \*asset-backed securities is secured by \*equity securities, or options, warrants or other rights relating to \*equity securities, the \*equity securities must:
  - be quoted on a stock exchange or traded on another regulated market; and
  - not constitute a majority interest or confer legal or management control of the companies that have issued them.

Introduced 24/10/05 Amended XX/XX/XX

Note: When deciding whether a retail issue of asset-backed securities should be listed, ASX would have regard to whether potential investors had enough information about the

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structure, the financial risks that might be involved and the recourse available to investors in the possible event of default.

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1.10 After it is admitted, an entity admitted as an ASX Debt Listing must comply with the following listing rules (and need not comply with the others).

Introduced 01/07/96 Amended 30/09/01

Note: If the entity admitted as an ASX Debt Listing is a trust, ASX may specify other rules to suit the circumstances.

1.10.1 In relation to \*debt securities:

- rules 2.1, 2.4, 2.5, 2.6, 2.7, 2.8, 2.9, 2.10, 2.14, 3.1, 3.1A, 3.1B, 3.10.3, 3.10.4, 3.10.5, 3.13.2, 3.13.3, 3.15, 3.17, 3.20, 4.11, Appendix 6A paragraphs 2 and 3, Chapter 8, rules 15.1.2, 15.2 to 15.10, and Chapters 16, 17, 18, 19, and any listing rules that ASX specifies either before or after the entity is admitted.

Introduced 01/07/96 Amended 01/07/97, 01/07/00, 30/09/01, 01/05/13

Note: Listing Rules 15.2 to 15.10 and Chapters 16, 17, 18 and 19 are more in the nature of procedural rules.

1.10.2 In relation to the entity as a whole:

- rules 3.14, 3.16 (other than 3.16.4), 3.18, 4.7A, 4.9, ~~12.6, 12.6A and 12.6B~~ and any listing rules that ASX specifies either before or after the entity is admitted.

Introduced 01/07/96 Amended 01/09/99, 01/07/00, 30/09/01, 01/07/14, ~~XX/XX/XX~~

Note: If the entity admitted as an ASX Debt Listing is a trust, ASX may specify other rules to suit the circumstances.

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## ASX Foreign Exempt Listing

### Requirements for admission as an ASX Foreign Exempt Listing

1.11 For an entity to be admitted to the \*official list as an ASX Foreign Exempt Listing, the following conditions must be met to ASX's satisfaction.

Introduced 01/07/96 Listing Rule 1B(1) Amended 30/09/01

**Condition 1** The entity must be a foreign entity and must have as its \*overseas home exchange a stock exchange or market which is a member of the World Federation of Exchanges (WFE) and acceptable to ASX.

Introduced 01/07/96 Origin: Listing Rule 1B(1)(b) Amended 01/05/13, ~~XX/XX/XX~~

**Condition 2** The entity must be subject to the listing rules (or their equivalent) of its \*overseas home exchange. ASX will not waive this rule.

Introduced 01/07/96 Origin: Listing Rule 1B(1)(c)

**Condition 3** ASX must be satisfied that the entity complies with the listing rules (or their equivalent) of its \*overseas home exchange.

Introduced 01/07/96 Origin: Listing Rule 1B(1)(h)

Example: One way for ASX to be satisfied of this is to take into account a statement signed by at least two directors that the entity complies with those listing rules (or their equivalent).

**Condition 4** The entity must inform ASX of any waiver of all or part of any listing rule (or the equivalent) of its \*overseas home exchange that will be in effect in respect of the entity on its admission to the \*official list. If ASX requires, the entity must release details of any such waiver to the market.

Introduced 08/09/15

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Note: Consistently with listing rule 19.2, the reference in this rule to a waiver includes any relief from or modification of all or part of a rule. Any waiver that is granted to the entity up to the time of its admission to the official list must be disclosed under this rule, so entities should disclose any pending waiver applications as part of their listing application. ASX will normally require disclosure to the market of any waiver disclosed under this rule, only if disclosure to the market would be required in relation to an equivalent waiver granted by ASX.

- Condition 5.** The entity must apply for and be granted permission for +quotation of:
- (a) if it is a +qualifying NZ entity, all of the +securities that are in that +class; or
  - (b) if it is not a +qualifying NZ entity, +securities that are in the +class for which it seeks +quotation.

Introduced 01/07/96 Amended 01/06/02, 08/09/15, XX/XX/XX

Note: Condition 6 is satisfied if permission for quotation (ie, not actual quotation) is granted on conditions. If a condition is not satisfied, the entity may be removed from the official list.

Cross reference: Chapter 2

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- Condition 6.** The entity must:
- (a) if it is a +qualifying NZ entity, satisfy either the profit test in rule 1.2 or the assets test in rule 1.3 (with the exception of rules 1.3.2 and 1.3.3(a)); or
  - (b) if it is not a +qualifying NZ entity, satisfy either the profit test in rule 1.12 or the net tangible assets test in rule 1.13.

Introduced 01/07/96 Origin: Listing Rule 1B(1)(a) Amended 01/06/02, 08/09/15, XX/XX/XX

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- Condition 7.** If the entity is a +foreign company and it is not a +qualifying NZ entity, it must be registered as a foreign company under the Corporations Act.

Introduced 01/07/96 Amended 30/09/01, XX/XX/XX

**Deleted:** Condition 7A If the place of the entity's primary listing is the NZX Main Board, the entity must satisfy either the profit test in rule 1.2 or the assets test in rule 1.3 (with the exception of rules 1.3.2 and 1.3.3(a)).¶

- Condition 8.** If the entity is a trust:
- (a) if it is not a +qualifying NZ entity, it must be a registered managed investment scheme or have an exemption from ASIC from that requirement;
  - (b) if it is not a +qualifying NZ entity and it is exempted from the requirement to be a registered managed investment scheme, its +responsible entity must be an +Australian company or registered as a foreign company carrying on business in Australia under the Corporations Act; and,
  - (c) no-one must be under an obligation to buy-back units in the trust or to allow a +security holder to withdraw from the trust.

