



Ms Violetta Codreanu

Senior Adviser, Listings (Sydney)

ASX Compliance

20 Bridge St

SYDNEY NSW 2000

By email: Violetta.Codreanu@asx.com.au

Dear Madam,

Pro-Pac Packaging Limited ("Company") – Appendix 3Y Query

Thank you for your letter to the Company dated 17 December 2018 regarding the Change of Director's Interest Notice for Ms Leonie Valentine lodged on Monday 17 December 2018 ("Appendix 3Y").

In answer to the three questions set out in your letter, the Company responds as follows:

1. The Board of directors approved a trading period of 2 weeks under the Company's Securities Trading Policy, following the release to the ASX of trading updates on 26 and 27 November 2018. The Company confirmed the opening of the approved trading period via email to directors on 28 November 2018, and included a reminder that directors must promptly provide details of share trading to enable the Company to file an updated Directors Interest Notice, as well as attaching a copy of the Company's Securities Trading Policy (which contains a requirement for directors to notify the Company of any share trading within 5 business days). A further reminder was sent to Ms Valentine on 28 November 2018.

The Company understands that Ms Valentine has appointed an attorney to act as the trustee of the superannuation fund (of which Ms Valentine is a member) who was hospitalized with a serious heart infection, and did not provide Ms Valentine with details of the relevant share trading until 15th December. Ms Valentine promptly forwarded the information to the Company on Saturday 15 December, in response to which the Company prepared and lodged the Appendix 3Y on Sunday 16 December, and it was released prior to market opening on the first trading day thereafter, 17 December 2018.

2. The Company and the Directors are aware of their obligations under ASX Listing rule 3.19A. Upon joining the board, each director is made aware of his or her obligations to, and signs a written undertaking to, provide the Company Secretary of the Company with all relevant information, within 4 business days, to enable the Company to comply with ASX Listing Rule

3.19 in relation to my interests in the Company's securities, and in contracts relevant to the Company's securities. The Company's Securities Trading Policy also sets out this requirement

3. The Company believes its current practices are adequate to ensure compliance with Listing Rule 3.19B.

Yours faithfully



Kathleen Forbes

Company Secretary



17 December 2018

Ms Kathleen Forbes
Company Secretary
Pro-Pac Packaging Limited
657 Pacific Highway
St Leonards NSW 2065

By email: kathleen.forbes@ppgaust.com.au

Dear Ms Forbes

Pro-Pac Packaging Limited ("PPG"): Appendix 3Y – Change of Director's Interest Notice

We refer to the following:

1. The Appendix 3Y lodged by PPG with ASX on Monday, 17 December 2018 for Ms Leonie Valentine (the "Appendix 3Y");
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) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. 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.

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The Appendix 3Y indicates that a change in the director's notifiable interests occurred on 29 November 2018. It appears that the Appendix 3Y should have been lodged with ASX by 6 December 2018. Consequently, PPG may be in breach of Listing Rules 3.19A and/or 3.19B. It also appears the director concerned may have breached section 205G of the Corporations Act.

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

ASX reminds PPG of its contract with ASX to comply with the Listing Rules. In the circumstances, ASX considers that it is appropriate that PPG 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*, under Listing Rule 18.7 we ask that you answer each of the following questions.

1. Please explain why the Appendix 3Y was lodged late.
2. What arrangements does PPG 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 PPG 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 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 (**i.e. before 9.30 a.m. AEDT) on Thursday, 20 December 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.

Kind regards

[Sent electronically without signature]

Violetta Codreanu
Senior Adviser, Listings Compliance (Sydney)