

## Pre-Quotation Disclosure

The following information is required to be provided to ASX Limited for release to the market in connection with the official quotation and conditional and deferred settlement trading of the fully paid ordinary shares (“**Shares**”) in Steadfast Group Limited (“**Steadfast**”).

Capitalised terms which have not been otherwise defined in this document have the meaning given to them in the prospectus lodged by Steadfast with the Australian Securities and Investments Commission on 11 July 2013 (“**Prospectus**”).

### **Basis of allocation and procedures for determining allocations**

The basis of allocation and the procedures by which Applicants may determine their precise allocation of Shares under the IPO Offer are described in the attached advertisement – see **Attachment 1**. This advertisement has been published in this morning’s edition of the Australian Financial Review, The Australian, The Sydney Morning Herald and The Melbourne Age.

As stated in the attached advertisement, Applicants can confirm their allocation of Shares under the IPO Offer, or make general enquiries regarding the IPO Offer by contacting the Steadfast Offer Information Line on 1800 645 237 (toll free within Australia) or +61 1800 645 237 (outside Australia) from 8.30am until 5.30pm (Sydney time) Monday to Friday (Business Days only).

### **Conditions for the Conditional Market**

The conditions for the conditional market as outlined in the Prospectus are:

- settlement of the IPO Offer and the issue by Steadfast of Shares to successful applicants under the IPO Offer; and
- completion of IPO Acquisitions and Pre-IPO Acquisitions representing at least 93% of the total consideration payable for the IPO Acquisitions and the Pre-IPO Acquisitions.

It is expected that these conditions will be satisfied on or about 9 August 2013.

### **The Final Price and number of Shares to be issued under the IPO Offer**

The Final Price for each Share under the Retail Offer and Institutional Offer is \$1.15.

The number of Shares allocated under each component of the Retail Offer and the Institutional Offer is:

- Board’s List Offer – 6,169,925 Shares;
- Priority Offer – 22,820,234 Shares;
- Stockbroker Firm Offer – 46,112,675 Shares; and
- Institutional Offer – 215,072,646 Shares.

The total number of Shares to be issued under the IPO Offer is 290,175,480.

In addition to this, the following Shares are to be issued:

- Re-weighting Shares – 65,588,369 Shares
- Executive Shares – 10,900,000 Shares; and
- Consideration Shares – 134,209,559 Shares.

The total number of Shares to be on issue is approximately 501 million.

### **Despatch date**

The intended date for issuing and transferring Shares to Applicants under the IPO Offer is Wednesday, 7 August 2013.

The intended date for despatch of CHESS allotment notices, issuer sponsored holdings statements and any refund money is Tuesday, 13 August 2013.

### **Indicative distribution schedule**

An indicative distribution schedule of the numbers of holders in each class of securities to be quoted is set out in **Attachment 2**.

### **Indicative statement of largest 20 holders**

An indicative statement setting out the names of the 20 largest holders of each class of securities to be quoted, including the number and percentage of each class of securities held by those holders is set out in **Attachment 3**.

### **Escrowed Shares**

Following the issue of Shares under the Offer, it is expected that there will be 183,355,928 Shares that will be subject to voluntary escrow arrangements until 31 August 2014.<sup>1</sup>

### **Corporate governance statement**

**Attachment 4** sets out a statement outlining the extent to which Steadfast will follow, as at the date of admission to the official list, the recommendations set by the ASX Corporate Governance Council.

### **Preferred Capital Shares**

The full terms and conditions of the Preferred Capital Shares are set out in Steadfast's constitution.

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<sup>1</sup> This comprises all Consideration Shares to be issued, the proportional allocation component of Re-weighting Shares to be issued and the Executive Shares to be issued. Separate holding lock arrangements are expected to continue to apply to certain Executive Shares beyond this period.

## Interests of Directors

The table below sets out the expected interests of Directors in Steadfast's Shares (held either directly or indirectly) following issue of the IPO Shares, Re-weighting Shares, Consideration Shares and Executive Shares.