Introduced 01/07/00 Amended XX/XX/XX

Introduced 08/09/15¶ Condition 8 . There must be at least 1,000 holders each having a parcel of +securities that are in the +class for which it seeks +quotation with a value of at least \$500.¶ Introduced 01/07/96 Amended 01/06/02¶

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- Condition 9.** The entity must appoint a person to be responsible for communication with ASX in relation to listing rule matters.

Introduced 11/03/02

Note: For many entities the company secretary will be an appropriate person to be responsible for liaison with ASX, although this may not always be the case, taking into account the structure of the entity. ASX expects that the person will have a high degree of familiarity with an entity's operations or have ready access to senior management who have responsibility for day to day management of the entity.

An entity may nominate more than one person to be responsible for communication with ASX but at any time at least one of the persons nominated must be available to ASX.

The nomination of such a person is for administrative convenience only and does not in any way abrogate the responsibility that lies on the listed entity under the Listing Rules.



**Condition 10** The entity must:

(a) ~~agree~~ with ASX in writing that documents may be given to ASX and authenticated electronically; ~~and~~

(b) ~~establish~~ the facilities required for the entity to give documents to ASX electronically.

Introduced 01/01/03 ~~Amended XX/XX/XX~~

Cross-reference: Listing rules 15.3 and 15.4A, ASX Guidance Note 20 - ASX Online.

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**Condition 11** If the ~~entity is a~~ **\*qualifying NZ entity**, the entity must satisfy ASX that each director or proposed director of the entity at the date of listing on ASX is of good fame and character.

Introduced 08/09/15 ~~Amended XX/XX/XX~~

Note: For the purposes of satisfying this condition, ASX will primarily have regard to the documents provided by the entity in response to the Information Form and Checklist (ASX Foreign Exempt Listing). However, it may also have regard to any other information it has about the directors or proposed directors and, in an appropriate case, may require an entity to provide additional information about its directors or proposed directors.

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**Condition 12** The entity must either:

(a) be approved to act as an issuer of quoted \*securities under the operating rules of an \*approved CS facility; or

(b) if the entity is established in a jurisdiction whose laws have the effect that the entity's \*securities cannot be registered or transferred under the operating rules of an \*approved CS facility, the issuer must be approved as a foreign issuer of \*CDIs under the operating rules of an \*approved CS facility.

~~Introduced XX/XX/XX~~

**The profit test for an ASX Foreign Exempt Listing that is not a \*qualifying NZ entity**

1.12 To meet the profit test for an entity that is not a \*qualifying NZ entity, an entity admitted as an ASX Foreign Exempt Listing must satisfy each of the following.

Introduced 01/07/96 Origin: Listing Rule 1B(1)(a)(ii) Amended 30/09/01, ~~XX/XX/XX~~

1.12.1 The entity must be a going concern. This rule is satisfied if the entity is the successor of a going concern.

Introduced 01/07/96 Origin: Listing Rule 1B(1)(a)(ii)

1.12.2 The entity's \*operating profit before income tax for each of the last 3 full financial years must have been at least \$200 million.

Introduced 01/07/96 Origin: Listing Rule 1B(1)(a)(ii) Amended 01/06/02

1.12.3 The entity's \*operating profit before income tax must have been, in ASX's opinion, derived from the entity's ordinary activities.

Introduced 01/07/96 Origin: Listing Rule 1B(1)(a)(ii)

1.12.4 The entity's \*accounts for the last 3 full financial years must have been prepared and audited to standards acceptable to ASX. The \*accounts must not have been qualified in a way that goes to whether the entity can continue as a going concern or has satisfied the profit levels required.

Introduced 01/07/96 Amended 01/07/00

Note: ASX will accept, for example, the use of International Financial Reporting Standards and International Standards on Auditing.

Cross reference: Listing rule 19.11A.

**The net tangible assets test for an ASX Foreign Exempt Listing that is not a \*qualifying NZ entity**

1.13 To meet the net tangible assets test for an entity that is not a \*qualifying NZ entity, at the time of admission, an entity admitted as an ASX Foreign Exempt Listing must have net tangible assets of at least \$2,000 million or a \*market capitalisation of at least \$2,000 million.

**Deleted:** at the time of admission

Introduced 01/07/96 Origin: Listing Rules 1B(1)(a)(i) Amended 30/09/01, 01/06/02, XX/XX/XX

[...]

1.15 After it is admitted, an entity admitted as an ASX Foreign Exempt Listing must comply with the following listing rules (and need not comply with the others).

Introduced 01/07/96 Origin: Listing Rule 1B(4) Amended 30/09/01

1.15.1 Rules 2.2, 2.7, 3.17.3, 3.17.4, 8.2, 8.10, 8.15, 8.21, 12.6, 15.2 to 15.6, 15.8, 15.9, Chapters 16, 17, 18 and 19 and any listing rules that ASX specifies, either before or after it is admitted. If the entity's \*securities are \*CHESS approved, it must also comply with listing rules 8.1, 8.3, 8.5, 8.6, 8.7, 8.11 and 8.17.

**Deleted:** 2.16,

1.15.2 If the entity is a \*qualifying NZ entity, rule 2.4.

1.15.3 If the entity is a company and it is not a \*qualifying NZ entity, rule 12.6A.

1.15.4 If the entity is a trust and it is not a \*qualifying NZ entity, rule 12.6B.

Introduced 01/07/96 Origin: Listing Rule 1B(4) Amended 01/07/98, 01/09/99, 01/07/00, 24/10/05, 08/09/15, XX/XX/XX

Note: rules 15.2 to 15.6, 15.8, 15.9, and Chapters 16, 17, 18 and 19 are more in the nature of procedural rules.

