



CONTINUOUS DISCLOSURE POLICY

www.mayurresources.com

MAYUR RESOURCES LTD
CONTINUOUS DISCLOSURE POLICY

1. INTRODUCTION

This document sets out the Mayur Resources Ltd (**Company**) policy concerning continuous disclosure.

The purpose of this policy is to:

- (a) ensure that the Company's employees are aware of its obligations to disclose information in accordance with the continuous disclosure requirements of the ASX Listing Rules;
- (b) set out the procedures for identifying and assessing information for disclosure to the ASX in accordance with the Company's continuous disclosure obligations;
- (c) set out the procedures designed to ensure the Company complies with its continuous disclosure obligations; and
- (d) set out the requirements for protecting confidential information of the Company from unauthorised disclosure.

2. COMMITMENT TO CONTINUOUS DISCLOSURE

As an entity listed on the Australian Securities Exchange (**ASX**), the Company is committed to:

- (a) complying with the general and continuous disclosure obligations contained in the ASX Listing Rules and the Corporations Act;
- (b) seeking to prevent the selective or inadvertent disclosure of material market sensitive information; and
- (c) ensuring that the Company's security holders and the market are provided with full and timely information about its activities as required by the ASX Listing Rules.

3. DISCLOSURE OBLIGATIONS AND EXCEPTION

3.1 Continuous disclosure obligation

Under ASX Listing Rule 3.1, the Company must immediately notify ASX if it becomes aware of any information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities.

The information that must be disclosed in accordance with ASX Listing Rule 3.1 is referred to in this policy as "**market sensitive information**" (see section 3.2).

3.2 **When is information market sensitive?**

Information is market sensitive if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to buy or sell the Company's securities.

This is an objective test. As a guide, ASX suggests that when determining whether information is market sensitive, it might be helpful to ask the following two questions:

- (a) "Would this information influence my decision to buy or sell the Company's securities at their current market price?"
- (b) "Would I feel exposed to an action for insider trading if I were to buy or sell the Company's securities at their current market price, knowing this information had not been disclosed to the market?"

Whether or not the Company is aware of information that is market sensitive is to be determined in accordance with this policy.

3.3 **Examples of information to be disclosed**

It is not possible to exhaustively list the information which the Company must disclose. Some examples of information which may require disclosure includes:

- (a) a transaction that will lead to a significant change in the nature and scale of the Company's activities;
- (b) exploration results;
- (c) a material acquisition or disposal;
- (d) the entry into, variation or termination of a material agreement;
- (e) becoming a plaintiff or defendant in a material law suit;
- (f) the fact that the Company's earnings will be materially different from market expectations;
- (g) the commission of an event of default under, or other event entitling a financier to terminate, a material financing facility;
- (h) under subscriptions or over subscriptions to an issue of securities;
- (i) giving or receiving a notice of intention to make a takeover; and
- (j) any rating applied by a rating agency to the Company or its securities and any change to such a rating.

Whether disclosure of these matters is required will need to be assessed having regard to the circumstances prevailing at the time.

3.4 **When is disclosure of market sensitive information required?**

If information is market sensitive, and the exception from immediate disclosure does not apply (see section 3.5 below), then the information must be **immediately** disclosed to ASX.

ASX interprets "*immediately*" to mean "*promptly and without delay*" (rather than "*instantaneously*"). This is a high standard. Notwithstanding this, ASX recognises that the speed with which a notice can be given under ASX Listing Rule 3.1 will vary depending on the circumstances.

3.5 **Exception to continuous disclosure obligation**

The Company does not need to disclose information while **each** of the following requirements is satisfied in relation to that particular information (ASX Listing Rule 3.1A):

- (a) one or more of the following applies:
 - (i) it would be a breach of a law to disclose the information;
 - (ii) the information concerns an incomplete proposal or negotiation;
 - (iii) the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
 - (iv) the information is generated for internal management purposes of the Company; or
 - (v) the information is a trade secret; and
- (b) the information is confidential and ASX has not formed the view that the information has ceased to be confidential; and
- (c) a reasonable person would not expect the information to be disclosed.

3.6 **Use of Trading Halts**

In some circumstances it may be necessary to request a trading halt to maintain fair, orderly and informed trading in the Company's securities and to manage disclosure issues. A trading halt can allow the Company a period of time to prepare and release an announcement to ASX in a timely manner while ensuring trading on ASX is not occurring in an uninformed manner.

3.7 **False market obligation**

If ASX considers that there is or is likely to be a false market in the Company's securities and asks the Company to give ASX information to correct or prevent a false market, the Company must give ASX the information needed to correct or prevent the false market (ASX Listing Rule 3.1B). This obligation to give information to ASX arises even if the exception outlined in section 3.5 applies.

4. **CONTRAVENTION OF OBLIGATIONS**

ASX Listing Rules are the prime source of regulation in respect of the Company's continuous disclosure obligations. ASX can suspend trading of the Company's securities and request an announcement to be made if it believes the Company is in possession of information which should be disclosed to the market.

