



Henry Morgan Limited  
ACN 602 041 770  
Level 9 Riverside Centre  
123 Eagle Street  
Brisbane QLD 4000

Henry Morgan

16 June 2017

Ms Lisa Banh  
Senior Advisor, Listings Compliance  
ASX Compliance Pty Ltd  
20 Bridge Street  
Sydney NSW 2000

Dear Lisa

We refer to your correspondence dated 13 June 2017.

As previously advised in its announcement to the market on 7 June 2017, the company responds as follows:

1. The delay in lodging the Appendices 3E was due to an inadvertent administrative oversight. Once this was identified, steps were immediately taken to prepare and finalise the Appendices 3E with the assistance of external legal advisors.
2. Miscommunication between internal and external advisors in relation to pricing resulted in the price of the shares bought back on 26 May 2017 being 1% above the maximum limit under Listing Rule 7.33.
3. The company takes this failure to comply with Listing Rule 7.33 very seriously, and has implemented an internal review of governance procedures. The company is also in the process of expanding its internal legal and compliance teams, and is undertaking compliance training regarding ASX Listing Rules and Corporations Act requirements on a weekly basis to ensure this does not occur again.

Yours faithfully

**Henry Morgan Limited**



13 June 2017

Ms Rachel Weeks  
Chief Operating Officer & General Counsel  
Henry Morgan Limited  
Level 9, Riverside Centre  
123 Eagle Street  
Brisbane QLD 4000

By email: [rachel@johnbridgeman.com.au](mailto:rachel@johnbridgeman.com.au)

Dear Ms Weeks,

**Henry Morgan Limited (the “Entity”): ASX query**

ASX Limited (“ASX”) refers to the following;

1. The announcements lodged by the Entity on the ASX Market Announcements Platform on Tuesday, 6 June 2017 and Wednesday, 7 June 2017 confirming the on-market buy-back of securities.
2. Listing rule 3.8A which requires an entity to complete the following documents and give them to ASX at the times set out below:

<i>Appendix 3E</i> Daily notification	—	✓	✓	✓	—	At least half an hour before the commencement of trading on the business day after any day on which shares are bought back.
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3. Listing rule 7.33 which states as follows.

**7.33** A company may only buy back shares under an on-market buy-back at a price which is not more than 5% above the +volume weighted average market price for +securities in that +class,



calculated over the last 5 days on which sales in the shares were recorded before the day on which the purchase under the buy-back was made.

Introduced 01/07/96 Origin: Listing Rule 3V(7)(b) Amended 11/01/10, 01/07/14

Note: Class Order 07/422 sets out the modification to Chapter 5C of the Corporations Act relating to on-market buy-backs by ASX-listed managed investment schemes. This provides, amongst other things, that a responsible entity that buys back an interest in the scheme must comply with the listing rules of ASX (as in force on [the date of commencement of s. 601KH]) that apply to buy-backs as if:

- (i) the scheme were a company included in the official list of the financial market of ASX; and
- (ii) interests in the scheme were shares in the company.

As the first Appendix 3E lodged on 7 June 2017 indicates that the on-market buy-back was conducted on 26 May 2017, the Appendix 3E should have been lodged with ASX by no later than 9.30am AEST on 29 May 2017. Further, as the securities the subject of the second Appendix 3E (correcting the Appendix 3E lodged on 6 June 2017) were purchased on 29 May 2017, this form should have been lodged by no later than 9.30am AEST on 30 May 2017. It appears that the Entity has breached listing rule 3.8A.

The updated Appendix 3E lodged on 7 June 2017 also states that the shares were bought back on 26 May 2017 at \$2.10, above the maximum price of \$2.09 permitted by listing rule 7.33.

Please note that ASX is required to record details of breaches of the listing rules by listed entities for its reporting requirements.

ASX reminds the Entity of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Entity make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

Having regard to listing rules 3.8A and 7.33, under listing rule 18.7 we ask that you answer each of the following questions.

1. Please explain why the Appendices 3E were lodged late.
2. Please explain why shares were bought back at a higher price than that permitted by listing rule 7.33.
3. The covering note to the 7 June 2017 lodgement notes that the Entity "...is undertaking steps to strengthen its governance compliance programme". Specifically, what steps does the Entity intend to take to ensure future compliance with listing rules 3.8A and 7.33?

Your response should be sent to me by e-mail at [lisa.banh@asx.com.au](mailto:lisa.banh@asx.com.au). It should not be sent to the ASX Market Announcements Office.

A response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (ie before 9.30 a.m. A.E.S.T.) on Friday, 16 June 2017.

Under listing rule 18.7A, a copy of this letter and your response will be released to the market, so your response should be in a form suitable for release and must separately address each of the questions asked.



If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

*[Sent electronically without signature]*

Lisa Banh

**Senior Adviser, Listings Compliance**