<b>Name of Director</b>	<b>Number of IPO Shares</b>	<b>Number of Re-weighting Shares</b>	<b>Number of Consideration Shares</b>	<b>Number of Executive Shares</b>
<b>Frank O'Halloran</b>	1,147,825	N/A	N/A	N/A
<b>Robert Kelly</b>	98,260	150,461	N/A	5,000,000
<b>David Liddy</b>	217,391	N/A	N/A	N/A
<b>Anne O'Driscoll</b>	108,695	N/A	N/A	N/A
<b>Philip Purcell</b>	86,956	N/A	N/A	N/A
<b>Greg Rynenberg</b>	247,824	286,414	N/A	N/A
<b>Jonathan Upton</b>	17,390	478,709	1,700,000	N/A

## Attachment 1 – Advertisement

### Important notice to all applicants under the Steadfast Group Limited initial public offering of fully paid ordinary shares<sup>1</sup>



The Steadfast Group Limited (ABN 98 073 659 677) initial public offering of fully paid ordinary shares (**Shares**) ("**IPO Offer**") comprising the Retail Offer and the Institutional Offer has now closed. The Board's List Offer and Priority Offer closed at 5.00pm (Sydney time) on Wednesday, 24 July 2013 and the Stockbroker Firm Offer closed at 5.00pm (Sydney time) on Friday, 26 July 2013.

There was no general public offer of Shares under the IPO Offer.

#### Final Price

As set out in the Prospectus dated 11 July 2013, the price to be paid by all investors under the IPO Offer is the Final Price which was determined to be \$1.15 per Share following completion of a bookbuild on 30 July 2013.

The IPO Offer was substantially over subscribed. Following settlement and allocations, the IPO Offer is expected to raise approximately \$334 million. The total number of all Shares on issue following the IPO Offer is expected to be approximately 501 million.

#### Allocation policy

##### Retail Offer

The allocation policy for the Retail Offer is described below.

- > All valid applications under the Board's List Offer and the Priority Offer were accepted in full.
- > It was a matter for Stockbrokers as to how they allocated firm stock amongst their clients with respect to applications under the Stockbroker Firm Offer.

Applicants under the Board's List Offer, Priority Offer and Stockbroker Firm Offer can obtain information about their allocation of Shares by calling the Steadfast Offer Information Line on the numbers provided below.

Applicants under the Stockbroker Firm Offer can also confirm their allocations by contacting their Stockbroker.

#### Institutional Offer

The Joint Lead Managers have advised successful applicants in the Institutional Offer of their allocations.

#### Trading of Shares

Shares are expected to commence trading on ASX on a conditional and deferred settlement basis on or about Friday, 2 August 2013 at 12.00pm (Sydney time) under the ASX code "SDF".

It is expected that conditional trading will continue until Steadfast has advised ASX that the conditions to the conditional market have been satisfied, which is expected to be prior to the commencement of trading on Monday, 12 August 2013.

After the end of conditional trading, it is expected that there will be a further period of deferred settlement trading up until despatch of holding statements, expected to occur on or about Tuesday, 13 August 2013. Any refunds are also expected to be despatched by this date. Normal trading is expected to commence on or about Wednesday, 14 August 2013.

All applicants are responsible for determining and confirming the number of Shares allocated to them prior to selling any Shares. Applicants who sell Shares before receiving their allotment confirmation do so at their own risk (even if they obtained information on their allotment from the Steadfast Offer Information Line or from their Stockbroker).

#### Further information

Applicants wishing to confirm their allocations, or Applicants with any questions regarding the IPO Offer, should contact the Steadfast Offer Information Line on 1800 645 237 (toll free within Australia) or +61 1800 645 237 (outside Australia) from 8.30am until 5.30pm (Sydney time) Monday to Friday (Business Days only).

<sup>1</sup> Capitalised terms used (but not otherwise defined) in this notice have the same meaning as in the Steadfast replacement prospectus dated 11 July 2013.

## Attachment 2 - Indicative Distribution Schedule\*

Category	Number of holders of Shares
1 to 1,000	110
1,001 to 5,000	392
5,001 to 10,000	247
10,001 to 100,000	1,502
100,001 and over	540
<b>Total</b>	<b>2,791</b>

\*Based on the IPO Shares, Re-weighting Shares, Consideration Shares and Executive Shares to be issued.

There are 131 shareholders with parcels of Shares with a value of less than \$2,000, based on the Final Price.