ASX will have regard to the information given in the application about the regulatory regime to which the entity is subject and the entity's circumstances generally when deciding if additional rules should be specified.

Examples: If a significant proportion of an entity's management, business, operations, assets or derivation of revenue is in Australia, ASX may specify additional listing rules with a view to ensuring that the entity is treated similarly to an Australian entity.

If an entity's financial statements are prepared using accounting standards that ASX is not prepared to accept in place of Australian standards, or the disclosure regime of the overseas home exchange is not broadly similar to ASX's, ASX may specify additional rules.

[...]

1.19 Admission to the \*official list, and the category of an entity's admission, is in ASX's absolute discretion. ASX may admit an entity on any conditions it thinks appropriate. ASX may grant or refuse admission without giving any reasons.

Introduced 01/07/96 Origin: Foreword, Listing Rules 1A(2)(c), 1B(1)(i) and 1B(2) Amended XX/XX/XX

Note: Guidance Note 1 Applying for Admission – ASX Listings has guidance on when ASX may exercise its discretion not to admit an entity to the official list.

**Deleted:** Example

**Deleted:** A

Cross reference: Listing rule 18.9.

**Deleted:** may be refused admission if its management does not, in ASX's opinion, have the skills and experience to ensure that it will discharge its obligations as a listed entity. In the case of a trust the management of the responsible entity must have the necessary skills and experience

# Proposed amendments to Chapter 2 of the ASX Listing Rules

## Chapter 2

### Quotation

[...]

#### Quotation of securities on admission

##### Main class of securities (ASX Listing) and debt securities (ASX Debt Listing)

2.1 For \*quotation of the \*main class of \*securities of an entity seeking admission to the \*official list as an ASX Listing, or of \*debt securities of an entity seeking admission to the \*official list as an ASX Debt Listing, the following conditions must be met to ASX's satisfaction.

Introduced 01/07/96 Origin: Listing Rule 2A(2) Amended 30/09/01

[...]

Condition 3

Either:

(a) the \*securities; or

(b) if the entity is established in a jurisdiction whose laws have the effect that the entity's \*securities cannot be registered or transferred under the operating rules of an \*approved CS facility, CDIs issued over those \*securities,

have been approved under the operating rules of an \*approved CS facility.

Introduced 01/07/96 Origin: Listing Rule 1A(1)(h) Amended 01/09/99, 30/09/01, 03/05/04, ~~XX/XX/XX~~

[...]

##### ASX Foreign Exempt Listing

2.2 For \*quotation of \*securities of an entity seeking admission to the \*official list as an ASX Foreign Exempt Listing, either:

(a) the \*securities; or

(b) if the entity is established in a jurisdiction whose laws have the effect that the entity's \*securities cannot be registered or transferred under the operating rules of an \*approved CS facility, CDIs issued over those \*securities,

must have been approved under the operating rules of an \*approved CS facility.

Introduced 01/07/96 Origin: Listing Rule 1B(1)(j) Amended 01/09/99, 30/09/01, 03/05/04, ~~XX/XX/XX~~

[...]

##### Requirements for quotation of additional securities

2.5 For an entity's \*securities (except its \*main class) to be quoted, the following conditions must be met to ASX's satisfaction.

[...]

**Deleted:** Any requirements of an \*approved CS facility's subregister system relating to the entity's \*securities must be satisfied. However, this rule does not apply to an entity established in a jurisdiction whose laws have the effect that the entity's \*securities cannot be approved under the operating rules of the

**Deleted:** Note: Listing rule 2.16 requires an entity established in a jurisdiction whose laws have the effect that the entity's securities cannot be approved under the rules of the approved CS facility to have CDIs issued over quoted securities if a security holder asks for CDIs.¶  
Note: Section 2 of the ASX Settlement Operating Rules provides that ASX Settlement may declare Excluded Classes of Financial Products from time to time and these Financial Products are not eligible for processing in CHESS. Cross reference: Section 2 ASX Settlement Operating Rules.¶  
A proper ASTC transfer is a proper ASTC transfer as defined in the Corporations Regulations.¶

**Deleted:** any requirements of an \*approved CS facility relating to its \*securities must be satisfied. However, this rule does not apply to an entity established in a jurisdiction whose laws have the effect that the \*securities cannot be approved under the operating rules of the \*approved CS facility.

Condition 3

Either:

(a) the \*securities; or

(b) if the entity is established in a jurisdiction whose laws have the effect that the entity's \*securities cannot be registered or transferred under the operating rules of an \*approved CS facility, CDIs issued over those \*securities,

have been approved under the operating rules of an \*approved CS facility.

Introduced XX/XX/XX

**Deleted:** [Deleted]

[...]

Condition 6

If the \*securities are a \*class of \*equity securities, or other \*securities with rights of \*conversion to equity, that are not already quoted, there must be at least 100,000 \*securities and 50 holders with a \*marketable parcel (excluding \*restricted securities or securities subject to \*voluntary escrow). This condition does not apply if either of the following requirements is met.

(a) The \*securities would be in the same \*class as the fully paid \*ordinary securities of the entity (ignoring the fact that they do not rank equally for the next dividend - in the case of a trust, distribution - and ignoring any right to participate in a concurrent offer) and there are at least 1 million \*securities.

(b) The \*securities are a \*class of partly paid \*securities, there are at least 1 million \*securities, they are paid to not less than 40% of their issue price and the uncalled amount is payable on a fixed date which is within 12 months after the \*issue date.

Introduced 01/07/96 Origin: Listing Rule 2A(5)(a) Listing rule 2.5 conditions 7 and 8 Amended 01/07/97, 04/03/13, XX/XX/XX

**Deleted:** 01/07/96 Origin: Listing Rules 2A(1)(b) and 3E(2) Deleted 01/07/98

Condition 7,

If the \*securities are options issued on the exercise of other options, the other options must have expired, or have all been exercised.

