

5 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 3 February 2016 to Rubicor Group Limited (**Rubicor** or the **Company**).

The Company's response to your letter is set out below using the same numbering as ASX's Letter and as applicable, the same defined terms (in your letter of 1 February 2016):

1. The Undertaking (as defined in ASX's Letter as a signed statutory declaration) was furnished to the Board on 12 June 2015 together with Mr Hutchison's CV and proposed business plan. The Board (as composed at that time) met with Mr Hutchison for the first time on that date. It was provided by Mr Hutchison to the Board to apply for the role of CEO and Director. The Board was to consider this information as a basis for assessing Mr Hutchison's candidature for CEO and Director as a function of supporting his experience in the industry. The understanding of Mr Hutchison, the Board and its advisers at that time was that 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 an unconditional Undertaking (as defined in ASX's Letter as a signed statutory declaration) on 12 June 2015. The form of the Undertaking (as defined in ASX's Letter as a signed statutory declaration) was Mr Hutchison demonstrating his belief in his claim that he could tender for the Labour Hire Contracts (as defined in ASX's Letter). The Board (as composed at that time) accepted that proposition on the basis that Mr Hutchison could not unilaterally deliver on commitments for obtaining the consent of counterparties, and that if Mr Hutchison is to be appointed CEO and Director this is understood.

2. The Company asserts that the Undertaking (as defined in ASX's Letter as a signed statutory declaration) has been superseded by the Contract Novation and Business Solicitation Deed (**Deed**) entered into between Rubicor and Mr Hutchison on 22 June 2015. The Deed formalised Mr Hutchison's work arrangements which in part, as all executives, contains functions that endeavor to promote new business to the company, not the least, in tendering for Labour Hire Contracts (as defined in ASX's Letter); thereby the Undertaking (as defined in ASX's Letter as a signed statutory declaration) was no longer in force.

The Company confirms that the Undertaking (as defined in ASX's Letter as a signed statutory declaration) only served a preliminary purpose in the process of the Board considering the appointment of Mr Hutchison as CEO and Director as outlined above in paragraph 1.



3. No. The entry into of the Deed was to formalise the understanding between the Company and Mr Hutchison with regard to his commitments to use his best endeavours to introduce new Labour Hire Contracts (as defined in ASX's Letter) opportunities to the Company. The Deed contained commercially sensitive information in connection with the Labour Hire Contracts (as defined in ASX's Letter), in particular the names of counterparties and expected revenue and profit.

On that basis, the Company made the June Announcement (as defined in ASX's Letter) committing that the Company will update the market "upon successful acquisition and documentation" in connection with transfer of the Labour Hire Contracts (as defined in ASX's Letter).

4. No. The Company should not release a copy of the Deed for the reasons outlined above in paragraph 3. The Deed contains commercially sensitive information and its disclosure will by necessity jeopardise the transfer of any Labour Hire Contracts (as defined in ASX's Letter). Moreover, the opportunity for the Company arising from the entry into of the Deed was disclosed to the market in the June Announcement (as defined in ASX's Letter) and no commitment was given in relation to the time for contract transfer because the status of Contract Discussions (as defined in ASX's Letter) were so uncertain, indefinite and vague that there was no information to be disclosed to the market under ASX Listing Rule 3.1.
5. Yes. The Company is of the view that it should not release a copy of the Deed to the market as it remains commercially sensitive. It contains information in connection with Labour Hire Contracts (as defined in ASX's Letter), in particular the identity of the counterparties, and expected revenue and profit. Further, the Contract Discussions (as defined in ASX's Letter) remain incomplete and subject to negotiation. The Company believes that release of the Deed has the potential to jeopardise any negotiations or prospects with these counterparties, including any future prospects with other parties. Moreover it would jeopardise the interests of the Company as well as its shareholders, setting a precedent which limits the Company's ability, or indeed that of any normal commercial enterprise, to function in a listed environment; as it goes to the reason for the exception set out above in paragraph 1, where the underlying matters are still incomplete.
6. For the reasons outlined above in paragraph 5.
7. As per the announcement dated 22nd June, 2015, the Company confirms that it is in compliance with the ASX Listing Rules, including ASX Listing Rule 3.1.

Yours faithfully,

Sharad Loomba
Director
Rubicon Group Limited