



## Class Waiver Decision – Temporary Extra Placement Capacity

**Note: This Class Waiver Decision replaces the ASX Class Waiver Decision titled ‘Class Waiver Decision – Temporary Extra Placement Capacity’ dated 9 July 2020<sup>1</sup> and applies to relevant capital raisings that satisfy conditions 3.1, 3.2 and 3.3 below and are announced to the market on or after 16 September 2020 and on or before 30 November 2020.**

1. Subject to Resolutions 3, 4 and 5 below, pursuant to listing rule 18.1, ASX Limited grants all entities admitted to the official list in the ASX Listing category a class waiver from listing rules 7.1, 7.40 and 10.11 to the extent necessary to do each of the following.
  - 1.1 Apply listing rule 7.1 as if the variable “B” in the formula in that rule was 25% rather than 15% (the “**Temporary Extra Placement Capacity Waiver**”), subject to the following conditions.
    - 1.1.1 An entity may utilise the Temporary Extra Placement Capacity Waiver to make a single placement of fully paid ordinary securities only (“**Placement**”).
    - 1.1.2 Any securities issued under the Placement in excess of the entity’s ordinary 15% placement capacity under listing rule 7.1 are to be disregarded for the purposes of calculating variable ‘C’ in that rule for 12 months following the Placement. The issue of any securities in the Placement in excess of the entity’s ordinary 15% placement capacity under listing rule 7.1 also is not able to be approved or ratified under listing rule 7.1 or 7.4 so as to increase the entity’s placement capacity under listing rule 7.1 over those 12 months.
    - 1.1.3 The entity must undertake the Placement either in conjunction with:
      - (a) an offer of securities under a pro rata issue that satisfies the requirements of exceptions 1, 2 or 3 of listing rule 7.2 (“**Entitlement Offer**”); or
      - (b) an offer of securities under a security purchase plan that satisfies the requirements in resolution 1.2 below (“**SPP Offer**”).
    - 1.1.4 Securities issued under the Entitlement Offer or the SPP Offer must be issued at a price no greater than the Placement price.
    - 1.1.5 The entity must, within 5 business days of completing the Placement, announce to the market:
      - (a) the results of the Placement;
      - (b) reasonable details of the approach the entity took in identifying investors to participate in the Placement and how it determined their respective allocations in the Placement (including the key objectives and criteria that the entity adopted in the allocation process, whether one of those objectives was a best effort to allocate pro-rata to existing holders and any significant exceptions or deviations from those objectives and criteria); and
      - (c) that, as far as the entity is aware, no securities were issued or agreed to be issued in the Placement to any person referred to in listing rule 10.11 without one of the following applying:

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<sup>1</sup> The Class Waiver Decision dated 31 March 2020 continues to apply to relevant capital raisings announced in the period from and including 31 March 2020 to and including 22 April 2020. The Class Waiver Decision dated 23 April 2020 continues to apply to relevant capital raisings announced in the period from and including 23 April 2020 to and including 8 July 2020. The Class Waiver Decision dated 9 July 2020 continues to apply to relevant capital raisings announced in the period from and including 9 July 2020 to and including 15 September 2020.



- (i) the issue or agreement was approved by, or is conditional upon the approval of, security holders in accordance with listing rule 10.11;
  - (ii) the issue or agreement was made in accordance with an exception in listing rule 10.12; and
  - (iii) the issue or agreement was made in accordance with a waiver granted by ASX from listing rule 10.11.
- 1.1.6 The entity must within 5 business days of completing the Placement supply to ASIC and ASX (in the case of ASX, not for release to the market) a detailed allocation spreadsheet in electronic format showing:
  - (a) full details of the persons to whom securities were allocated in the Placement (including their name, existing holding as understood by the entity, the number of securities they applied for at or above the final price or were offered in the Placement, and the number of securities they were allocated); and
  - (b) full details of persons who applied for securities at or above the final price and who did not receive an allocation in the Placement (including their existing holding as understood by the entity and the amount of securities applied for at or above the final price).
- 1.1.7 To the extent that an entity has issued or agreed to issue any securities without security holder approval under listing rule 7.1<sup>2</sup> within the 12 months preceding the issue of any securities under this Temporary Extra Placement Capacity Waiver, those securities are to be counted as utilising part of the Temporary Extra Placement Capacity Waiver.
- 1.1.8 An entity that already has a valid additional 10% placement capacity approved by security holders under listing rule 7.1A is permitted to use its existing rule 7.1A 10% placement capacity, or the extra 10% placement capacity available under the Temporary Extra Placement Capacity Waiver, provided:
  - (a) the total number of fully paid ordinary securities issued under either capacity (or a combination of both) does not exceed 10%; and
  - (b) to the extent that an entity has issued or agreed to issue any securities under an existing listing rule 7.1A mandate<sup>3</sup> within the 12 months preceding the issue of any securities under this Temporary Extra Placement Capacity Waiver, the increase in capacity pursuant to the Temporary Extra Placement Capacity Waiver is limited to the remaining capacity under listing rule 7.1A.
- 1.2 Issue securities under a security purchase plan that satisfies the conditions in *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*<sup>4</sup> or that would otherwise satisfy those conditions but for the fact that the entity's securities have been suspended from trading on ASX for