In addition, the Corporations Act contains provisions which give legislative effect to ASX Listing Rule 3.1 such that a failure to comply with continuous disclosure obligations can amount to a breach of the Corporations Act. A breach of the relevant provision of the Corporations Act is both a criminal offence and a civil penalty provision and the Company and its officers involved may incur liability as a result.

There is further potential civil and criminal liability for the Company and its officers under the Corporations Acts if the disclosure is misleading or deceptive. All staff should bear in mind that the Company's auditors have an obligation to notify the regulators where they have identified a significant contravention or suspected contraventions.

A contravention by the Company of its continuous disclosure obligations or a failure by a Company employee to comply with this policy may also:

- (a) result in unfavourable publicity for the Company;
- (b) damage the Company's reputation in the investment community; and/or
- (c) undermine confidence in the market for the Company's securities.

5. **DISCLOSURE RESPONSIBILITIES AND PROCEDURES**

5.1 **Disclosure officers**

The Board has appointed the Managing Director (**MD**), and the Chief Financial Officer (**CFO**), as the disclosure officers (**Disclosure Officers**).

The Disclosure Officers are responsible for administering this policy and, in particular:

- (a) overseeing and coordinating all communication with ASX, investors, analysts, brokers, shareholder associations, the media and the public;
- (b) overseeing and coordinating the disclosure training and education of all the Company employees to ensure that they understand the Company's disclosure obligations and what information may be market sensitive; and
- (c) collecting and recording all potential market sensitive information concerning the Company and making auditable disclosure decisions, subject to the approval requirements set out in 5.4 and 5.5.

The Disclosure Officers may delegate aspects of administering this policy to other employees. The delegation may be general or specific to a particular matter.

5.2 **Reporting processes — Obligations on Directors, senior managers and employees**

The Disclosure Officers are responsible for ensuring that all Board decisions that must be disclosed are dealt with by an appropriate company announcement.

If a **Director** considers that he or she is in possession of potentially market sensitive information, they should discuss the matter with the Chairman or the MD.

Senior managers reporting to the MD must immediately make the Disclosure Officers aware of any matter that they consider may be material for continuous disclosure purposes.

Other employees who consider that they may be aware of potentially market sensitive information must immediately inform their manager who should ensure that it is passed on to an appropriate senior manager to ensure that the MD is informed.

It is not up to the Company's employees to determine whether or not an event is market sensitive. Employees must, and will be directed to, disclose all potentially significant information concerning the Company whether or not the employee believes that:

- (a) it is a material event or agreement; or
- (b) an exception to disclosure applies.

5.3 **Assessment of information by Disclosure Officers**

The Disclosure Officers must decide whether any information of which the Company is or becomes aware must be disclosed to ASX by assessing whether the information meets the market sensitive test in section 3.1 or whether it need not be disclosed due to the exception in section 3.5.

5.4 **Approval for disclosure to ASX**

If the Disclosure Officers believe information must be disclosed, the Disclosure Officers must seek approval for disclosure of the information to ASX as follows:

- (a) in the first instance, approval from the Board;
- (b) if it is not practicable to seek approval from the Board (recognising the requirement to immediately disclose market sensitive information), the Disclosure Officers must seek approval from:
 - (i) the Chairman; or
 - (ii) in his or her absence, the MD; and
- (c) if, in exceptional circumstances, the Board, the Chairman and the MD are not available, the Disclosure Officers have authority to approve disclosure of the information to ASX.

5.5 **Board review of continuous disclosure matters**

As a standing agenda item at each Board meeting, the Directors will raise and consider whether there is any information (including any matters reported to or discussed at the Board meeting) that may potentially need to be disclosed to the market pursuant to the Company's continuous disclosure obligation.

Each Board report will contain a section dealing with continuous disclosure issues.

5.6 **Request for information by ASX — False market**

If ASX asks the Company for information to correct or prevent a false market, the Disclosure Officers must consider the request and seek approval for any disclosures in accordance with section 5.5 above.

5.7 **Requests for Trading Halts**

Only the Disclosure Officers are authorised to request a trading halt from ASX.

Before requesting a trading halt, the Disclosure Officers must seek approval to do so from the Board, the Chairman or the MD as contemplated in section 5.5 above. However, it is recognised that the Company may be required to submit a trading halt expeditiously and that it may be not always be practicable for the approval of the Board to be sought (depending upon the circumstances).

5.8 **Disclosure to ASX and dissemination**

When disclosure of information under section 5.4 or 5.5 has been approved, the Company Secretary must immediately lodge that information with ASX in the manner prescribed by the ASX Listing Rules.

Information lodged with ASX must not be released publicly by the Company until the Company has received formal confirmation from ASX that the information has been released.

Once the Company has received formal confirmation from ASX, the Company Secretary must promptly post the information on the Company's website. The Company may simultaneously or subsequently release the information in any other manner it considers appropriate including issuing a media release, conducting a press conference or mailing details to the Company's security holders.

