



MEMO

To: Board of Directors
From: Company Secretary
Subject: **RESEARCH REPORTS**

Stockbrokers and investment analysts undertake research and provide reports on companies to assist investors in making buy/sell decisions in relation to company shares.

Research reports are most commonly issued covering stock exchange listed companies, but may also be issued in relation to 'large' unlisted public companies.

It has become increasingly common for listed companies to post on their company websites copies of research reports by analysts about the organisation and its securities. ASX from time-to-time reminds listed entities to be mindful of their obligations if they wish to release an announcement on the Company Announcements Platform (CAP) about such reports.

ASX Guidance

First, it is not permitted for a listed company to release through the CAP the text of any such research report, or to release an announcement that contains a live hyperlink that leads directly to the report. It is permitted for a company to release an announcement that simply advises the market that a research report about the entity or its securities has been made available on the company's website.

Second, it is not permitted for a company to include excerpts from that research report in the announcement, particularly any conclusions relating to the value of the entity's securities. Such disclosures are contrary to paragraph 91 of ASX Guidance Note 8 "Continuous Disclosure":

91. It is not appropriate for an entity to release analysts' reports over CAP, as this may imply endorsement of the report or raise the question of selective disclosure.

Where the research report has been commissioned by the listed company itself (either directly or indirectly), the company must disclose that fact in the announcement sent to CAP. Where such disclosure has not been made and it comes to ASX's attention that the company is publicising through CAP a commissioned research report, the company will be required to make a statement through CAP to clarify the situation.

DISCLAIMER

The comments in this memo reflect some commercial aspects and observations on the matter experienced or observed by the writer in practice as he understands them. The information is given as a guide only and does not represent a definitive or legal view of any of the issues raised, covered or referred to and the reader is urged to seek his own professional advice on all aspects of, or pertaining to, this and any related matter.