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<sup>2</sup> To avoid doubt, an issue of securities that is approved by security holders under listing rule 7.4 or is made under an exception in listing rule 7.2 is not regarded for these purposes as having been made without security holder approval under listing rule 7.1.

<sup>3</sup> Again, to avoid doubt, an issue of securities that is approved by security holders under listing rule 7.1 or 7.4 or is made under an exception in listing rule 7.2 is not regarded for these purposes as having been made under an entity's existing listing rule 7.1A capacity.

<sup>4</sup> To avoid doubt, an entity that has the benefit of a waiver or exemption from ASIC to allow it to make offers of more than \$30,000 to individual holders under that instrument in any 12 month period, is regarded as satisfying the conditions in that instrument (see listing rule 19.3(b)).



more than a total of 5 days during the 12 months before the day on which the offer is made under the plan (or, if the entity's securities have been quoted on ASX for less than 12 months, during the period of quotation), without the approval of the holders of ordinary securities under listing rule 7.1, on the following conditions.

1.2.1 If the SPP Offer is preceded by a placement as contemplated in resolution 1.1.3(b) above:

- (a) the price applying to the SPP Offer must comply with Resolution 1.1.4 above; and
- (b) if there is a limit on the amount to be raised under the SPP Offer, the entity must use all reasonable endeavours to ensure that SPP Offer participants have a reasonable opportunity to participate equitably in the overall capital raising and must disclose in the initial announcement of the capital raising why a limit is in place and how the limit was determined in relation to the total proposed capital raising.

1.2.2 If the SPP Offer is not preceded by a placement as contemplated in resolution 1.1.3(b) above, the price applying to the SPP Offer is such price as the directors of the entity may reasonably determine.

1.2.3 Any scale-back arrangements that are to be applied to the SPP Offer are clearly disclosed as part of the SPP Offer documentation.

1.2.4 The scale back arrangements may include measures to prevent security holders splitting holdings to obtain a larger offer under the SPP but otherwise must be applied on a pro rata basis to all participants based either on the size of their existing security holdings or the number of securities they have applied for.

1.3 Issue securities under a security purchase plan that satisfies the conditions in *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*<sup>5</sup> or that would otherwise satisfy those conditions but for the fact that the entity's securities have been suspended from trading on ASX for more than a total of 5 days during the 12 months before the day on which the offer is made under the plan (or, if the entity's securities have been quoted on ASX for less than 12 months, during the period of quotation), to a person referred to listing rule 10.11.1 to 10.11.5 without the approval of the holders of ordinary securities under listing rule 10.11, on the following conditions.

1.3.1 If the SPP Offer is preceded by a placement as contemplated in resolution 1.1.3(b) above:

- (a) the price applying to the SPP Offer must comply with Resolution 1.1.4 above.
- (b) if there is a limit on the amount to be raised under the SPP Offer, the entity must use all reasonable endeavours to ensure that SPP Offer participants have a reasonable opportunity to participate equitably in the overall capital raising and must disclose in the initial announcement of the capital raising why a limit is in place and how the limit was determined in relation to the total proposed capital raising.

1.3.2 If the SPP Offer is not preceded by a placement as contemplated in resolution 1.1.3(b) above, the price applying to the SPP Offer is such price as the directors of the entity may reasonably determine.

1.3.3 Any scale-back arrangements that are to be applied to the SPP Offer are clearly disclosed as part of the SPP Offer documentation.

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<sup>5</sup> Again, to avoid doubt, an entity that has the benefit of a waiver or exemption from ASIC to allow it to make offers of more than \$30,000 to individual holders under that instrument in any 12 month period, is regarded as satisfying the conditions in that instrument (see listing rule 19.3(b)).



