

VEALLS LIMITED

ACN 004 288 000

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21 November 2017

Company Announcements Office
Australian Securities Exchange
E-Lodgements

Dear Sir / Madam,

ON-MARKET BUY-BACK - ASX LISTING RULE WAIVERS

Further to the Company's announcement of 10 November 2017 regarding the on-market buy-back scheduled to commence today, the Company confirms that it has received the enclosed waivers of ASX listing rules 7.29 and 7.33, which are required in connection with the buy-back.

Yours faithfully



Duncan Veall
Company Secretary



21 November 2017

Mr Duncan Veall
Executive Chairman and Company Secretary
Vealls Limited
First Floor
484 Toorak Road
Toorak VIC 3142

By email: drveall@bigpond.com

Dear Mr Veall

Vealls Limited (the “Company”): request for Listing Rule waivers

I refer to Herbert Smith Freehills (“HSF”) letter dated 1 November 2017 applying on behalf of the Company for waivers from ASX Listing Rule 7.29 and 7.33. I am pleased to advise that ASX Limited (ASX) has decided to grant the waivers HSF have requested.

ASX’s formal decision is as follows:

DECISION

1. Based solely on the information provided, ASX Limited (“ASX”) grants Vealls Limited (“the Company”) waivers from the following:
 - 1.1. Listing rule 7.29 to the extent necessary to permit the Company to conduct an on-market buy-back in its income shares and capital shares (the “Income Shares”, “Capital Shares” and “Buy-Backs”) without on-market transactions in each class having been recorded on ASX on at least 5 days in the 3 months before the Company buys back the Income Shares and Capital Shares.
 - 1.2. Listing rule 7.33 to the extent necessary to permit the Company to conduct the Buy Backs at set prices.

On condition the terms of these waivers are released to the market.

2. ASX has considered the application of listing rules 7.29 and 7.33 only and makes no statement as to the Company’s compliance with other listing rules.

BASIS FOR DECISION

Listing rule 7.29

Underlying policy

1. A company may only buy back shares on-market if transactions in the company's shares have been recorded on the ASX on at least 5 days in the 3 months before it buys back the shares.

Facts and reasons for granting the waiver

2. In connection with the Company's Buy-Backs, the Company has released to the market an independent expert's report assessing the fair value for the Income Shares and Capital Shares the subject of the Buy-Backs. The underlying policy of listing rule 7.29 is to ensure a buy-back is not conducted in an illiquid stock. In this case, the Buy-Back prices are determined based on the independent expert's report which has been released to the market. By virtue of the independent expert's report and the mechanism of having a set Buy-Back price, the waiver is granted.

Listing rule 7.33

Underlying policy

3. Listing rule 7.33 restricts a company from buying back shares under an on-market buy-back at a price which is 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. This ensures that the buy-back price does not depart significantly from the market price.

Facts and reasons for granting the waiver

4. In connection with Company's Buy-Backs, the Company has released to the market an independent expert's report assessing the fair value for the Income Shares and Capital Shares the subject of the Buy-Backs. The underlying policy of listing rule 7.33 is to restrict the extent of any premium at which a company can buy-back its own shares to a 5% premium to the volume weighted average market price on which sales were recorded before the day on which the purchases under the Buy-Backs are made. Given the price at which Income Shares and Capital Shares are proposed to be bought back is determined based on the independent expert's report which has been released to the market, applying listing rule 7.33 would serve no policy purpose and a waiver can be granted.

As you will see, the waivers are subject to certain conditions. Under Listing Rule 18.1.1, these conditions must be complied with for the waivers to be effective.

ASX's power to vary or revoke waiver

It should be noted that under ASX Listing Rule 18.3, ASX may vary or revoke this waiver at any time.

Further enquiries

If you have any further enquiries in relation to this matter, please do not hesitate to contact me.

Yours sincerely

[Sent electronically without signature]

John Johansson
Senior Adviser, Listings Compliance (Melbourne)