



MEMO

To: Board of Directors
From: Company Secretary
Subject: **GERMAN STOCK EXCHANGE**

It is not uncommon for companies listed on the Australian Stock Exchange (ASX) to receive correspondence from a German stockbroker – or from the stock exchange itself – advising that the company's shares have been quoted on one of the partners in the German Stock Exchange group for 'open market trading'

We have in fact just been advised by the German Stock Exchange group (Deutsche Börse) that stockbroker Baader Bank AG has applied for the company's shares to be quoted and traded on the Berlin Open Market (ie, part of the Berlin Stock Exchange). The shares are now trading under the code: A1CXTE.

As the company's shares are already listed on a recognised stock exchange (ie, the ASX) there are no costs for us or compliance/reporting obligations, and we remain listed until the sponsoring broker requests removal of our shares from the BOM – only they can remove us.

The only additional requirement for us as a result of this action is that in our Annual Report where we have to detail the stock exchanges that our shares are listed on (under ASX Listing Rule 4.10.13) we will have to include this one.

The Berlin Stock Exchange is actually just one part of the German Stock Exchange group which combines member exchanges in 8 major German cities.

In my past experience, this situation is reasonably common for Australian companies to have their shares quoted by the German Stock Exchange group and as far as I am aware there is really nothing we can do about it. I have spoken to other companies, local brokers and the ASX in the past and apparently they/we cannot stop it happening. Some companies in fact are quite happy to have their shares 'internationalized' by being quoted on the German Stock Exchange.

I have in fact tried, at the request of the board of another company (because they did not see it as appropriate for their shares to be quoted in Europe), to have that company's quotation removed from the BOM and they were advised: ".....a simple request by the issuer to withdraw its securities from trading it is not sufficient. Therefore we are not able to remove your shares from trading. We can only advise you to contact the brokerage firm who made the original application to ask them to withdraw their application. You can contacton telephone.....". Repeated attempts to contact the broker met with no satisfactory response, so we gave up!



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.

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