6. **EXTERNAL COMMUNICATIONS**

6.1 **Authorised spokespersons generally**

Information concerning the Company may only be disclosed to external parties by authorised spokespersons appointed in accordance with this policy. In this regard the Chairman, MD and Executive Director, or any other person authorised by the Board, are generally the authorised spokespeople for disclosing information concerning the Company to the media.

6.2 **No comments by employees or associated parties**

No Company employee or associated party (such as a consultant, adviser, lawyer, accountant, auditor or investment banker) is permitted to comment publicly on matters confidential to the Company. Any information which is not public must be treated by all the Company employees and associated parties as confidential and must not be disclosed by any of them except through the Company's reporting system or the procedures set out in this policy.

6.3 **Market speculation and rumour**

Except in the circumstances where an announcement to ASX may be required, the Company generally does not respond to media comment (both conventional or social) or market speculation. This policy must be strictly adhered to by all employees.

6.4 **No embargo of information**

The employees (including authorised spokespersons) and the Directors must not disclose under an embargo arrangement information concerning the Company that is required to be disclosed in accordance with this policy.

6.5 **Dealings with media, presenting at conferences and participation in chat rooms and unauthorised disclosure of company information**

Only certain individuals are authorised to speak to the media or other outside parties. If any employee receives a request for comment from an external investor, analyst or the media in relation to any matter concerning the Company they must advise that person that they are not authorised to speak on behalf of the Company and must refer the enquiries to the MD or Executive Director.

Unauthorised disclosure of company information including by way of:

- (a) interviews or presentations (eg at an industry, professional or private conference); or
- (b) preparation and/or provision of written material, including emails and participation in chat room discussions,

may place the Company in contravention of its legal requirement to disclose market sensitive information first to ASX. This could result in the immediate termination of employment of the provider of the information.

If market sensitive information which has not been given to ASX has been released to a section of the market (eg at an investor or analyst briefing or at a meeting of security holders) or to a section of the public (eg at a media briefing or through its publication on a website or in social media), the Company must immediately give the information to ASX under ASX Listing Rule 3.1 in a form suitable for release to the market.

7. ELECTRONIC COMMUNICATIONS

7.1 The Company's website

The Company's website will feature a disclosure section to ensure that all market participants have an equal opportunity to receive externally available information issued by the Company. This information will include:

- (a) annual reports;
- (b) results announcements;
- (c) all other announcements of the Company made to ASX (whether under the Company's continuous disclosure obligations or not);
- (d) speeches and support material given at briefings and meetings (including shareholders' meetings);
- (e) the Company's profile and contact details; and
- (f) all written information provided to investors, analysts, brokers or the media.

7.2 ASX released information

Information lodged with ASX under the Company's general and continuous disclosure obligations will not be posted on the Company's website until the Company has received formal confirmation from ASX that the information has been released.

8. POLICY APPROVAL AND COMPLIANCE

8.1 Board approval of policy

This policy has been approved by the Board. Any amendments to this policy can only be made with the Board's prior approval.

8.2 Continuous disclosure on Board agendas

The Board will ensure that continuous disclosure is a standing item on Board agendas and will:

- (a) note all information disclosed since the last Board meeting; and
- (b) consider whether disclosure is required for any item on the Board agenda.

8.3 Monitoring compliance with policy

The Board will monitor compliance with this policy and will regularly, either through Board meetings or through any disclosure committee formed by the Board:

- (a) discuss with the Disclosure Officer the effectiveness and auditability of the Company's reporting system; and

- (b) consider whether the Company is complying with its obligations under this policy, the ASX Listing Rules and the Corporations Act.

8.4 **Training and awareness**

Management must ensure that all employees receive appropriate training on the Policy obligations that apply to them and understand their delegations, responsibilities and any specific business expectations.

In particular, management must ensure that, on the commencement of employment, any new employee who reports directly to the MD or who otherwise will have a direct responsibility to ensure compliance by the Company with its continuous disclosure obligations must receive appropriate training on the policy obligations that apply to them and understand their delegations, responsibilities and any specific business expectations.

9. **POLICY BREACHES**

9.1 **Strict compliance**

Strict compliance with this policy is mandatory for all Company employees.

9.2 **Breach of this policy**

A contravention by the Company of its continuous disclosure obligations may result in:

- (a) civil or criminal liability for the Company and persons involved in the contravention; and
- (b) unfavourable publicity for the Company and may damage the Company's reputation in the investment community and undermine confidence in the market for the Company's securities, (see section 4 above).

9.3 **Consequences of breach for employees**

Breaches of this policy will be taken very seriously by the Company and may lead to disciplinary action being taken against employees, including dismissal in serious cases.

10. **MORE INFORMATION**

If any person has any queries about their reporting requirements, the Company's continuous disclosure obligations or any other question about this policy, they should contact the CFO in the first instance.

Adopted on: 21 July (Continuous Disclosure Policy 1.1)