## Attachment 3 – Indicative Statement\* of Largest 20 Holders

No.	Shareholder	Shares	% of Shares
1	NATIONAL NOMINEES LIMITED	35,074,940	7.0%
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	33,525,392	6.7%
3	MACKAY INSURANCE SERVICES PTY	32,000,000	6.4%
4	J.P MORGAN NOMINEES AUSTRALIA LIMITED	31,015,872	6.2%
5	CITICORP NOMINEES PTY LIMITED	28,114,329	5.6%
6	J.P MORGAN NOMINEES (AUSTRALIA) LIMITED GSP	16,262,140	3.2%
7	UBS NOMINEES PTY LIMITED	13,278,822	2.7%
8	COGENT NOMINEES PTY LIMITED	13,193,412	2.6%
9	RBC DEXIA INVESTOR SERVICES AUSTRALIA NOMINEES PTY LIMITED	7,011,031	1.4%
10	BOND STREET CUSTODIAN LIMITED - A/C INSTITUTIONAL	6,521,739	1.3%
11	MR ROBERT BERNARD KELLY	5,000,000	1.0%
12	AUSTCOVER HOLDINGS PTY LTD	4,693,035	0.9%
13	MR CAMERON SCOTT MCCULLAGH	4,000,000	0.8%
14	YABBY INVESTMENTS PTY LTD	4,000,000	0.8%
15	RC & IP GILBERT LTY LTD	4,000,000	0.8%
16	CONDELL HOLDINGS PTY LTD	3,453,636	0.7%
17	DAVID WAYNE HIGGINS	3,091,006	0.6%
18	UBS NOMINEES PTY LTD	2,826,086	0.6%
19	SAMEPHAM PTY LTD	2,804,689	0.6%
20	AUSTRALIAN EXECUTOR TRUSTEES LTD	2,667,079	0.5%
<b>Top 20 holders of Shares</b>		<b>252,533,208</b>	<b>50.4%</b>
<b>Balance of Shares</b>		<b>248,340,200</b>	<b>49.6%</b>
<b>Total Shares on issue</b>		<b>500,873,408</b>	<b>100.0%</b>

\*Based on the IPO Shares, Re-weighting Shares, Consideration Shares and Executive Shares to be issued.

## Attachment 4 – Corporate Governance Statement

ASX Corporate Governance Council Principle / Recommendation	Compliance by Steadfast
<p><b>Principle 1 – Lay solid foundations for management and oversight</b>  <i>Companies should establish and disclose the respective roles and responsibilities of board and management</i></p>	
<p><b>Recommendation 1.1</b></p> <p>Companies should establish the functions reserved to the Board and those delegated to senior executives and disclose those functions.</p>	<p><b>Steadfast has established a Board charter which sets out the responsibilities of the Board and the responsibilities of senior management. The schedule of matters reserved for the Board for approval includes:</b></p> <ul style="list-style-type: none"> <li>• the Group’s overall strategic direction and monitoring performance against the strategic and business plans;</li> <li>• overseeing all aspects of the Group’s financial position and approving the business planning process and timetables, including operating budgets;</li> <li>• overseeing the Group’s reporting systems and overall framework for internal controls; and</li> <li>• approving and monitoring major projects.</li> </ul> <p>The Board delegates authority to the Chief Executive Officer for the day to day operations of the Group, its subsidiaries and their respective operations.</p>
<p><b>Recommendation 1.2</b></p> <p>Companies should disclose the process for evaluating the performance of senior executives.</p>	<p>The Board charter provides that the Board is responsible for ensuring there is an appropriate process in place to review the performance of senior management. Executive management are reviewed by the Managing Director &amp; CEO. The Managing Director &amp; CEO is reviewed by the Chairman.</p> <p>The review process involves a performance management process (“PMP”) with a performance assessment rating out of a maximum of 5. No employee is entitled to awards under the Short Term Incentive Plan or Long Term Incentive Plan if their PMP rating is less than 3 out of a maximum of 5. The PMP involves a set of specified objectives and criteria against which performance is measured.</p>
<p><b>Recommendation 1.3</b></p> <p>Companies should provide the information indicated in the Guide to reporting on Principle 1.</p>	<p>A copy of the Board charter which sets out the matters reserved for the Board and those areas delegated to senior executives is available on Steadfast’s website at <a href="http://www.steadfast.com">www.steadfast.com</a>.</p> <p>Steadfast currently intends to disclose in future annual reports whether a performance evaluation for senior executives has taken place in the relevant reporting period and whether it was in accordance with the process disclosed.</p> <p>If Steadfast proposes to depart from</p>

