



29 August 2019

Sean Maloney

Adviser

Listings Compliance

ASX Perth

By email: ListingsCompliancePerth@asx.com.au

Dear Mr Maloney,

Austal Limited (ASX:ASB) Appendix 3Y – Change of Director’s Interest Notice Query

We refer to your letter of 27 August 2019 with the above title and the requests for information set out therein.

1. *Please explain why the Appendix 3Y was lodged late.*

The Appendix 3Y was lodged late initially due to the absence through illness of the Company Secretary at and around the time the Appendix 3Y should have been lodged, and thereafter as a result of an administrative oversight.

2. *What arrangements does ASB 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?*

ASB has the following arrangements in place:

- a) A share trading policy that requires directors to notify the Chairman and Company Secretary of any proposed trades and confirm that he/she is not in possession of ‘Inside Information’ before doing so; and
 - b) Arrangements between the Company, the Directors and the Company’s share registry to ensure that the Share Registry alerts the Company Secretary of any trading in securities by Directors, whether or not the Director(s) make such notification directly.
3. *If the current arrangements are inadequate or not being enforced, what additional steps does ASB intend to take to ensure compliance with Listing Rule 3.19B?*

The Company Secretary is in the process of training colleagues in relevant ASX Listing Rules requirements, including the requirements of Listing Rule 3.19B. This training will be accelerated in light of the oversight in lodging the relevant Appendix 3Y to ensure alternative employees are

familiar with and capable of discharging these obligations in the event of similar absence in future.

Yours sincerely,

A handwritten signature in purple ink, appearing to read "Adrian Strang".

ADRIAN STRANG
GENERAL COUNSEL AND COMPANY SECRETARY
AUSTAL LTD.



27 August 2019

Reference: 06180

Mr Adrian Strang
Company Secretary
Austral Limited

By email: adrian.strang@austal.com

Dear Mr Strang

Austal Limited ('ASB'): Appendix 3Y – Change of Director's Interest Notice Query

ASX refers to the following:

1. ASB's Appendix 3Y lodged on the ASX Market Announcements Platform ('MAP') on 26 August 2019 for Mr Charles Roland Giles Everist (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) 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 that:

'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 Mr Everist's notifiable interest occurred on 8 July 2019. It appears that the Notice should have been lodged with ASX by 15 July 2019. Consequently, ASB may have breached Listing Rules 3.19A and/or 3.19B. It also appears that Mr Everist may have breached section 205G of the *Corporations Act 2001* (Cth).

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

ASX reminds ASB of its contract with ASX to comply with the Listing Rules. In the circumstances, ASB should make necessary arrangements to ensure it does not continue to breach the Listing Rules.

Request for Information

Under Listing Rule 18.7, we ask that you answer each of the following questions 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*.

1. Please explain why the Appendix 3Y was lodged late.
2. What arrangements does ASB 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 ASB intend to take to ensure compliance with Listing Rule 3.19B?

When and where to send your response

Your response should be sent to me by e-mail at ListingsCompliancePerth@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, no later than 4:30 PM AWST on 29 August 2019.

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.

Enquiries

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

Yours sincerely

Sean Maloney
Adviser, Listings Compliance (Perth)