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Listed Entities Update

29 October 2014

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Update no 10/14

1. Requirements for Ore Reserves under the JORC Code 2012 commencing 1 December 2014

New ASX Listing Rules for reporting on mineral reserves and resources, including the requirement to comply with the JORC Code 2012, commenced on 1 December 2013.

The rules provided a transition period for the requirement in the JORC Code 2012 for Ore Reserves to be defined by studies at Pre-Feasibility or Feasibility level until 1 December 2014.

This is a reminder that from 1 December 2014, clause 29 of the JORC Code 2012 will require Ore Reserves to be "defined by studies at Pre-Feasibility or Feasibility level as appropriate that include application of Modifying Factors".

It should be noted that Clause 29 of the JORC Code does not require a formal Pre-Feasibility or Feasibility Study, but rather "studies at Pre-Feasibility or Feasibility level". That is, the information related to the Modifying Factors must be at "Pre-Feasibility or Feasibility level".

Where an entity has an operating mine for an Ore Reserve, its Life of Mine Plan would generally be expected to contain information at better than Pre-Feasibility or Feasibility level for the whole range of inputs normally required for a Pre-Feasibility or Feasibility study and this would meet the requirement in Clause 29 for the Ore Reserve to continue that classification. Where, however, its Life of Mine Plan does not contain information at Pre-Feasibility or Feasibility level, it will have to upgrade its Life of Mine Plan to Pre-Feasibility or Feasibility level before 1 December 2014 or else downgrade the Ore Reserve to a Mineral Resource.

Where an entity does not have an operating mine and it has not undertaken studies at the Pre-Feasibility or Feasibility level as appropriate before declaring an Ore Reserve, it will need to do so before 1 December 2014 or else downgrade the Ore Reserve to a Mineral Resource.

It should be noted that any material change to an Ore Reserve on or after 1 December 2013 will need to comply with the new disclosure rules, in particular, clauses 4, 5 and 35 of the JORC Code 2012 and Listing Rule 5.9. Amongst other things, this will require the publication of a brief summary of the information in relevant sections of Table 1 or, if a particular criterion is not relevant or material, a disclosure that it is not relevant or material and a brief explanation of why this is the case.

If you have any questions contact your listings compliance adviser or you can email resource.reportingfaq@asx.com.au.

2. Update to ASX Listing Rules Guidance Note 17 Waivers and In-

Principle Advice

ASX released an updated version of ASX Listing Rules Guidance Note 17 Waivers and In-Principle Advice on 22 September 2014 with further guidance in:

- **Section 4 (standard vs non-standard waivers)** - confirming that ASX will generally grant a standard waiver upon request and without requiring detailed submissions in support of the application.
 - **Section 6 (applications for waivers)** - more clearly differentiating between the contents ASX expects to be included in an application for a standard waiver versus an application for a non-standard waiver.
 - **Section 7 (reasons for decision)** - noting that, in the case of a standard waiver, the basis for decision will typically state that the waiver granted is a standard one granted upon request under Guidance Note 17 and nothing more.
 - **Section 10 (appeals from waiver decisions)** - on the appeal fee payable for appeals to the ASX Appeals Tribunal.
 - **Annexure (standard waiver requests)** - adding 3 new standard waivers:
 - A waiver from Listing Rule 7.1 to permit an entity to issue securities pursuant to an underwriting agreement for the entity's dividend or distribution reinvestment plan ("DRP") in respect of the next upcoming DRP only without obtaining security holder approval, provided:
 - the underwritten securities are issued not later than 15 business days after the dividend/distribution payment date;
 - related parties and their associates do not act as underwriter or sub-underwriters to the DRP unless they obtain prior security holder approval under Listing Rule 10.11;
 - the DRP does not contain a limit on security holder participation; and
 - any securities issued in accordance with the instructions of the underwriter or sub-underwriter are issued at a price equal to or greater than the price at which other securities under the DRP are issued.
 - Where:
 - an entity's securities are suspended from official quotation following the appointment of an administrator to the entity's business, property and affairs;
 - creditors of the entity have agreed to the restructure and recapitalisation of the entity pursuant to a deed of company arrangement and the entity is proposing an issue of securities as part of, or in conjunction with, that proposal that requires the approval of the holders of ordinary securities under:
 - Listing Rule 7.1 and the notice of meeting includes the statement required by Listing Rule 7.3.2 that the securities will be issued no later than three months after the date of the meeting; or
 - Listing Rule 10.11 and the notice of meeting includes the statement required by Listing Rule 10.13.3 that the securities will be issued not more than one month after the date of the meeting; and
 - the entity's securities remain suspended from quotation pending compliance with Listing Rules 12.1 and 12.2,
- a waiver from Listing Rule 14.7 to permit the securities to be issued outside the three month and one month period respectively, provided that:
- the securities are issued on the same terms and conditions as approved by the holders of ordinary securities and before the suspension is lifted; and
 - the circumstances of the entity have not changed materially since the holders of ordinary securities approved the issue of securities.
- A waiver from Listing Rule 14.7 to permit the entity not to comply with the voting exclusion statement in its notice of meeting that has been sent to security holders, in relation to a resolution to ratify an issue or approve a proposed issue of securities for the purposes of the

