

## CONTINUOUS DISCLOSURE POLICY

### 1. Continuous Disclosure Requirements

ASX Listing Rule 3.1 requires “immediate” disclosure of any information concerning The Company or its associated entities which a reasonable person would expect to have a “material effect” on the price or value of shares and/or other securities in the Company. Section 1001A of the Corporations Act reinforces the ASX Listing Rule 3.1.

The requirement to disclose this information does not apply if, and only if, each of the following conditions is and remains satisfied:

- a reasonable person would not expect the information to be disclosed; and
- the information is confidential; and
- one or more of the following conditions apply:
  - it would be a breach of a law to disclose the information;
  - the information concerns an incomplete proposal or negotiation (for example, a negotiation to enter into a new contract);
  - the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
  - the information is generated for the internal management purposes of the Company; or
  - the information is a trade secret.

### 2. How Does the Company Become Aware of Information?

The Company will be deemed to have become aware of information where a director or executive officer has, or ought reasonably to have, come into possession of the information in the course of the performance of his/her duties as a director or executive officer of the Company.

As the Listing Rule fixes the Company with the knowledge of a director or executive officer, it is very important to follow the notification procedures set out later in this Guide. Because there is an obligation to disclose information, a director or executive officer “ought reasonably” to have come into possession of, the notification procedures in this Guide are designed to ensure that all potentially relevant information regarding the Company, being an associated entity of the Company, is brought to the attention of the Company.

An executive officer is a person concerned in, or taking part in, the management of the Company.

### 3. Materiality

The Company must disclose information if a reasonable person would expect that information to have a material effect on the price or value of the securities of the Company. A reasonable person is taken to expect information to have such an effect if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell, those securities.

Neither the Listing Rules nor the Corporations Act defines when information will be taken to have such an effect. In practice, usually a monetary test is adopted using thresholds from the accounting standards relevant to preparation of financial statements. However, other concepts of materiality are also adopted in addition to a monetary threshold. For example:

- whether a matter will significantly damage the Company's image or reputation;
- whether a matter will significantly affect the Company's ability to carry on business in the ordinary course; or
- whether the matter involves a breach of any law or regulation.

### 4. The Type of Information that Needs to be Disclosed

It is not possible to exhaustively list the information, which must be disclosed. The following examples are provided to give some idea about information that might require disclosure.

If there is any doubt about the importance of information which comes to light, there should be immediate notification to the Company Secretary of the Company so that advice can be given and a formal decision can be made as to whether or not to release the information.

Examples of information that might need to be disclosed include the following:

- a new contract that the Company had entered into or a variation to an existing contract; or
- any event which could affect the Company's assets, earnings or profitability such as:
  - litigation being commenced by or against the Company (e.g. because of an alleged breach of contract etc.);
  - industrial action being threatened or commenced;
  - significant unbudgeted capital expenditure commitments arising; or
  - proposed changes in the nature of the business of the Company; or
- any other information regarding the Company that may be material to the share price or the value of shares and/or other securities of the Company such as:
  - proposed changes to the Board or senior management; or
  - proposed changes to the capital structure of the Company.

For other examples refer to the checklist in the Schedule.

### 5. The Continuous Disclosure Officer

The Board of Directors of the Company have appointed the Company Secretary, Mr Daniel Davis, as the Company's Continuous Disclosure Officer. In the event that the Company Secretary is absent or on leave the Managing Director will act in this capacity.

The Continuous Disclosure Officer is primarily responsible for ensuring that the Company complies with its disclosure obligations and is primarily responsible for deciding what information will be disclosed.

In consultation with appropriate personnel, a decision will be made by the Continuous Disclosure Officer about whether or not to disclose the information or take any necessary steps to protect its confidentiality.

## **6. Decision Not to Disclose Information**

If a decision is made not to disclose information, the reasons for withholding that information must be documented at the time the decision is made, signed by the Managing Director of the Company, dated and retained.

## **7. Confidential Information**

In determining whether any information that comes to light about the Company needs to be released, it will be necessary to determine whether the conditions permitting non-disclosure which are mentioned in section 3 above apply. In particular, a determination may need to be made as to whether the information is confidential. If a determination is made that the information is confidential, then the Company Secretary of the Company will ensure that anyone who has a copy of the information is aware that it is confidential.

## **8. Relationship with Media and Public**

The Company must disclose information needed to prevent a false market. Accordingly it may be necessary for the Company to correct a rumour or to respond to speculation, including media speculation, regarding the Company.

Relevant information must be provided to ASX under Listing Rule 3.1 and released to the market before it is provided to the media (even on an embargoed basis).

Care must be taken not to make comments to the media or others which could result in rumours or speculation about the Company. Staff must comply with the media relations policy of the Company. That policy limits media contact to the Managing Director of the Company. Other officers and executives may only confer with the media in relation to a particular matter concerning the Company if they have obtained the prior express approval of the Managing Director of the Company or his delegate for the purpose of giving such approval.

## **9. Employment and Monitoring of Compliance**

To promote an understanding of the continuous disclosure obligations imposed on the Company by the Corporations Act and the Listing Rules, a copy of this guide will be provided to all directors, executive officers and employees (present or future) of the Company and to all agents of the Company who may from time to time be in the possession of undisclosed information that may be material to the price or value of the Company's securities.

The Company Secretary of the Company will ensure that the continuous disclosure obligations of the Company are drawn to the attention of officers, employees or agents of the Company, by written memorandum, at least once in every 12 month period.

At least once in every 12 month period, the board of directors of the Company will review the Company's compliance with this memorandum. From time to time, and if considered necessary, the board of the Company may update this memorandum (and distribute an updated copy to all directors, officers, employees and relevant agents of the Company) to reflect changes in the Company's business operations and changes in the Corporations Act and the Listing Rules.

ANNEXURE A

FORM OF ACKNOWLEDGEMENT BY EMPLOYEE

1. I have read and understood the document titled "Continuous Disclosure Policy" (the "Disclosure Policy").
2. I agree to be bound by and to comply with the Disclosure Policy.
3. I acknowledge and agree that the Disclosure Policy form part of the terms of my appointment as an employee / director.

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Signature

Name: .....

Date: .....

*To be returned to the Company Secretary on completion.*