Introduced 01/07/96 Origin: Listing Rule 3E(13)(j)(iv)

Note: These options are sometimes called primary and secondary options. If the primary options do not have an expiry date, in order for this rule to be satisfied, all primary options must have been exercised.

**Deleted:** Condition 7 [Deleted]¶  
Introduced 01/07/96 Origin: Listing Rule 2A(5)(b)  
Deleted 01/07/97 Refer rule 2.5 condition 6¶  
Condition 8 [Deleted]¶  
Introduced 01/07/96 Origin: Listing Rule 2A(5)(c)  
Deleted 01/07/97 Refer rule 2.5 condition 6¶  
Condition 9 If any of the entity's quoted \*securities, or its \*securities that are to be quoted, are \*securities approved under the operating rules of an \*approved CS facility, a new \*class must be \*securities approved under the operating rules of the \*approved CS facility, unless the \*approved CS facility decides otherwise.¶  
Introduced 01/07/96 Origin: Listing Rule 2A(5A)  
Amended 11/03/04, 03/05/04¶  
Cross reference: Listing rule 8.1. ASX Settlement Operating Rules 8.1, 8.2, 8.3, 8.4 & 8.5.¶

[...]

CDIs

2.16

Introduced 01/09/99 Amended 30/09/01, 03/05/04, 01/01/12 Deleted XX/XX/XX

**Deleted:** 10

**Deleted:** An entity established in a jurisdiction whose laws have the effect that the entity's \*securities cannot be approved under the operating rules of the \*approved CS facility must have \*CDIs issued over quoted \*securities.¶

## Proposed amendments to Chapter 3 of the ASX Listing Rules

### Chapter 3

#### Continuous disclosure

[...]

- 3.10.4 The lodging of any <sup>+</sup>disclosure document or <sup>+</sup>PDS, or issuing of an <sup>+</sup>information memorandum. A copy of any <sup>+</sup>disclosure document or <sup>+</sup>PDS, must be given to ASX immediately after it is lodged with <sup>+</sup>ASIC. A copy of the <sup>+</sup>information memorandum must be given to ASX before it is issued.

Introduced 01/07/96 Origin: Listing Rules 3E(5)(a)(v), (vi) Amended 13/03/00, 11/03/02, ~~XX/XX/XX~~

Note: As at ~~XX/XX/XX~~, a <sup>+</sup>disclosure document for an offer of securities is defined in section 9 of the Corporations Act as meaning:

- (a) a prospectus for the offer; or
- (b) a profile statement for the offer; or
- (c) an offer information statement for the offer.

Cross reference: Listing rule 3.1.

- 3.10.5 An issue of <sup>+</sup>securities that has been made. If the issue is not a <sup>+</sup>pro rata issue, the entity must complete Appendix 3B and give it to ASX at the same time. If any of the <sup>+</sup>securities issued are <sup>+</sup>restricted securities or are subject to <sup>+</sup>voluntary escrow, the entity must tell ASX the number and <sup>+</sup>class of the <sup>+</sup>securities and the date from which they cease to be <sup>+</sup>restricted securities or subject to <sup>+</sup>voluntary escrow.

Introduced 01/07/96 Origin: Listing Rule 3E(5)(a)(iv) Amended 01/09/99, 01/07/00, 30/09/01, 14/04/14, ~~XX/XX/XX~~

Note: A pro rata issue includes a rights issue or a bonus issue. For a pro-rata issue to security holders, see chapter 7. In the case of securities which are subject to voluntary escrow, the entity must make arrangements with the holders of the securities that will enable it to comply with this rule.

Cross reference: Listing Rules 2.7, 3.10A and 4.10.14.

[...]

#### Forthcoming release of restricted securities and securities subject to voluntary escrow

- 3.10A An entity must tell ASX that <sup>+</sup>restricted securities or <sup>+</sup>securities subject to <sup>+</sup>voluntary escrow will be released. It must do so not less than <sup>+</sup>ten business days before the end of the escrow period.

Introduced 30/09/01 Amended 02/11/15, ~~XX/XX/XX~~

Note: In the case of securities which are subject to voluntary escrow, the entity must make arrangements with the allottees of the securities that will enable it to comply with this rule.

Cross reference: Listing rules 3.10.5 and 4.10.14.

[...]

#### Registers

- 3.15 An entity must immediately tell ASX the following information.

- 3.15.1 A change of address of an office at which a register of its <sup>+</sup>securities is kept.

Introduced 01/07/96 Origin: Listing Rule 3A(13)

**Deleted:** Note: Section 2 of the ASX Settlement Operating Rules provides that ASX Settlement may declare Excluded Classes of Financial Products from time to time and these Financial Products are not eligible for processing in CHESST. A proper ASTC transfer is a proper ASTC transfer as defined in the Corporations Regulations.

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**Deleted:** Securities issued under an employee incentive scheme that have restrictions on their transfer under the terms of the scheme are not regarded as being subject to voluntary escrow.

**Deleted:** Securities issued under an employee incentive scheme that have restrictions on their transfer under the terms of the scheme are not regarded as being subject to voluntary escrow.

3.15.2 If the entity is an \*Australian entity, a proposal to cease operating in Australia an Australian register (or subregister) of its \*securities. It must do so at least 20 \*business days before the date the register (or subregister) will cease to operate. The entity must also tell ASX the address of the register (or subregister) on which \*securities will be recorded.

Introduced 01/07/96 Origin: Listing Rules 3A(13A)(ii), (iii) Amended XX/XX/XX

Cross reference: Listing rule 8.2. ASX Settlement Operating Rule 5.4.3 requires an entity with CHES approved financial products to tell ASX Settlement if it intends to cease operating certain issuer sponsored or certificated subregisters.

