



## **ATTACHMENT C**

### **POLICY ON CONTINUOUS DISCLOSURE**

#### **INTRODUCTION**

The Company is a listed company on the Australian Stock Exchange (ASX) and as such must meet the requirements of ASX Listing Rule 3.1 (Continuous Disclosure) to keep the market informed of material events as they occur.

This continuous disclosure policy sets out the procedure for:

- ♦ Identifying material price sensitive information.
- ♦ Reporting such information to the Chief Executive Officer ("CEO") and/or the Company Secretary for review.
- ♦ Ensuring Gindalbie Metals Ltd ("GBG") achieves best practice in complying with its continuous disclosure obligations under the Corporations Act and ASX Listing Rules.
- ♦ Ensuring GBG and individual officers do not contravene the Corporations Act or ASX Listing Rules.

This continuous disclosure policy applies to Director's and those members of senior management who are most likely to be in possession of, or become aware of, the relevant information. All GBG staff need to be aware of the existence of the policy and to be familiar with its terms so that they can assist with reporting of potentially sensitive information to the appropriate persons within GBG.

#### **PURPOSE**

The purpose of this policy is to ensure that Company announcements are:

- ♦ Made in a timely manner.
- ♦ Are factual.
- ♦ Do not omit material information.
- ♦ Are expressed in a clear and objective manner that allows investors to assess the impact of the information when making investment decisions.

#### **CONTINUOUS DISCLOSURE PROTOCOL – COMMITMENT**

The Company is committed to:

- ♦ Ensuring that stakeholders have the opportunity to access externally available information issued by the Company.
- ♦ Providing full and timely information to the market about the Company's activities; and
- ♦ Complying with the obligations contained in the Australian Stock Exchange Listing Rules and the Corporations Act relating to continuous disclosure.

## CONTINUOUS DISCLOSURE POLICY

### *Underlying Principle*

GBG has obligations under the Corporations Act and ASX listing Rules to keep the market fully informed of information which may have a material effect on the price or value of GBG securities, or influence an investment decision on the Company's shares or securities, and to correct any material mistake or misinformation in the market. GBG discharges these obligations by releasing information to the ASX in the form of an ASX release or disclosure in other relevant documents.

### *Exceptions to ASX Listing Rule 3.1 on Continuous Disclosure*

ASX Listing Rule 3.1 provides for disclosure not to be required where:

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

All three (a, b and c) must be met for disclosure not to be required.

### *ASX Listing Rule 3.1A – Price Sensitive Information*

ASX Listing Rule 3.1 requires that GBG immediately notify the ASX of any information of which GBG becomes aware, concerning GBG that a reasonable person would expect to have a material effect on the price or value of GBG securities.

A reasonable person would be taken to expect information to have a material effect on the price or value of securities if it would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell the securities. Hence, information is considered to be "material" if there is a substantial likelihood that it would influence an investor in deciding whether to trade in or hold the Company's shares/securities.

GBG becomes aware of information if any of its Director's or officers has or ought reasonably to have, come into possession of the information in the course of the performance of his or her duties as a Director or Executive Officer of GBG.

The disclosure obligation does not generally apply where the information is already generally available.

### *ASX Listing Rule 3.1B – False Market*

Under ASX Listing Rule 3.1B GBG may be required to make a clarifying statement or announcement to the ASX in circumstances where GBG becomes aware that speculation or comment is affecting the price or volume of trading in GBG securities.

For example, when the market moves in a way that appears to be referable to the comment or speculation, GBG has an obligation to make such disclosure as is necessary in order to correct a false market in GBG's securities and ensure investors are not trading on false or misleading information. Normally the ASX will indicate to GBG when it believes this is required.

## **Examples**

Set out below is a list of information that a reasonable person would expect to have material effect on the price or value of securities issued by GBG:

- financial condition or results significantly different to that anticipated by the market
- proposed acquisition or divestment of material assets
- natural disasters or accidents that impact the business
- any action by a regulator that may have an adverse impact on GBG's reputation or licence to operate
- planning to undertake a significant financing or security issue

## **POLICY**

### ***The Policy***

The following procedures will apply to safeguard against breaches of GBG's continuous disclosure obligations:

- (a) director's and senior management must immediately notify the CEO and/or the Company Secretary as soon as they become aware of information that should be considered for release to the market (material information which is to be disclosed);
- (b) the CEO and/or the Company Secretary will:
  - (i) review the material information reported;
  - (ii) determine, in consultation with all necessary parties as appropriate, whether any of the material information is required to be disclosed to the ASX; and
  - (iii) co-ordinate the actual form of disclosure with the relevant members of management.
- (c) where a decision is made, that the item or information does not warrant an ASX release, the CEO/Company Secretary is to advise Director's of the rationale for the decision.

### ***Persons to Whom this Policy Applies***

This policy applies to:

- ♦ All Director's of GBG and its subsidiaries.
- ♦ All members of senior management.
- ♦ All employees.