ASX Corporate Governance Council Principle / Recommendation	Compliance by Steadfast
	Recommendations 1.1, 1.2 or 1.3 in the future, it will disclose any departures in the relevant annual report.
<b>Principle 2 – Structure the board to add value</b> <i>Companies should have a board of an effective composition, size and commitment to adequately discharge its responsibilities and duties</i>	
<b>Recommendation 2.1</b>  A majority of the Board should be independent Directors.	<b>The Board is comprised of a majority of independent Directors. The Board is comprised of 7 Directors, with 5 characterised as independent by Steadfast (being Frank O’Halloran, David Liddy, Anne O’Driscoll, Philip Purcell and Greg Rynenberg).</b>
<b>Recommendation 2.2</b>  The Chair should be an independent Director.	<b>The Chairman of the Board, Frank O’Halloran is an independent Director.</b>
<b>Recommendation 2.3</b>  The roles of Chair and Chief Executive Officer should not be exercised by the same individual.	<b>The role of Chairman and Chief Executive Officer are exercised by different individuals, being Frank O’Halloran and Robert Kelly respectively.</b>
<b>Recommendation 2.4</b>  The Board should establish a nomination committee.	<b>The Board has established a Nomination Committee which is currently comprised of the full Board and accordingly, comprises a majority of independent Directors. The Chairman of the Nomination Committee is the Chairman of the Board, being Frank O’Halloran (who is an independent Director).</b>
<b>Recommendation 2.5</b>  Companies should disclose the process for evaluating the performance of the Board, its committees and individual Directors.	<b>The Board charter provides that the Board is responsible for developing and implementing a formal process to assess its own performance.</b>  <b>The Board, and each committee established by the Board, will perform an annual self-evaluation. Each year, the Directors will be requested to provide to the Board their assessments of the effectiveness of the Board and the committees on which they serve.</b>
<b>Recommendation 2.6</b>  Companies should provide the information indicated in the Guide to reporting on Principle 2.	<b>Steadfast has disclosed in the Prospectus the skills, experience, relevant expertise and period of office of each Director and has identified in the Prospectus the Directors that are considered to be independent.</b>  <b>The Board charter sets out the mix of skills that Steadfast is looking to achieve in its Board and provides the procedure for Directors to seek external professional advice at the expense of Steadfast.</b>  <b>As the Nomination Committee is comprised of the full Board, the Board’s nomination functions are included in the Board Charter, which is available on Steadfast’s website at <a href="http://www.steadfast.com">www.steadfast.com</a> and sets out its roles, responsibilities, composition and structure. The Board charter also sets out the Board’s policy for the nomination and appointment of Directors and the procedure for the selection and</b>



ASX Corporate Governance Council Principle / Recommendation	Compliance by Steadfast
	<p>appointment of new Directors.</p> <p>Steadfast currently intends to report on the number of Nomination Committee meetings held and the names and qualifications of Nomination Committee members and their attendance at committee meetings in future annual reports.</p> <p>The Nominations Committee meets four times a year and is scheduled to meet on 26 August 2013, 21 February 2014, 29 May 2014, 25 August 2014 and 20 November 2014.</p> <p>Steadfast also currently intends to disclose in future annual reports whether a performance evaluation for the Board, its committees and Directors has taken place in the relevant reporting period and whether it was in accordance with the process disclosed.</p> <p>If Steadfast proposes to depart from Recommendations 2.1, 2.2, 2.3, 2.4, 2.5 or 2.6 in the future, it will disclose any departures in the relevant annual report.</p>
<p><b>Principle 3 – Promote ethical and responsible decision making</b>  <i>Companies should actively promote ethical and responsible and duties</i></p>	
<p><b>Recommendation 3.1</b></p> <p>Companies should establish a code of conduct and disclose the code or a summary of the code as to:</p> <ul style="list-style-type: none"> <li>the practices necessary to maintain confidence in the company’s integrity;</li> <li>the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders;</li> <li>the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.</li> </ul>	<p>Steadfast has established a Code of Conduct which provides an ethical and legal framework for all Directors, officers, employees, contractors and certain other individuals in the conduct of Steadfast’s business to safeguard the confidence of Steadfast’s stakeholders.</p> <p>Steadfast has also established an Anti-Bribery and Corruption Policy which sets out the behaviour and standards Steadfast expects its employees, consultants, contractors and agents to comply with in conducting business.</p> <p>The Code of Conduct and the Anti-Bribery and Corruption Policy give employees responsibility for reporting unethical or suspicious behaviour.</p>
<p><b>Recommendation 3.2</b></p> <p>Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the Board to establish measurable objectives for achieving gender diversity for the Board to assess annually both the objectives and progress in achieving them.</p>	<p>Steadfast has established a Diversity Policy which covers factors such as gender, age, ethnicity, cultural background, language, disability and other areas of potential difference.</p> <p>The Diversity Policy includes a requirement for the Board to obtain recommendations from management and approve measurable objectives for achieving diversity, including gender diversity, within the organisation. The Board will also receive an annual report from management on the progress against the objectives.</p>