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3.15.3 If the entity is a \*foreign entity, a proposal to cease operating in Australia a \*securities register (or subregister) or a register of depositary receipts. It must do so at least 20 \*business days before the date the register (or subregister) will cease to operate. The entity must also tell ASX the address of the register (or subregister) on which \*securities will be recorded, or give ASX information necessary to facilitate registration of its \*securities overseas.

Introduced 01/07/96 Origin: Listing Rules 3A(13A)(ii), (iii), (iv) Amended XX/XX/XX

Cross reference: Listing rules 1.1 Condition 4, 8.2 and 8.15. ASX Settlement Operating Rule 5.4.3 requires an entity with CHES approved financial products to tell ASX Settlement and each holder if it intends to cease operating certain issuer sponsored or certificated subregisters.

[...]

3.16.4 The material terms of any employment, service or consultancy agreement it or a \*child entity enters into with:

- its chief executive officer (or equivalent);
- any of its directors; or
- any other person or entity who is a \*related party of its chief executive officer or any of its directors,

and of any material variation to such an agreement.

Note: The entity may satisfy this obligation by giving a copy of the agreement or variation to ASX or an announcement summarising its material terms.

An entity, however, is not required to disclose under this rule:

- non-executive director fees paid out of a pool of remuneration approved by security holders;
- superannuation contributions in relation to such fees;
- an increase in director fees approved by security holders;
- periodic remuneration reviews in accordance with the terms of an employment, service or consultancy agreement;
- provisions entitling a chief executive officer or director to reimbursement of reasonable out of pocket expenses;
- provisions requiring the entity to indemnify officers or exempt them from liability that conform with section 199A of the Corporations Act (or, if the entity is a \*foreign entity, the laws applicable in the jurisdiction where it is established);
- provisions requiring the entity to maintain directors and officers liability insurance that conform with section 199B of the Corporations Act (or, if the entity is a \*foreign entity, the laws applicable in the jurisdiction where it is established);
- provisions (commonly referred to as "access arrangements") allowing a chief executive officer or director access to entity records for a period of time after they cease to be a chief executive officer or director;

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- a bona fide employment, service or consultancy agreement, or any bona fide variation to such an agreement, that it or a \*child entity has entered into with a relative of its chief executive officer, or a relative of any of its directors, that is on arms' length and ordinary commercial terms; or
- if it is a trust, any agreement or variation entered into by the \*responsible entity of the trust or a related body corporate where the costs associated with the agreement are borne by the \*responsible entity or the related body corporate from out of its own funds rather than from out of the trust.

Introduced 01/05/13 Amended 01/07/14, ~~XX/XX/XX~~

[...]

### Documents sent to or received from security holders

3.17 An entity must immediately give ASX:

3.17.1 A copy of a document it sends to holders of \*securities generally or in a \*class.

Introduced 01/05/13

3.17.2 If the entity is an \*Australian entity, a copy of a document it receives about a substantial holding of \*securities under Part 6C.2 of the Corporations Act that reveals materially different information to the most current information (if any) it has received about that substantial holding under Part 6C.1 of the Corporations Act.

Introduced 01/05/13, ~~Amended XX/XX/XX~~

Information that:

- a substantial holding differs (upwards or downwards) from a previously disclosed substantial holding by less than 1%; or
- the list of related entities that have a substantial holding has changed because of the creation, acquisition, dissolution or disposal of related entities,

is not considered materially different for the purposes of this rule.

3.17.3 If the entity is a \*foreign entity, a copy of a document it receives about a substantial holding of \*securities under any overseas law or provisions in the entity's constitution equivalent to Part 6C.1 of the Corporations Act.

Introduced 01/05/13 Amended 14/04/14, ~~XX/XX/XX~~

Note: Where an entity is established in Australia, a person who gives a substantial holding notice to the entity under Part 6C.1 of the Corporations Act is required to give a copy of that notice to ASX (section 671B(1)) and therefore it is not necessary for the entity to give a copy of that notice to ASX.

3.17.4 If the entity is a \*foreign entity, a copy of a document it receives about a substantial holding of \*securities under any overseas law or provisions in the entity's constitution equivalent to Part 6C.2 of the Corporations Act that reveals materially different information to the most current information it has received (if any) about that substantial holding under the overseas law or provisions in the entity's constitution referred to in rule 3.17.3.

Introduced 01/05/13, ~~Amended XX/XX/XX~~

Again, information that:

- a substantial holding differs (upwards or downwards) from a previously disclosed substantial holding by less than 1%; or
- the list of related entities that have a substantial holding has changed because of the creation, acquisition, dissolution or disposal of related entities,

is not considered materially different for the purposes of this rule.

Introduced 01/07/96 Origin: Listing Rules 3E(8)(b), 3E(8)(c), 3J(1)(a) Amended 01/05/13

Note: In some cases, an entity must give ASX a draft document (eg, a notice of meeting) in advance of it being sent out to holders of securities. See chapter 15.

**Deleted:** established i

**Deleted:** not established in Australia

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Example: A company must give ASX a copy of a letter sent to shareholders. A trust must give ASX a copy of a document sent to holders of interests in the trust under section 1017D of the Corporations Act so far as that document relates to the circumstances of holders of interests generally, and not to the individual circumstances of a holder.

Cross reference: Chapter 14 deals with the requirements for meetings. Chapter 4 deals with accounts and related disclosure.

[...]

**Laws affecting the rights or obligations of security holders in \*foreign entities,**

3.17C If a \*foreign entity becomes aware of a change to the laws applicable in the jurisdiction where it is established, that materially affects the rights or obligations of security holders, it must immediately give ASX details of that change.

Introduced 01/05/13 Amended XX/XX/XX

ASX Guidance Note 4 *Foreign Entities Listing on ASX* has guidance on the types of changes to law that may need to be disclosed under this rule.

