michael hill

9 August 2022

Ms Zufishan Anjum Senior Compliance Advisor, Accounting, Listings Compliance (Sydney) ASX Compliance Pty Ltd

By email: zufishan.anjum@asx.com.au

Dear Ms Anjum

Michael Hill International Limited ('MHJ'): Appendix 3Y - Change of Director's Interest Notice

We refer to your letter dated 5 August 2022 regarding the Appendix 3Y lodged by MHJ on 5 August 2022 for Mr Daniel Bracken in respect of 634,081 share rights in MHJ granted to Mr Bracken.

In response to your specific queries:

- The Appendix 3Y was lodged late due to an administrative oversight. The 634,081 share
 rights granted to Mr Bracken were the first share rights granted to Mr Bracken following his
 appointment as Managing Director. The Appendix 3Y was lodged promptly upon this
 oversight being identified.
- MHJ confirms it has an agreement in place with each of its directors which require the director
 to provide to MHJ the information needed by MHJ in order for MHJ to meet its disclosure
 obligations under Listing Rule 3.19A.
- 3. MHJ believes the arrangements it has in place with its directors are adequate. The late lodgement of the Appendix 3Y was due to an administrative oversight and not because the director failed to provide information to MHJ. MHJ has updated its internal company secretary process document and reporting calendar to ensure that this type of oversight does not occur again.

MHJ notes that the market was aware of the share rights granted to Mr Bracken prior to the lodgement of the Appendix 3Y and that:

- at the MHJ AGM on 27 October 2021, MHJ Shareholders approved the grant of 634,081 share rights to Mr Bracken under MHJ's Long Term Incentive Plan for FY22 as part of his long-term incentive arrangements as Managing Director & Chief Executive Officer; and
- the Appendix 3G Notification of issue, conversion or payment up of unquoted equity securities lodged on 28 October 2021 included reference to Mr Bracken being issued 634,081 share rights.

Yours sincerely

Emily Bird

General Counsel and Company Secretary



5 August 2022

Reference: 56456

Ms Emily Bird General Counsel & Company Secretary Michael Hill International Limited 7 Smallwood Place, Murarrie QLD 4172

By email: Emily.Bird@michaelhill.com.au

Dear Ms Bird

Michael Hill International Limited ('MHJ'): Appendix 3Y - Change of Director's Interest Notice Query

ASX refers to the following:

- 1. MHJ's Appendix 3Y lodged on the ASX Market Announcements Platform ('MAP') on 4 August 2022 for Mr Daniel Bracken (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 Bracken's notifiable interest occurred on 28 October 2021. It appears that the Notice should have been lodged with ASX by 4 November 2021. Consequently, MHJ may have breached Listing Rules 3.19A and/or 3.19B. It also appears that Mr Bracken may have breached section 205G of the *Corporations Act 2001* (Cth).

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 MHJ 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 MHJ intend to take to ensure compliance with Listing Rule 3.19B?

When and where to send your response

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 2:00 PM AEST Wednesday, 10 August 2022. 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, MHJ'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 and may require MHJ to request a trading halt immediately.

Your response should be sent to me by e-mail at <u>ListingsComplianceSydney@asx.com.au</u>. 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.

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 MHJ'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 MHJ's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to MHJ'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 MHJ'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.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Regards

Zufishan Anjum

Senior Compliance Advisor, Accounting, Listings Compliance (Sydney)