ASX Corporate Governance Council Principle / Recommendation	Compliance by Steadfast
<p><b>Recommendation 3.3</b></p> <p>Companies should disclose in each annual report the measurable objectives for achieving gender diversity set by the Board in accordance with the diversity policy and progress towards achieving them.</p>	<p>As specified in the Diversity Policy, Steadfast will provide its measurable objectives for achieving gender diversity and its progress in achieving those objectives in future annual reports.</p>
<p><b>Recommendation 3.4</b></p> <p>Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the Board.</p>	<p>As specified in the Diversity Policy, Steadfast will provide the proportion of women employees in its organisation, amongst its senior executives and on its Board in future annual reports.</p>
<p><b>Recommendation 3.5</b></p> <p>Companies should provide the information indicated in the Guide to reporting on Principle 3.</p>	<p>If Steadfast proposes to depart from Recommendations 3.1, 3.2, 3.3 and 3.4 in the future, it will disclose any departures in the relevant annual report.</p> <p>Copies of the Code of Conduct, Anti-Bribery and Corruption Policy and Diversity Policy are available on Steadfast's website at <a href="http://www.steadfast.com">www.steadfast.com</a>.</p>
<p><b>Principle 4 – Safeguard integrity in financial reporting</b>  <i>Companies should have a structure to independently verify and safeguard the integrity of their financial reporting</i></p>	
<p><b>Recommendation 4.1</b></p> <p>The Board should establish an audit committee.</p>	<p>The Board has established an Audit &amp; Risk Committee to oversee Steadfast's accounting and financial reporting, including auditing of Steadfast's financial statements, reviewing the performance of Steadfast's internal audit function and qualifications, independence, performance and terms of engagement of Steadfast's external auditor.</p>
<p><b>Recommendation 4.2</b></p> <p>The audit committee should be structured so that it:</p> <ul style="list-style-type: none"> <li>• consists only of Non-Executive Directors;</li> <li>• consists of a majority of independent Directors;</li> <li>• is chaired by an independent Chair, who is not Chair of the Board;</li> <li>• has at least three members.</li> </ul>	<p>The Audit &amp; Risk Committee is currently comprised of 6 Non-Executive Directors, the majority of whom are independent. The Directors currently serving on the Audit &amp; Risk Committee are Frank O'Halloran, David Liddy, Philip Purcell, Greg Rynenberg, Jonathan Upton and Anne O'Driscoll.</p> <p>The Chairman of the Audit &amp; Risk Committee is Anne O'Driscoll who is an independent Director.</p>
<p><b>Recommendation 4.3</b></p> <p>The audit committee should have a formal charter.</p>	<p>A charter has been adopted for the Audit &amp; Risk Committee.</p>
<p><b>Recommendation 4.4</b></p> <p>Companies should provide the information indicated in the Guide to reporting on Principle 4.</p>	<p>Steadfast currently intends to report on the number of Audit &amp; Risk Committee meetings held and the names and qualifications of Audit &amp; Risk Committee members and their attendance at committee meetings in future annual reports.</p> <p>If Steadfast proposes to depart from Recommendations 4.1, 4.2, 4.3 and 4.4 in the future, it will disclose any departures in the relevant annual report.</p>