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**Deleted:** established overseas

**Deleted:** that is not established in Australia

**Deleted:** law of its home jurisdiction



## **Proposed amendments to Chapter 4 of the ASX Listing Rules**

### **Chapter 4**

#### **Periodic disclosure**

[...]

4.2C The following rules apply to information or documents given to ASX under listing rule 4.2A.

[...]

4.2C.4 The statement of financial position may be condensed but must report as line items each significant class of asset, liability, and equity element with appropriate sub-totals. The statement of cash flows may be condensed but must report as line items each significant form of cash flow and comply with the disclosure requirements of AASB 107 Statement of Cash Flows or, for #foreign entities, the equivalent foreign accounting standard.

Introduced 01/01/03 Amended 17/12/10\_XXXXXX

Note: The information required by rule 4.2A may comprise a number of documents. In that case the documents must be merged into one pdf file to be eLodged. The first page of the file must contain a statement that all the documents comprise the information required by rule 4.2A and the statement required by rule 4.2C.2.

If the entity is a mining exploration entity or an oil and gas exploration entity which is not required to complete Appendix 4D, it is effectively required to comply only with listing rules 4.2C.1 and 4.2C.2.

Cross reference: Guidance Note 14 *ASX Market Announcements Platform*, Guidance Note 20 *ASX Online*.

## Proposed amendments to Chapter 7 of the ASX Listing Rules

### Chapter 7

#### Changes in capital and new issues

[...]

##### Exceptions to rule 7.1 and rule 7.1A

7.2 Rule 7.1 and rule 7.1A do not apply in any of the following cases.

[...]

*Exception 9* An issue under an \*employee incentive scheme if within 3 years before the \*issue date one of the following occurred.

- (a) In the case of a scheme established before the entity was listed — a summary of the \*terms of the scheme were set out in the \*prospectus, ~~\*PDS~~ or \*information memorandum.
- (b) Holders of \*ordinary securities have approved the issue of \*securities under the scheme as an exception to this rule. The notice of meeting must have included each of the following.
  - A summary of the \*terms of the scheme.
  - The number of \*securities issued under the scheme since the date of the last approval.
  - A \*voting exclusion statement.

Introduced 01/07/96 Origin: Listing Rule 7.2 Exception 8(a) & (b); Listing Rule 3E(6)(c)(viii)b Amended 01/07/00, 11/03/02, 31/04/04, 04/03/13, ~~XX/XX/XX~~

Note: Exception 9 is only available if there has been no change to the number or terms of the securities to be issued, the mechanism for pricing or payment or any other material terms of the scheme.

Deleted: Product Disclosure Statement

# Proposed amendments to Chapter 8 of the ASX Listing Rules

## Chapter 8

### Transfers and registration

[...]

#### Obligations in relation to approved CS facility subregister system

##### Complying with the rules of an approved CS facility

8.1 An entity must comply with the operating rules of the \*approved CS facility under which the \*securities of the entity, or CDIs issued over those \*securities, are approved.

Introduced 01/07/96 Origin: Listing Rule 3D(2A) Amended 11/03/04, 03/05/04, 04/03/13, xx/xx/xx

Note: CHES is an approved CS facility subregister system. An entity must comply with the ASX Settlement Operating Rules if any of its securities are CHES approved securities.

CDIs are securities.

Cross reference: ASX Settlement Operating Rules 1.2.2, 1.2.3 and 1.2.4. See also section 793C of the Corporations Act.

Deleted:

##### Registers to be kept

8.2 An entity must either:

(a) provide an \*issuer sponsored subregister for all quoted \*securities; or

(b) if the entity is established in a jurisdiction whose laws have the effect that the entity's \*securities cannot be registered or transferred under the operating rules of the \*approved CS facility, provide an \*issuer sponsored subregister for all \*CDIs.

Introduced 01/07/96 Origin: Listing Rule 3Y(1)(a) Amended 01/02/99, 01/09/99, 30/09/01, 03/05/04, 04/03/13, xx/xx/xx

Deleted: (other than an entity established in a jurisdiction whose laws have the effect that the entity's \*securities cannot be approved under the operating rules of the \*approved CS facility)

Deleted: except to the extent that rule 8.2.1 allows the entity to provide a \*certificated subregister. An

Deleted: approved

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8.2.1 A \*certificated subregister may only be provided for the following \*securities.

(a) Unquoted \*securities.

(b) \*Quoted securities that the laws of a foreign jurisdiction do not permit to be held on an \*issuer sponsored subregister over which CDIs are to be issued.

Note: In the case of CHES approved securities, an entity may have up to 3 subregisters in the CHES environment that make up its register:

- a CHES subregister, which is an uncertificated subregister that ASX Settlement maintains on behalf of the entity;
- an issuer sponsored subregister, which is an uncertificated subregister maintained by the entity through its registry; and
- a certificated subregister, which is maintained by the entity through its registry. However, unless the entity is prevented by the laws of a foreign jurisdiction from operating an issuer sponsored subregister, the only securities that may be kept on the certificated subregister are unquoted securities.

##### Examples:

Securities of an entity incorporated in a foreign jurisdiction that has a CHES subregister but is not allowed to have an issuer sponsored subregister. The entity must have a certificated subregister.

Securities of an entity incorporated in Australia and listed in a foreign jurisdiction that does not allow an issuer sponsored subregister. The entity must have an issuer sponsored subregister in Australia and may operate a certificated subregister in the foreign jurisdiction.

Securities of an entity incorporated in a foreign jurisdiction that is not allowed to have a CHES subregister or an issuer sponsored subregister to hold legal title to shares. The entity must have an issuer sponsored subregister for CDIs.