- 1.3.4 The scale back arrangements may include measures to prevent security holders splitting holdings to obtain a larger offer under the SPP but otherwise must be applied on a pro rata basis to all participants based either on the size of their existing security holdings or the number of securities they have applied for.
      - 1.4 Notify ASX of the results of a security purchase plan referred to in Resolutions 1.2 or 1.3 before noon (Sydney time) on the day which is 5 business days after the closing date for the plan, instead of doing so within 3 business days after the closing date for the plan, as required under listing rule 7.40 and section 12 of Appendix 7A.
2. Subject to Resolutions 3, 4 and 5 below, pursuant to listing rule 18.1, ASX Limited grants all entities admitted to the official list in the ASX Listing category a class waiver from listing rule 7.1 to permit an entity conducting a capital raising utilising the Temporary Extra Placement Capacity Waiver and which will consist of a Placement and an Entitlement Offer, to the extent necessary to permit the entity to calculate the number of equity securities which it may issue without security holder approval pursuant to the Placement on the basis that variable "A" of the formula in Listing Rule 7.1 is deemed to include the number of fully paid ordinary securities in the entity that may be issued under the underwritten component of the Entitlement Offer, subject to the following conditions:
  - 2.1 the ordinary securities issued under the Placement are to be included in variable "C" in the formula in listing rule 7.1, until their issue has been ratified by shareholders under listing rule 7.4 or 12 months has passed since their issue; and
  - 2.2 in the event that the full number of fully paid ordinary securities offered under the underwritten component of the Entitlement Offer are not issued, and the number of fully paid ordinary securities represented by the Placement thereby exceeds 25% of the actual number of the entity's fully paid ordinary securities following completion of the Entitlement Offer, the entity's 25% placement capacity under listing rule 7.1 following completion of the Entitlement Offer is to be reduced by that number of securities issued under the Placement that exceeded the entity's 25% capacity under listing rule 7.1 at the time of the Placement.
3. To have the advantage of the waiver in resolutions 1 and/or 2:
  - 3.1 an entity must give a written notice<sup>6</sup> to ASX (not for release to the market) before offering any securities in the Placement in question that it intends to rely on this waiver and explain the purposes for which the entity is seeking to raise capital and how they relate to the COVID-19 health crisis and/or its economic impact and its proposed allocation policies for the capital raising;
  - 3.2 the entity must satisfy ASX that the entity is raising capital predominantly for the purposes of addressing the existing or potential future financial effect on the entity as a result of the COVID-19 health crisis and/or its economic impact;
  - 3.3 ASX must have acknowledged by written notice to the entity that the details notified to ASX in the notice under condition 3.1 are acceptable and that the entity is therefore entitled to the benefit of this waiver;
  - 3.4 when it announces the capital raising the entity must include in the announcement a statement that it is relying on this waiver and explain the purposes for which the entity is seeking to raise capital and how they relate to the COVID-19 health crisis and/or its economic impact; and
  - 3.5 the entity must complete the capital raising within a reasonable period of making the announcement.

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<sup>6</sup> This includes an email (see listing rule 19.3(i)).



4. ASX may, by written notice to a listed entity, withdraw the benefit of this waiver from that entity at any time and for any reason. An entity that receives such a notice immediately ceases to have the benefit of, and may not rely on, this class waiver.
5. Unless ASX determines otherwise, resolutions 1 and 2 apply only to relevant capital raisings that satisfy conditions 3.1, 3.2 and 3.3 above and are announced to the market on or after 16 September 2020 and on or before 30 November 2020. ASX may withdraw this class waiver at any time before 30 November 2020 by publishing a market notice to that effect.

#### **Background to the Class Waiver**

On 31 March 2020, ASX Limited announced temporary capital raising relief recognising that many listed entities will need to raise capital due to the effects of the COVID-19 health crisis. ASX has granted a temporary class waiver to lift the 15% limit on placements in listing rule 7.1 to 25%, conditional on entities that avail themselves of the temporary extra placement capacity either making a follow-on pro rata entitlement offer under exceptions 1, 2 and/or 3 of listing rule 7.2 or a follow-on offer to retail investors under an SPP, in each case at the same or a lower price than the placement price.

The temporary relief originally applied until 31 July 2020 but was extended on 9 July 2020 to 30 November 2020, unless revoked earlier by ASX.

Dated 15 September 2020

Authorised and signed by:

*David Barnett*

David Barnett  
General Manager, ASX Listings Compliance