Listing Rules so that the votes of security holders who participated or propose to participate in the issue may be counted, if and to the extent only that those holders ("Nominee Holders") are acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of beneficiaries who did not or will not participate in the issue, on the following conditions:

- » the beneficiaries provide written confirmation to the Nominee Holders that they did not participate in the issue or will not participate in the proposed issue (as the case may be), nor are they an associate of a person who participated in the issue or will participate in the proposed issue (as the case may be);
- » the beneficiaries direct the Nominee Holders how to vote on the resolution;
- » the Nominee Holders do not exercise discretion in casting a vote on behalf of the beneficiaries; and
- » the terms of the waiver are immediately released to the market.

The final waiver in the annexure to Guidance Note 17 has also been modified to use language consistent with the last of the three new waivers mentioned above. It now reads:

- » A waiver from Listing Rule 14.11 to permit a voting exclusion statement relating to a resolution to ratify an issue or approve a proposed issue of securities for the purposes of the Listing Rules to state that an entity need not disregard a vote if it is cast by a holder ("Nominee Holder") acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary, on the following conditions:
 - » the beneficiary provides written confirmation to the Nominee Holder that they did not participate in the issue or will not participate in the proposed issue (as the case may be), nor are they an associate of a person who participated in the issue or will participate in the proposed issue (as the case may be);
 - » the beneficiary has directed the Nominee Holder how to vote on the resolution; and
 - » the Nominee Holder does not exercise discretion in casting a vote on behalf of the beneficiary.

3. Dilution factor

Following its recent [public consultation](#), ASX will change the methodology to calculate a dilution factor for a special dividend, or other form of non-recurring special cash distribution.

Effective Monday, 3 November 2014, a dilution factor for a special dividend will be only calculated and published where the value of the payment is greater than or equal to five per cent of the share's closing price at the time of calculation (the day before the ex-date date).

This change will apply to special dividends with an ex-date after the effective date. There will be no recalculation of past dilution factors that have been published for special dividends with an ex-date prior to the effective date.

There is no change to the methodology used to adjust exchange traded options where there is a special dividend.

4. Next non-business day

ASX reminds listed entities that the next non-Business Day is Tuesday 4 November 2014, Melbourne Cup Day. Please take this into account if you are planning the timetable for a corporate action that will run over a period including that date. Despite being a non-Business Day, this day is a trading day and ASX will be open for trading on Melbourne Cup Day. The ASX Settlement Calendar which advises these dates is available on the ASX website.

5. Periodic report due date reminder

Listed entities are reminded of upcoming deadlines for periodic reports:

- Annual Reports, 30 June balance date - Friday 31 October 2014
- Quarterly Reports for Mining and Commitments Test Entities - Friday 31 October 2014

6. External notification list for market announcements on ASX Online

Listed entities are reminded to regularly review the list of email addresses on the User Email Preferences screen of ASX Online. The list allows you to determine who receives emails notifying market announcements made by the entity (including a copy of the announcement). The list should be reviewed to ensure staff or directors who have departed or changed roles are removed if required and that new staff requiring such notifications are added.

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