Deleted: S

Cross reference: Chapter 9, ASX Settlement Operating Rule 5.2. ASX Settlement Operating Rule 5.9 deals with standing instructions on changes between subregisters.

Introduced 01/07/96. Amended 01/07/98, 01/02/99, 11/03/02, 04/03/13, ~~XX/XX/XX~~

[...]

8.10.1 However, the entity may apply, or ask the \*approved CS facility to apply, a \*holding lock to prevent a transfer, or refuse to register a paper-based transfer document, in any of the following circumstances.

[...]

(e) If the transfer is paper-based, the entity is allowed to refuse to register it under rule 8.12.

Introduced 01/07/96 ~~Amended XX/XX/XX~~ Origin: Listing Rules 3D(3A)(b)(ii), 3D(3B)(b)(ii)b

**Deleted:** s 8.4 or

[...]

## Registers

### Foreign entity maintaining a register

8.15 ~~Introduced 01/07/96 Origin Listing Rule 1A(8)(i) Amended 01/07/00, 24/10/05 Deleted XX/XX/XX~~

**Deleted:** A foreign entity which has a certificated register for quoted \*securities must maintain in Australia a \*securities register.¶

## ***Proposed amendments to Chapter 12 of the ASX Listing Rules***

**Deleted:** Cross reference: Rules 1.1 Condition 4, 3.15.3, 8.2<sup>1</sup>

### **Chapter 12**

#### **On-going requirements**

[...]

##### **Registration as a foreign company**

**12.6A** A \*foreign company must remain registered as a foreign company carrying on business in Australia under the Corporations Act.

Introduced XX/XX/XX

**12.6B** A trust that is exempted from the requirement to be a registered managed investment scheme must continue to have as its \*responsible entity either an \*Australian company or a \*foreign company that is registered as a foreign company carrying on business in Australia under the Corporations Act.

Introduced XX/XX/XX

# Proposed amendments to Chapter 15 of the ASX Listing Rules

## Chapter 15

### Requirements for documents

[...]

#### Giving final documents to ASX

##### Place for lodging documents

15.2 To give a document to ASX, an entity must give it:

15.2.1 to the *\*market announcements office*, if any of the following apply.

- The document is for release to the market.  
Note: Drafts are given to the home branch.  
Financial statements and annual reports are released to the market.  
Cross reference: Guidance Note 14 ASX Market Announcements Platform.
- ASX has specified the *\*market announcements office* as the place for giving ASX the document.
- The document is in response to correspondence from the *\*market announcements office*.
- The document was sent to holders of the entity's *\*securities*.
- The document is a disclosure document, ~~*\*PDS*~~, ~~*\*information memorandum*~~, ~~*\*takeover document*~~, document setting out the terms of *\*debt securities* or *\*convertible debt securities*, or copy of the entity's constitution.
- The document is an Appendix 3B

Introduced 01/07/96 Origin: Listing Rule 3J(1)(a) Amended 01/07/97, 13/03/00, 01/07/00, 11/03/02, 01/01/03, 01/05/13, ~~XX/XX/XX~~.

Cross reference: Listing rule 15.3; Guidance Note 14 ASX Market Announcements Platform.

[...]

#### Foreign companies

15.15 A *\*foreign company's* constitution must not include provisions relating to *\*takeovers* or *\*substantial shareholdings*.

15.15.1 A *\*foreign company* listed before 1 July 1996 which has provisions relating to *\*takeovers* or *\*substantial holdings* in its constitution, must not have any sanctions or penalties in the constitution which entitle it or any other party to enforce any provisions relating to *\*takeovers* or *\*substantial holdings*. If there are sanctions or penalties in the constitution, they must not be enforced.

Deleted: Product Disclosure Statement

15.15.2 This rule does not prohibit provisions relating to \*takeovers or \*substantial holdings required under New Zealand Stock Exchange Listing Rules.

Introduced 01/07/96 Origin: Listing Rule 3J(31)(b) Amended 01/07/97, 13/03/00, XXXXXX

# Proposed amendments to Chapter 19 of the ASX Listing Rules

## Chapter 19

### Interpretation and definitions

[...]

#### References to quoted securities

19.6B Except in rule 8.2, a reference to quoted \*securities or to \*securities being quoted by ASX includes, where CDIs have been issued over an entity's securities, the \*securities over which the CDIs have been issued.

Introduced XX/XX/XX

[...]

19.11A If a listing rule requires an entity to give ASX \*accounts, the following rules apply.

- (a) If the entity controls an entity within the meaning of section 50AA of the Corporations Act or is the holding company of an entity, required by any law, regulation, rule or accounting standard, or if ASX requires, the \*accounts must be consolidated \*accounts.

Note: As at 13/3/2000 section 50AA of the Corporations Act says that an entity controls a second entity if the first entity has the capacity to determine the outcome of decisions about the second entity's financial and operating policies, and in determining whether the first entity has this capacity, the practical influence that it can exert and any practice or pattern of behaviour affecting the second entity's financial or operating policies is to be taken into account. A holding company has another body corporate as a subsidiary. See sections 9 and 46.

- (b) The \*accounts must be prepared to Australian accounting standards. If the entity is a \*foreign entity the \*accounts may be prepared to other standards agreed by ASX.

Note: ASX will agree, for example, to the use of International Financial Reporting Standards by a foreign entity.

- (c) If the listing rule requires audited \*accounts, the audit must be conducted in accordance with Australian auditing standards by a registered company auditor. If the entity is a \*foreign entity, the audit may be conducted in accordance with other standards agreed by ASX and may be conducted by an overseas equivalent of a registered company auditor.

- (d) If the listing rule requires \*accounts to be reviewed, the review must be conducted in accordance with Australian auditing standards. If the entity is a \*foreign entity, the review may be conducted in accordance with other standards agreed by ASX. Unless the listing rule says an independent accountant may conduct the review, it must be conducted by a registered company auditor (or, if the entity is a \*foreign entity, an overseas equivalent of a registered company auditor).

