

18 June 2018

Ms Clare Porta  
Adviser, Listing Compliance (Sydney)  
ASX Limited  
Bridge Street  
SYDNEY NSW

Dear Ms Porta

**RE ASX Letter – App 3Y – Change of Director’s Interest Notice Query**

I refer to a letter from ASX dated 15 June 2018 to Clarius Group Ltd (CND) regarding the late lodgement of an Appendix 3Y lodged on 15 June 2018, requesting responses to three questions.

I refer to the following:

- Amended Appendix 3Y (originally lodged on 15 June 2018), lodged today, showing a corrected number for the number of shares held prior to the change the subject of the Appendix 3Y, being the purchase of 5,001 CND shares on 4 June 2018. The number of shares after the change is correct (46,488 shares) and has not been amended.
- A further Appendix 3Y advising of another purchase by Ms Elliott of 3,512 CND shares on 5 June 2018, lodged today.

In response to the questions raised I advise as follows:

1. *Please explain why the Notices were lodged late.*

These were isolated cases and although Ms Elliott was aware of the requirements the late advice to ASX was an oversight.

The late Notices relate to the following CND share purchases:

- 5,001 shares - Transaction value \$280
- 3,512 shares - Transaction value \$197

2. *What arrangements does CND have in place under Listing Rule 3.19B with its directors to ensure that it is able to meet its obligations under Listing Rule 3.19A?*

The Company has entered into agreements with each director requiring them to advise the Company of CND share transactions within 3 business days of the transaction to enable lodgement of the Appendix 3Y within the 5 business days requirement.

In addition:

- The Company reports directors' CND share holdings and movements in each monthly Board papers which serves as a reminder of the requirements.
- The Company's share trading policy requires directors and senior executives to seek written approval from the Chairman before they deal in any CND shares and a short trading window (usually one week) is set as a condition of the approval. This procedure is strictly applied and was applied in the cases above.
- On 17 June 2018, all Directors were reminded in writing of their obligations regarding dealings in CND shares and the reporting obligations to ASX.
- Prior to the above late Notices, the Directors believe that CND has complied with ASX disclosure requirements over a long period and this is evidenced by the recent timely lodgements of other Appendix 3Ys.

3. *If the current arrangements are inadequate or not being enforced, what additional steps does CND intend to take to ensure compliance with Listing Rule 3.19B?*

The Company believes it has the appropriate processes in place and a culture of compliance. Having regard to these processes and the actions already taken as set out above, the Company does not consider that any further steps need to be taken at this time.

Your faithfully,

Ian Gilmour  
Company Secretary



15 June 2018

Mr Ian Gilmour  
Company Secretary  
Clarius Group Limited  
Level 9  
1 York Street  
Sydney NSW 2000

By email

Dear Mr Gilmour,

**Clarius Group Limited (“CND”): Appendix 3Y – Change of Director’s Interest Notice Query**

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

1. The Change of Director’s Interest Notice lodged by CND on the ASX Market Announcements Platform on 15 June 2018 for Ms Jennifer Elliott (the “Notice”);
2. Listing rule 3.19A which requires an entity to tell ASX the following:
  - 3.19A.1 *The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.*
    - *On the date that the entity is admitted to the official list.*
    - *On the date that a director is appointed.*

*The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity’s admission or a director’s appointment.*
  - 3.19A.2 *A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust). The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.*
  - 3.19A.3 *The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.*
3. Listing rule 3.19B which states as follows:

*An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.*

The Notice indicates that a change in the notifiable interests of Ms Elliott occurred on 4 June 2018. It appears that the Notice should have been lodged with ASX by 12 June 2018. Consequently, CND may have breached Listing Rules 3.19A and/or 3.19B.

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

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

Having regard to listing rules 3.19A and 3.19B and Guidance Note 22: *“Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities”*, we ask that you answer each of the following questions:

1. Please explain why the Notice was lodged late.
2. What arrangements does CNL have in place under Listing Rule 3.19B with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does CNL intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by e-mail. It should not be sent directly to the ASX Market Announcements Office.

Your response is required as soon as reasonably possible and, in any event, **by not later than 9.30am (AEST) on Tuesday, 19 June 2018.**

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]*

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**Clare Porta**

Adviser, Listings Compliance (Sydney)