

5 December 2018

Wade Baggott, Principal Adviser, Listings Compliance (Perth)  
ASX Compliance Pty Ltd  
Level 40, Central Park, 152-158 St Georges Terrace  
Perth WA 6000  
Via email: ListingsCompliancePerth@asx.com.au

Dear Wade,

**WESTSTAR INDUSTRIAL LIMITED (“WSI”) ASX AWARE QUERY**

In reference to your letter of 4 December 2018 regarding the announcement entitled “SIMPEC Wins \$4M Contract at Rio Tinto’s West Angelas Mine” (the “Announcement”) lodged with the ASX on 4 December 2018, the response to your eight queries in number order is as follows:

1. Does WSI consider the information in the Announcement to be information that a reasonable person would expect to have a material effect on the price or value of its securities?

Yes

2. If the answer to question 1 is “no”, please advise the basis for that view.

N/A

3. If the answer to question 1 is “yes”, please advise the basis for that view.

The contract award is for a material amount to the Company.

4. When did WSI first become aware of the information? In responding to this question, please state the date and time that WSI first became aware of the information or part thereof.

8:20pm WST on 3 December 2018.

5. If WSI first became aware of the information before the date of the Announcement, did WSI make any announcement prior to that date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe WSI was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps WSI took to ensure that the information was released promptly and without delay.

WSI made the Announcement prior to resuming trading on 4 December 2018.

6. Given that WSI provided the Aware Query Response to ASX at 5:38am WST on 4 December 2018, and the Announcement was released to MAP at 7:23am WST on 4 December 2018, having regard to questions 1-5 (inclusive) above please explain the basis for the Listing Rule 3.1 Confirmation given to ASX in the Aware Query Response.

The Listing Rule 3.1 Confirmation given to ASX in the Aware Query Response on 4 December 2018 should have read “The Company is in compliance with Listing Rule 3.1 *subject to an announcement on a material contract award received aftermarket the previous day*”. This was an administrative oversight. The Company’s intention was to lodge the Announcement, once compiled and approved, prior to resuming trading. The Company did this. The Company notes that WSI securities were not capable of being traded between the time that the Company became aware of the information and lodgement of the Announcement. The Company ensured this by first requesting a trading halt subsequently varied to a Pause in Trading to lodge the Announcement.

7. Please confirm that WSI is complying with the Listing Rules and, in particular, Listing Rule 3.1.

Confirmed.

8. Please confirm that WSI's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of WSI with delegated authority from the board to respond to ASX on disclosure matters.

Confirmed.

Yours sincerely,



Derek Hall  
Company Secretary



4 December 2018

Mr Derek Hall  
WestStar Industrial Limited  
Suite 1, 437 Roberts Road  
SUBIACO WA 6008

By email

Dear Mr Hall

**WestStar Industrial Limited ('WSI'): Aware Query**

ASX refers to the following:

- A. WSI's announcement entitled "WestStar General Market Update" lodged and released on the ASX Market Announcements Platform ("MAP") before the commencement of trading on Friday, 30 November 2018 disclosing the group's current order book and commenting on WSI's interest in some South Australian tenements.
- B. ASX's aware query letter and WSI's response provided to ASX at 5:38am WST on 4 December 2018 and released to MAP at 6:49am WST ("Aware Query Response") which included, amongst other things, the following confirmation at question 6:

"6. Please confirm that WSI is complying with the Listing Rules and, in particular, Listing Rule 3.1.

*The Company is in compliance with Listing Rule 3.1."*

("Listing Rule 3.1 Confirmation")

- C. WSI's request for trading halt received by ASX at 7:02am WST on 4 December 2018, subsequently varied to a Pause in Trading, and the release at 7:23am WST on 4 December 2018 on MAP of the announcement entitled "SIMPEC Wins \$4M Contract at Rio Tinto's West Angelas Mine", disclosing that WSI had been awarded a \$4M contract by ATCO Structures and Logistics (the "Announcement").
- D. Section 1041A of the Corporations Act which prohibits a person conducting or participating in trading which has or is likely to have the effect of creating or maintaining an artificial price for trading in financial products on a financial market.
- E. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- F. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

*"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity" and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information."*

- G. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

*"3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:*

*3.1A.1 One or more of the following applies:*

- *It would be a breach of a law to disclose the information;*
- *The information concerns an incomplete proposal or negotiation;*
- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- *The information is generated for the internal management purposes of the entity; or*
- *The information is a trade secret; and*

3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

3.1A.3 *A reasonable person would not expect the information to be disclosed."*

H. ASX's policy position on the concept of "confidentiality", which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. In particular, the Guidance Note states that:

*"Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule."*

### **Request for Information**

Having regard to the above, ASX asks WSI to respond separately to each of the following questions and requests for information.

1. Does WSI consider the information in the Announcement to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is "no", please advise the basis for that view.
3. If the answer to question 1 is "yes", please advise the basis for that view.
4. When did WSI first become aware of the information? In responding to this question, please state the date and time that WSI first became aware of the information or part thereof.
5. If WSI first became aware of the information before the date of the Announcement, did WSI make any announcement prior to that date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe WSI was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps WSI took to ensure that the information was released promptly and without delay.
6. Given that WSI provided the Aware Query Response to ASX at 5:38am WST on 4 December 2018, and the Announcement was released to MAP at 7:23am WST on 4 December 2018, having regard to questions 1-5 (inclusive) above please explain the basis for the Listing Rule 3.1 Confirmation given to ASX in the Aware Query Response.
7. Please confirm that WSI is complying with the Listing Rules and, in particular, Listing Rule 3.1.
8. Please confirm that WSI's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of WSI with delegated authority from the board to respond to ASX on disclosure matters.

### **When and where to send your response**

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This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **6.00am WST on Thursday, 6 December 2018**.

If we do not have your response by then, ASX will have no choice but to consider suspending trading in WSI's securities under Listing Rule 17.3. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, WSI's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market. Your response should be sent to me **by e-mail at [ListingsCompliancePerth@asx.com.au](mailto:ListingsCompliancePerth@asx.com.au)**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

### **Listing Rules 3.1 and 3.1A**

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A. In responding to this letter, you should have regard to WSI's obligations under Listing Rules 3.1 and 3.1A and also to *Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that WSI's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

### **Trading halt**

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in WSI's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in *Guidance Note 16 Trading Halts & Voluntary Suspensions*.

### **Suspension**

If you are unable to respond to this letter by the time specified above ASX will likely suspend trading in WSI's securities under Listing Rule 17.3.

### **Enquiries**

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

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Yours sincerely

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**Wade Baggott**

Principal Adviser, Listings Compliance (Perth)