

ASX Announcement

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8 March 2017

Company Announcements Office
ASX Limited
20 Bridge Street
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Appendix 3Y

I refer to your letter dated 8 March 2017 relating to the Appendix 3Y lodged by BKI Investment Company Limited (**BKI**, the **Company**) today and respond as follows:

1. The change in Director's shareholding resulted from the receipt of shares as an in-specie distribution from a deceased estate. The Director had no prior knowledge of the distribution being made, has not received formal notification of the distribution from the estate administrators, and only became aware of the distribution when he recently received a holding statement (under a new SRN) from the Share Registry. BKI lodged the Appendix 3Y as soon as it received this information from the Director.
2. Directors are advised at the time of their appointment of their obligations to inform the Company of any changes in their holdings. BKI has adopted a Securities Trading Policy and directors are aware of their obligations to inform the Company Secretary of all information necessary for the Company to comply with its obligations under listing rule 3.19A. In addition, BKI has automatic alerts in place with its Share Registry to notify it of movements on director-related share holdings; however, in this instance the shares were issued to a new holding rather than being added to an existing holding, and therefore no alert was triggered.
3. BKI considers that it has in place the necessary education, reporting and notification policies to ensure compliance with the disclosure obligations under listing rules 3.19A and 3.19B. However, the Company will continue to review and update its policies as appropriate.

Yours sincerely



Jaime Pinto
Company Secretary

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8 March 2017

Mr Jaime Pinto
BKI Investment Company Limited
Level 2
160 Pitt Street
Sydney NSW 2000

By email only: jpinto@pcap.com.au

Dear Mr Pinto,

BKI Investment Company Limited (the “Entity”): Appendix 3Y – Change of Director’s Interest Notice

We refer to the following:

1. The Appendix 3Y lodged by the Entity with ASX on 8 March 2017 for Mr Robert Dobson Millner (the “Director Notice”);
2. Listing rule 3.19A which requires an entity to tell ASX the following:

- 3.19A.1 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.
 - On the date that the entity is admitted to the official list.
 - On the date that a director is appointed.

The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity’s admission or a director’s appointment.

- 3.19A.2 A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs

- 3.19A.3 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director; and

3. Listing rule 3.19B which states as follows:

An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.

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The Appendix 3Y indicates that a change in the Director's notifiable interest occurred on 9 February 2017. It appears that the Director's Notice should have been lodged with ASX by 16 February 2017. Consequently, the Entity may be in breach of listing rules 3.19A and/or 3.19B. It also appears the directors concerned may have breached section 205G of the Corporations Act.

Please note that ASX is required to record details of breaches of the listing rules by listed entities for its reporting requirements.

ASX reminds the Entity of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Entity make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

Having regard to listing rules 3.19A and 3.19B and Guidance Note 22: *Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities*, under listing rule 18.7 we ask that you answer each of the following questions.

1. Please explain why the Appendix was lodged late.
2. What arrangements does the Entity have in place under listing rule 3.19B with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does the Entity intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by e-mail at johanna.oshea@asx.com.au. It should not be sent to the ASX Market Announcements Office. A response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (before 9.30 am AEDT) on Monday 13 March 2017.

Under listing rule 18.7A, a copy of this letter and your response will be released to the market, so your response should be in a form suitable for release and must separately address each of the questions asked.

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

Yours sincerely

[Sent electronically without signature]

Johanna O'Shea
Adviser, Listings Compliance (Sydney)