



25 January 2019

ASX Market Announcements Office
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

EGM: ASX listing rules waiver – issue of shares to directors

With reference to the EGM Notice of Meeting issued on 22 January 2019, Corum Group Limited (ASX:COO) advises that the ASX has granted the company a waiver in relation to listing rules 10.13.3 and 10.13.5. This waiver enables Corum shareholders to approve the issue of shares to directors on a periodic basis in lieu of fees or salary.

EGM resolutions 3, 4 and 5 to which the waiver applies are detailed in the Notice of Meeting and accompanying explanatory memorandum. Specifically, the waiver allows the approval of shares to be issued in periods beyond one month from the meeting date and for the issue price to be determined at a future date based on the method of calculation disclosed in the Notice of Meeting.

An extract of the waiver is attached detailing the decision, conditions, facts and reasons.

Yours faithfully

A handwritten signature in black ink, appearing to read 'D. Clarke', written over a horizontal line.

David Clarke
Company Secretary



24 January 2019

Corum Group Limited ('COO'): Waiver Decision

ASX's formal decision is as follows:

DECISION

1. *Based solely on the information provided, ASX Limited ("ASX") grants Corum Group Limited (the "Company") a waiver from listing rules 10.13.3 and 10.13.5 to the extent necessary to permit the Company's notice of extraordinary general meeting (the "Notice") to approve the issue of an aggregated \$60,000 worth of ordinary shares to Messrs Paterson (\$30,000), Aschoff (\$15,000), and Bottrell (\$15,000) ("Directors") as part of their annual remuneration (the "Remuneration Shares") not to state (i) the issue price and (ii) that the Remuneration Shares will be issued no later than one month after the date of the extraordinary general meeting (the "EGM"), and subject to the following conditions.*
 - 1.1. *The Notice states that the number of Remuneration Shares to be issued will be calculated based on the volume weighted average price of shares traded on the ASX calculated over the last 5 trading days on which trades in the Shares were recorded on the ASX immediately before the end of the relevant calendar month.*
 - 1.2. *The Notice includes a worked example of the dilution that will occur to existing shareholders of the Company as a result of the issue of Remuneration Shares to each Director at three different prices.*
 - 1.3. *The Notice sets out that the Remuneration Shares will be fully paid ordinary shares in the capital of the Company ranking equally in all respects with the Company's existing shares on issue.*
 - 1.4. *The Company's annual report for any period during which the Remuneration Shares are issued to the Directors, discloses details of the number of Remuneration Shares that were issued, including the percentage of the Company's issued capital represented by those Remuneration Shares.*
 - 1.5. *The terms of the waiver are released to the market immediately.*
2. *ASX has considered listing rules 10.13.3 and 10.13.5 only and makes no statement as to the Company's compliance with other listing rules.*

BASIS FOR DECISION

Listing rule 10.13.3

Underlying Policy

1. *Listing rule 10.11 protects a listed entity's security holders by preventing a related party from obtaining shares on advantageous terms and increasing the related party's holding proportionate to other holdings. Unless one of the exceptions under listing rule 10.12 applies, a listed entity must seek shareholder approval before it can issue shares to a related party. Listing rule 10.13 sets out the information required to be included in the notice of meeting seeking approval for the issue of the securities to a related party. In particular, listing rule 10.13.3 requires the date by which the entity will issue the securities and this date must be no later than 1 month after the date of the meeting. This rule ensures that an issue of securities to a related party that has been approved by security holders is made within a reasonable timeframe following the approval, so that that it is less likely that the circumstances in which the issue is made will have changed materially from those prevailing at the time the approval was given.*

Facts and reasons for granting waiver

2. *The Company proposes to seek security holder approval at its 2019 extraordinary general meeting for the issue of the Remuneration Shares to various directors and as part of their base director's fees or base salary (as applicable) in respect of the 10 month period commencing 1 February 2019 and ending 30 November 2019. The Remuneration Shares are to be issued within 12 months of the meeting (on a monthly basis). Although the issue price of the Remuneration Shares will be determined by a future share price, the maximum time for issue of the shares is fixed. On this basis the waiver is considered appropriate. The waiver is granted on the condition that the securities are issued within 12 months from the date of the EGM, the terms of the waiver are released to the market and the annual report discloses details of the relevant securities that have been issued.*

Listing rule 10.13.5

Underlying Policy

3. *Listing rule 10.11 protects a listed entity's security holders by preventing a related party from obtaining shares on advantageous terms and increasing the related party's holding proportionate to other holdings. Unless one of the exceptions under listing rule 10.12 applies, a listed entity must seek shareholder approval before it can issue shares to a related party. Listing rule 10.13 sets out the information required to be included in the notice of meeting seeking approval for the issue of the securities to a related party. Listing rule 10.13.5 provides certainty to a listed entity's security holders by requiring a notice of meeting containing a resolution in accordance with listing rule 10.11 to state the issue price and terms of issue of securities that are intended to be issued to each of the relevant persons for whom approval is being sought.*

Facts and reasons for granting waiver

4. *The Company proposes to seek security holder approval at its 2019 EGM for the issue of shares to the Directors in lieu of a portion of their salaries. The issue price of the shares to be issued is presently unascertainable as it is based on a future security price. Where the degree of dilution*

is not expected to be excessive in view of a listed entity's security price and the dollar value of the grant, the inclusion of sufficient information in the notice of meeting about the method for calculating the issue price of the relevant securities is considered not to offend the policy of the rule in providing certainty to security holders.