ASX Corporate Governance Council Principle / Recommendation	Compliance by Steadfast
	<p>A copy of the Audit &amp; Risk Committee charter is available on Steadfast's website at <a href="http://www.steadfast.com">www.steadfast.com</a>. The Audit &amp; Risk Committee charter discloses that the committee's responsibilities in relation to the external audit include:</p> <ul style="list-style-type: none"> <li>to conduct audit tenders when considered necessary and recommend the appointment of an external auditor;</li> <li>to assess the performance of the external auditor on an annual basis and to consider whether it is appropriate to propose to the Board that an auditor be removed, or that competitive tenders for audit work be sought.</li> </ul>
<p><b>Principle 5 – Make timely and balanced disclosure</b>  <i>Companies should promote timely and balanced disclosure of all material matters concerning the company</i></p>	
<p><b>Recommendation 5.1</b></p> <p>Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.</p>	<p>Steadfast has established a Disclosure and Communication Policy which supports its commitment to the continuous disclosure obligations imposed by law and effective communication to the market (in addition to communication with shareholders as described below).</p> <p>The Disclosure and Communication Policy outlines the processes that Steadfast implements to ensure compliance with those obligations, particularly at the senior executive level through the establishment of a Disclosure Committee which currently comprises the Chief Executive Officer, Chief Financial Officer and Group Company Secretary and General Counsel.</p>
<p><b>Recommendation 5.2</b></p> <p>Companies should provide the information indicated in the Guide to reporting on Principle 5.</p>	<p>A copy of the Disclosure and Communication Policy is available on Steadfast's website at <a href="http://www.steadfast.com">www.steadfast.com</a>.</p> <p>If Steadfast proposes to depart from Recommendations 5.1 or 5.2 in the future, it will disclose any departures in the relevant annual report.</p>
<p><b>Principle 6 – Respect the rights of shareholders</b>  <i>Companies should respect the rights of shareholders and facilitate the effective exercise of those rights</i></p>	
<p><b>Recommendation 6.1</b></p> <p>Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy.</p>	<p>Steadfast has established a Disclosure and Communication Policy which supports its commitment to effective communication with shareholders and encourages participation by shareholders at general meetings (in addition to supporting its continuous disclosure obligations as described above).</p>
<p><b>Recommendation 6.2</b></p> <p>Companies should provide the information indicated in</p>	<p>A copy of the Disclosure and Communication Policy is available on Steadfast's website at <a href="http://www.steadfast.com">www.steadfast.com</a>.</p>

ASX Corporate Governance Council Principle / Recommendation	Compliance by Steadfast
the Guide to reporting on Principle 6.	If Steadfast proposes to depart from Recommendations 6.1 or 6.2 in the future, it will disclose any departures in the relevant annual report.
<b>Principle 7 – Recognise and manage risk</b> <i>Companies should establish a sound system of risk oversight and management of internal control</i>	
<b>Recommendation 7.1</b>  Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.	<b>Steadfast has established a Risk Management Policy which sets out its approach to the oversight and management of risks. A copy of the Risk Management Policy is available on Steadfast’s website at <a href="http://www.steadfast.com">www.steadfast.com</a>.</b>
<b>Recommendation 7.2</b>  The Board should require management to design and implement the risk management and internal control system to manage the company’s material business risks and report to it on whether those risks are being managed effectively. The Board should disclose that management has reported to it as to the effectiveness of the company’s management of its material business risks.	<b>Steadfast management are responsible for managing operational risk and implementing risk mitigation measures. The Audit &amp; Risk Committee is responsible for reviewing management’s approach to the management of risks and reviewing the internal audit function.</b>  <b>The Chief Executive Officer and members of senior management are required to:</b> <ul style="list-style-type: none"> <li>• identify and prioritise material business risks;</li> <li>• review and assess the current and planned approach to managing material business risks; and</li> <li>• periodically report to the Board and the Audit &amp; Risk Committee on material business risks.</li> </ul> <b>Steadfast currently intends to disclose whether management has reported to it as to the effectiveness of Steadfast’s management of its material business risks in future annual reports.</b>
<b>Recommendation 7.3</b>  The Board should disclose whether it has received assurance from the Chief Executive Officer (or equivalent) and the Chief Financial Officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	<b>The Board has a process in place to receive written assurances from the Chief Executive Officer and Chief Financial Officer that the declarations that will be provided under section 295A of the Corporations Act are founded on a sound system of risk management and internal control and that the system is operating in all material respects in relation to financial reporting risks. The Board will seek these assurances prior to approving the annual financial statements for the year ended 30 June 2013, and prior to approving all half year and full year results.</b>
<b>Recommendation 7.4</b>  Companies should provide the information indicated in the Guide to reporting on Principle 7.	<b>If Steadfast proposes to depart from Recommendations 7.1, 7.2, 7.3 and 7.4 in the future, it will disclose any departures in the relevant annual report.</b>  <b>As set out above, a copy of the Risk Management Policy is available on Steadfast’s website at</b>

