

COMPANY POLICY 3

ASSOB: ISSUER ASSIGNMENT POLICY

Sponsor Assignment of Issuer

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Version 2

This document may be referred to as Company Policy 3 (CP3)

A **Sponsor** is responsible to ASSOB Pty Ltd ACN 114 772 020 (**ASSOB**) for assessing the appropriateness of an **Issuer** for admission to and promotion through the Australian Small Scale Offerings Board (**Board**).

A Sponsor is also responsible to ASSOB for advising and guiding that Issuer in relation to its responsibilities under the ASSOB Rules of Admission (**ASSOB Rules**) to maintain its listing on the Board.

The relationship between Sponsor and Issuer is contractual and independent from either parties association with ASSOB.

Purpose of the Policy

The purpose of this Policy is to outline the process for circumstances when a Sponsor believes that an Issuer, for which it is engaged to act, is no longer appropriate to be represented by the engaged Sponsor for the purposes of its ASSOB listing, and that the Issuer be assigned to another Sponsor (if applicable).

Circumstances include, but are not limited to, instances whereby:

- ✦ The Sponsor is unable to adequately advise the Issuer in relation to its corporate or industry specific business and capital raising needs; and/or
- ✦ The Sponsor is unable to assist the Issuer in its admission to, and maintenance of, its listing on the Australian Small Scale Offerings Board; and/or
- ✦ The Sponsor considers that the integrity or reputation of its business may be or may have been impaired as a result of the conduct or judgment of the Issuer; and/or
- ✦ The Sponsor considers that the Issuer for which it acts as Sponsor is no longer appropriate for listing on the Board and is no longer willing to act on behalf of the Issuer; and/or
- ✦ The Sponsor and the Issuer have agreed to mutually terminate their contract of engagement; and/or
- ✦ The Sponsor and the Issuer are not compatible business partners.

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Procedure

The process to be taken once a Sponsor has elected to terminate its contractual relationship with an Issuer is, as follows:

- I. Where a Sponsor ceases to act for an Issuer, it must inform ASSOB in writing as soon as possible and must include with that notification the reason why it has ceased to act for the Issuer.
- II. The Sponsor is to finalise its contractual relationship with the Issuer to ensure that the Issuer has no outstanding contractual obligations owed to the Sponsor that could effect the Issuer's listing on the Board. If there are remaining obligations (such as: fees or commissions owed, investor meetings scheduled, etc.) the Sponsor is to advise ASSOB and the Issuer of these terms in writing.
- III. It is expected that the Sponsor will advise ASSOB of information that is valuable to the assignment process – i.e. the type of corporate advice the Issuer requires, any breaches the Issuer needs to rectify, suitable Sponsors to work with the Issuer, etc.
- IV. ASSOB will liaise directly with the Issuer in relation to the selection of a new Sponsor (if applicable).
- V. ASSOB will write to the Issuer and confirm the appointment of the incoming Sponsor once selected. ASSOB will guide the incoming Sponsor in relation to relevant ASSOB documentation.
- VI. The outgoing Sponsor must use its best efforts to assist in the transition process including the deliverance of all files relating to the Issuer and a hand-over teleconference with the incoming Sponsor (if applicable).