- (e) If there is a \*directors' declaration that relates to the \*accounts, the \*directors' declaration must be given to ASX with the \*accounts.

- (f) If there is a \*directors' report that relates to the period covered by the \*accounts, the \*directors' report must be given to ASX with the \*accounts.

Introduced 01/07/97 Amended 13/03/00, 01/07/00, 30/09/01, XX/XX/XX

[...]



## Definitions

19.12 The following expressions have the meanings set out below.

Introduced 01/07/96 Origin: Definitions

<b>Expressions</b>	<b>meanings</b>
...	...
<u>Australian company</u>	<u>a body corporate that is formed or established in Australia.</u> <u>(Introduced 01/09/16</u>
<u>Australian entity</u>	<u>an *Australian company or an *Australian trust.</u> <u>Introduced XX/XX/XX</u>
<u>Australian trust</u>	<u>either:</u> <u>(a) a registered managed investment scheme; or</u> <u>(b) a trust that is formed or established in Australia and that is</u> <u>not required to be registered as a managed investment</u> <u>scheme by virtue of section 601ED(2) of the Corporations</u> <u>Act.</u> <u>Introduced XX/XX/XX</u>
...	...
<u>disclosure document</u>	<u>includes a supplementary or replacement disclosure document</u>
...	...
<u>foreign company</u>	<u>a body corporate that is not formed or established in Australia.</u> <u>(Introduced 01/09/16</u>
<u>foreign entity</u>	<u>a *foreign company or a *foreign trust.</u> <u>Introduced XX/XX/XX</u>
<u>foreign trust</u>	<u>a trust or similar overseas entity that is not formed or established in</u> <u>Australia and that is not a registered managed investment scheme.</u> <u>Introduced XX/XX/XX</u>
...	...
<u>free float</u>	<u>the percentage of the *main class of *securities of an entity that:</u> <u>(a) are not *restricted securities or subject to *voluntary escrow;</u> <u>and</u> <u>(b) are held by *non-affiliated security holders.</u> <u>Introduced XX/XX/XX</u>
...	...
<u>information memorandum</u>	<u>includes a supplementary or replacement information memorandum</u> <u>Introduced XX/XX/XX</u>
...	...

market capitalisation

the number of securities in the main class on issue multiplied by the price decided by ASX.

Introduced 01/09/99 Amended 24/10/05, XX/XX/XX

Note: Where an entity is undertaking a material capital raising, ASX will normally use the offer price under the prospectus, PDS or information memorandum for that capital raising to calculate the entity's market capitalisation, ASX may, however, use a different price to determine market capitalisation if the entity is not undertaking a material capital raising or if ASX is concerned that the offer price under the prospectus, PDS or information memorandum does not fairly reflect the value of its main class of securities.

- Deleted: N
- Deleted: ASX will
- Deleted: issue or sale
- Deleted: Product Disclosure Statement

non-affiliated security holders

\*security holders who are not:

- (a) a related party of the entity;
- (b) an associate of a related party of the entity; or
- (c) a person whose relationship to the entity or a person referred to in (a) or (b) above is such that, in ASX's opinion, they should be treated as affiliated with the entity.

Introduced XX/XX/XX

...

...

PDS

means a Product Disclosure Statement (as defined in Chapter 7 of the Corporations Act) and includes a supplementary or replacement Product Disclosure Statement

Introduced XX/XX/XX

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prospectus

includes a supplementary or replacement prospectus

Introduced XX/XX/XX

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qualifying NZ entity

a \*foreign entity that has NZX as its \*overseas home exchange and whose \*securities are admitted to quotation on the main board of NZX.

Introduced XX/XX/XX

...

responsible entity

- (a) in relation to a registered managed investment scheme, the same meaning as in the Corporations Act;
- (b) in relation to a trust that is not a registered managed investment scheme, the entity that in ASX's opinion performs a substantially equivalent role in relation to the trust as the responsible entity performs in relation to a registered managed investment scheme.

Introduced XX/XX/XX

...

substantial holder

- (a) in relation to a company and a trust which is a registered managed investment scheme, a substantial holder under section 671B of the Corporations Act.
- Note: At 13/03/00, section 671B of the Corporations Act says a substantial holder means a person who has a substantial holding, that is the person and the person's associates have a relevant interest in not less than 5% of the total votes attached to the voting shares in the company or the voting interests in the scheme.
- Sections 608 and 609 of the Corporations Act explain when a person has a relevant interest in shares or interests in a scheme.
- (b) in relation to a trust which is not a registered managed investment scheme or which is a \*foreign trust, a person who would be a substantial holder under section 671B of the Corporations Act if references to a scheme and interests in the scheme in the Corporations Act were references to the trust and \*units in the trust.
- (c) in relation to a ~~foreign~~ company, a person who would be a substantial holder under section 671B of the Corporations Act if references to a company and its securities in the Corporations Act were references to the \*foreign company and its securities.

Introduced 01/07/96 Amended 13/03/00, 30/09/01, ~~XX/XX/XX~~

voluntary escrow

\*securities of an entity are subject to voluntary escrow where:

- (a) the entity and the holder of the \*securities have entered into an agreement restricting the right of the holder to dispose of the \*securities in a form similar to that set out in Appendix 9A or in such other form as the entity and the holder agree;
- (b) the entity and the holder were not required to enter into the agreement under Chapter 9; and
- (c) that agreement is still on foot.

Introduced XX/XX/XX

Note: Securities issued under an employee incentive scheme that have restrictions on their transfer under the terms of the scheme are not regarded as being subject to voluntary escrow.

Deleted: a corporation

**Drafting note:** Additional minor consequential amendments will be made to the ASX Listing Rules (including the Appendices) to apply the definitions introduced above.