

3 February 2016

Ms Stephanie So
Senior Adviser, Listings Compliance (Sydney)
ASX Compliance Pty Limited
20 Bridge Street
Sydney NSW 2000

Dear Stephanie,

Rubicor Group Limited – ASX Letter

I refer to your letter dated 1 February 2016 to Rubicor Group Limited (the **Company**).

The Company's response to your letter is set out below using the same numbering as your letter and as applicable, the same defined terms:

1. During June 2015, the Board (as composed at that time) was considering appointing Mr Hutchison as the CEO of the Company and was in discussions with Mr Hutchison regarding his potential appointment. As part of these discussions and in the context of Mr Hutchison applying for the CEO role, Mr Hutchison outlined to the Board his experience, proposed business plan and provided the Board with an undertaking that he would use his existing contacts and relationships to generate new business opportunities for Rubicor. This information was furnished to the Board on 12 June 2015.

Mr Hutchison did not work for the Company at the time, nor did the Company enter into commercial relations with him on 12 June 2015 or in the days that immediately followed. Moreover, on 12 June 2015, the Board and Mr Hutchison were still in non-binding, confidential discussions regarding Mr Hutchison's proposed appointment and accordingly, the information was considered by the Company to be:

- a. information that concerns an incomplete proposal or negotiation and/or information comprising matters of supposition/insufficiently definite to warrant disclosure;
- b. information that is confidential; and
- c. information that a reasonable person would not expect to be disclosed.

Accordingly, the Company does not believe that Mr Hutchison made the Undertaking (as defined in your letter) on 12 June 2015.

On 22 June 2015, being the date of Mr Hutchison's appointment, Rubicor and Mr Hutchison entered into a Contract Novation and Business Solicitation Deed (**Deed**) setting out the terms upon which Mr Hutchison would use his best endeavours to transfer the Labour Hire Contracts (as defined in your letter) to the Company. The Board used this Deed as a basis for accepting the proposal whereby Messrs Pettigrew, Pillemer and Levine would resign from the Board and be replaced by Messrs Lewis, Miltenyi and Hutchison.

2. For the reasons outlined above in paragraph 1, the Company does not believe the Undertaking (as defined in your letter) was made and therefore the response to this question is not applicable.
3. Not applicable.
4. The current status of the Contract Discussions are that they are ongoing with various potential counterparties.

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5. No. The Company considers that the status of the Contract Discussions are so uncertain and indefinite that it is not in fact market sensitive information and there would not be information that a reasonable person would expect to have a material effect on the price or value of its securities.
6. In the June Announcement, the Company committed to updating the market “upon successful acquisition and documentation” in connection with these Contract Discussions which to date remain incomplete and subject to negotiation. No commitment was given in relation to the time for contract transfer. The status of the Contract Discussions are so uncertain, indefinite and vague that there is no information to be disclosed to the market under ASX Listing Rule 3.1.
7. The Company made the statement in the Cleansing Notice that there was no “excluded information” as the Contract Discussions remain so uncertain, indefinite, incomplete and subject to negotiation, and to date no counterparties have transferred to the Company. The June Announcement did not require updating in the context of the status of these Contract Discussions as there is no information to provide to the market.
8. The Company confirms that it is in compliance with the ASX Listing Rules, including ASX Listing Rule 3.1.

Yours faithfully,



SHARAD LOOMBA
Director
Rubicor Group Limited

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1 February 2016

Mr Sharad Loomba
Director
Rubicor Group Limited
Level 11, Gold Fields House
1 Alfred Street
Sydney NSW 2000

Dear Mr Loomba

Rubicor Group Limited ("Company")

ASX Limited ("ASX") refers to the following:

1. The Company's announcement ("June Announcement") titled "Rubicor announce Board and Management changes and mutual agreement on cancellation of EGM" lodged with ASX Market Announcements Platform on 22 June 2015, advising of certain board changes, including the appointment of Mr David Hutchison as Executive Director and CEO of the Company. The announcement included the following statement:

"Through David's extensive relationships within the recruitment and labour hire industry, there exists a significant opportunity to secure a number of new labour hire, recruitment and training contracts, which upon successful transition into Rubicor would result in a material increase in the Company's revenues and EBITDA. The Company will announce further detail around these opportunities upon successful acquisition and documentation but the new Board believes these opportunities represent a significant opportunity to transform the revenues and profitability of the Company".
2. The Company's announcement titled "Rights issue to raise approximately \$5.1 million" lodged with ASX Market Announcements Platform on 12 November 2015, advising that the Company will offer a non-renounceable, pro rata offer to eligible shareholders of 127,222,217 new shares at an issue price of \$0.04 per share on the basis of one new share for every one existing share held, to raise approximately \$5.1 million before costs (the "Entitlement Offer").
3. The Company's cleansing notice pursuant to section 708AA(2)(f) of the *Corporations Act 2001 (Cth)* ("the "Act"), as notionally modified by ASIC Class Order [08/35], lodged with ASX Market Announcements Platform on 13 November 2015 (the "Cleansing Notice"), which states that at the date of the notice, the Company has complied with the provisions of Chapter 2M of the Act and section 674 of the Act, and that there is no information that is "excluded information" within the meaning of section 708AA(8) and section 708AA(9) of the Act.
4. Information received by ASX that Mr David Hutchison made an unconditional undertaking (the "Undertaking") to the board of the Company on 12 June 2015 that upon him joining the board and being appointed CEO of the Company, he would transfer certain labour hire contracts to the Company having a total value of \$43,663,600 in revenues and \$5,368,897 in profit ("Labour Hire Contracts") at no cost/fee to the Company.
5. Your statement to ASX by telephone that discussions with the counterparties regarding the transfer of the Labour Hire Contracts mentioned in the Undertaking are continuing, but the counterparties do not want to transfer the Labour Hire Contracts to the Company until the Company can demonstrate a sound balance sheet.
6. Listing Rule 3.1, which requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.

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7. The definition of “aware” in Chapter 19 of the Listing Rules. This definition states that:

“an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity.”

Additionally, you should refer to section 4.4 in Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B* “When does an entity become aware of information?”

8. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

“3.1A Listing rule 3.1 does not apply to particular information while each of the following requirements is satisfied in relation to the information:

3.1A.1 One or more of the following applies:

- It would be a breach of a law to disclose the information;*
- The information concerns an incomplete proposal or negotiation;*
- The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- The information is generated for the internal management purposes of the entity;*
or
- The information is a trade secret; and*

3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and

3.1A.3 A reasonable person would not expect the information to be disclosed.”

10. Listing Rule 18.7 which provides:

“An entity must give ASX any information, document or explanation that ASX asks for to enable it to be satisfied that the entity is, and has been, complying with the listing rules. The entity must do so within the time specified by ASX. ASX may submit, or require the entity to submit, any information given to ASX to the scrutiny of an expert selected by ASX. The entity must pay for the expert”.

11. Listing Rule 18.7A which provides

“ASX may publish correspondence between it and an entity if ASX has reserved the right to do so and considers that it is necessary for an informed market.”

Having regard to the above, we ask that you confirm whether or not the Undertaking was made by Mr Hutchison to the Company on 12 June 2015 and, if it was, to provide the following information and answer the following questions in a format suitable for release to the market in accordance with Listing Rule 18.7A:

1. Please explain the circumstances leading to the Undertaking being given by Mr Hutchison to the Company and the current status of the Undertaking.



2. Does the Company consider the Undertaking to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
3. If the answer to question 2 is "yes", please advise whether information about the Undertaking has been released to the market and, if not, please explain why not. If the answer to question 2 is "no", please explain the basis for that view.
4. What is the status of the discussions between the Company and the various counterparties in relation to the transfer of the Labour Hire Contracts ("Contract Discussions")?
5. Does the Company consider the status of the Contract Discussions to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
6. If the answer to question 5 is "yes", please advise whether information about the Contract Discussions has been released to the market and, if not, please explain why not. If the answer to question 5 is "no", please explain the basis for that view, commenting specifically on how that sits with the statements quoted above in the June Announcement.
7. Given the Undertaking and the potential value of the Labour Hire Contracts, please advise the basis upon which the Company made the statement in the Cleansing Notice that there was no "excluded information", commenting specifically on the Undertaking and the current status of the Contract Discussions?
8. Please confirm that the Company is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than the commencement of trading, 9:30 am AEDT on **Wednesday, 3 February 2016**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Company's securities under Listing Rule 17.3.

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, the Company'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.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail. 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.

Listing Rule 3.1

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

The obligation of the Company to disclose information under Listing Rules 3.1 and 3.1A is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.



In responding to this letter, you should have regard to the Company's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

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 the Company'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 may 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*.

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

Yours sincerely

[sent electronically without signature]

Stephanie So
Senior Adviser, Listings Compliance (Sydney)