ASX Corporate Governance Council Principle / Recommendation	Compliance by Steadfast
	<a href="http://www.steadfast.com">www.steadfast.com</a> .
<p><b>Principle 8 – Remunerate fairly and responsibly</b>  <i>Companies should ensure that the level and composition of remuneration is sufficient and reasonable and that its relationship to performance is clear</i></p>	
<p><b>Recommendation 8.1</b></p> <p>The Board should establish a remuneration committee</p>	<p>The Board has established a Remuneration &amp; Succession Planning Committee which:</p> <ul style="list-style-type: none"> <li>establishes, amends, reviews and approves the compensation and benefit plans for Steadfast’s senior management and employees and reviews the performance of Steadfast’s executive officers with respect to these elements of compensation; and</li> <li>reviews the succession planning for key executives of 20 largest Steadfast Equity Brokers, measured by size of brokerage income.</li> </ul>
<p><b>Recommendation 8.2</b></p> <p>The remuneration committee should be structured so that it:</p> <ul style="list-style-type: none"> <li>consists of a majority of independent Directors;</li> <li>is chaired by an independent Chair;</li> <li>has at least three members.</li> </ul>	<p>The Remuneration &amp; Succession Planning Committee is currently comprised of 6 Non-Executive Directors, the majority of whom are independent. The Directors current serving on the Remuneration &amp; Succession Planning Committee are David Liddy, Frank O’Halloran, Philip Purcell, Greg Rynenberg, Jonathan Upton and Anne O’Driscoll.</p> <p>The Chairman of the Remuneration &amp; Succession Planning Committee is David Liddy who is an independent Director.</p>
<p><b>Recommendation 8.3</b></p> <p>Companies should clearly distinguish the structure of Non-Executive Directors’ remuneration from that of executive Directors and senior executives.</p>	<p>The Remuneration &amp; Succession Planning Committee is responsible for reviewing and recommending to the Board remuneration arrangements of senior executives and Directors, equity based incentive plans and other employee benefit programmes.</p> <p>Steadfast distinguishes the remuneration of executive Directors and senior executives from that of non-executive Directors by offering the Managing Director &amp; CEO and other senior executives a mix of fixed and incentive remuneration in certain circumstances (e.g., under the short term incentive plan and long term incentive plan). Remuneration of non-executive directors is fixed.</p>
<p><b>Recommendation 8.4</b></p> <p>Companies should provide the information indicated in the Guide to reporting on Principle 8.</p>	<p>Steadfast currently intends to report on the number of Remuneration &amp; Succession Planning Committee meetings held and the names and qualifications of Remuneration &amp; Succession Planning Committee members and their attendance at committee meetings in future annual reports.</p> <p>Steadfast does not currently have in place any schemes for retirement benefits, other than</p>

ASX Corporate Governance Council Principle / Recommendation	Compliance by Steadfast
	<p>superannuation, for Non-Executive Directors.</p> <p>If Steadfast proposes to depart from Recommendations 8.1, 8.2, 8.3 and 8.4 in the future, it will disclose any departures in the relevant annual report.</p> <p>Under Steadfast's Security Trading Policy, certain designated persons are prohibited from entering into transactions or arrangements with anyone which could have the effect of limiting their exposure to risk relating to an element of their remuneration that:</p> <ul style="list-style-type: none"> <li>• has not vested; or</li> <li>• has vested but remains subject to a holding lock.</li> </ul> <p>Steadfast has a policy relating to certain designated persons prohibiting entering into margin lending arrangements relating to Steadfast's shares, prohibiting short term or speculative trading in Steadfast's shares or in financial products associated with Steadfast's securities and prohibiting dealing in financial products associated with Steadfast's securities.</p> <p>Copies of the Remuneration &amp; Succession Planning Committee charter and the Securities Trading Policy are available on Steadfast's website at <a href="http://www.steadfast.com">www.steadfast.com</a>.</p>