### ***Obligations***

- (a) As soon as you become aware of information that:
  - ♦ Is not generally available (i.e. the information in question has not been included in any Annual Report, ASX Release or other publication of the Company); and
  - ♦ Which may be price sensitive (i.e. it is likely to have a financial or reputation impact upon the Company that may be considered material).

You must provide the CEO and/or the Company Secretary with all necessary information to ensure that the matter is disclosed appropriately to all required parties.

- (b) In order that you can comply with your obligations under paragraph (a) above, you must ensure that you implement such procedures as you consider appropriate to ensure if any person who reports to you becomes aware of or is in possession of information that is not

generally available and/or which may be price sensitive, that person will promptly notify you of such information.

### ***Market Speculation and Rumours***

Under ASX Listing Rule 3.1B GBG may be required to make a clarifying statement or announcement to the ASX in circumstances where GBG becomes aware that speculation or comment is affecting the price or volume of trading in GBG securities.

For example, when the market moves in a way that appears to be referable to the comment or speculation, GBG has an obligation to make such disclosure as is necessary in order to correct a false market in GBG's securities and ensure investors are not trading on false or misleading information. Normally the ASX will indicate to GBG when it believes this is required.

### ***Release of Information to Others***

GBG must not release material price sensitive information to any person if that information is required to be disclosed to the ASX, until cleared by the ASX. The CEO and/or the Company Secretary or a nominee of the CEO/Company Secretary will advise all relevant parties when the ASX release has been announced by the ASX. All the information disclosed through ASX is to be promptly placed on the Company's investor web site after clearance by the ASX.

### ***Presentation/Enquiries***

For all information/presentations/briefings, etc which are to be provided to third parties, each individual is responsible for ensuring that a copy of the material is provided to the CEO and/or the Company Secretary prior to presenting that information externally.

All inquiries from third parties must be referred to the CEO and/or the Company Secretary. All material presented at an analyst briefing, bank or other third party must be approved by or referred through the CEO and/or the Company Secretary prior to the briefing.

All inquiries from the media must be referred to the CEO and/or the Company Secretary.

### ***Interview by Employees***

No employee may give an interview or make a presentation unless express authority or specific permission is received from the CEO.

An employee who is given permission by the CEO to give an interview or make a presentation must notify the CEO and/or the Company Secretary of the date and time for the interview and must give a copy of any presentation to the CEO and/or the Company Secretary.

## **MANAGEMENT OF THE POLICY**

### ***Specific Responsibilities***

The CEO and/or the Company Secretary is responsible for:

- (a) Liaising with the ASX in relation to continuous disclosure issues.
- (b) Ensuring that the system for the disclosure of all material information to the ASX in a timely fashion is operating.
- (c) Reviewing proposed announcements by GBG to the ASX and liaising with the CEO or other members of the executive or the Chairman in relation to the form of any ASX releases.
- (d) Liaising with the Board of Director's, as appropriate, in relation to the disclosure of information.
- (e) Keeping a record of all ASX and other releases that have been made.
- (f) Periodically reviewing GBG's disclosure procedures in light of changes to ASX Listing Rules or the Corporations Act and recommending any necessary changes to the procedures.

## **BREACH OF POLICY AND PENALTIES**

### ***Breach of Policy***

GBG contravenes its Australian continuous disclosure obligations if it fails to notify the ASX of the information required by Listing Rule 3.1 to be disclosed. If GBG fails to meet this obligation, its officers may be guilty of an offence under the Corporations Act.

## ***Liability and Penalties***

### **(a) GBG**

If GBG contravenes its continuous disclosure obligations, it may face:

- ♦ If the contravention is intentional or reckless – criminal liability with a fine.
- ♦ Civil liability for any loss or damage suffered by any person as a result of failure to disclose relevant information to the ASX.
- ♦ De-listing from the ASX.

The Corporations Act also provides the Australian Securities and Investment Commission (“ASIC”) with a mechanism to issue an infringement notice on the Company for any alleged contravention of its continuous disclosure obligation. The ASIC infringement works in the following manner.

- ♦ Where ASIC considers an entity has breached the continuous disclosure regime, ASIC notifies the entity of the case against it;
- ♦ ASIC then holds a hearing at which the entity is permitted to give evidence and make submissions;
- ♦ If, following the hearing, ASIC decides a contravention has occurred it may issue an infringement notice to this effect;
- ♦ Compliance with this notice can be satisfied by payment of a specified financial penalty and by remedying the alleged inadequate disclosure.
- ♦ Compliance with an infringement notice will not be taken as an admission of liability or of a contravention of the Corporations Act. Subject to certain exceptions, entities complying with an infringement order will also avoid existing or further civil or criminal proceedings arising from the alleged contraventions;
- ♦ Financial penalties imposed by way of infringement notices will range from \$33,000 up to \$100,000, depending on whether the respondent is an unlisted or listed disclosing entity, whether or not the entity has previously contravened the disclosure provisions, and the entity’s market capitalisation (listed entities).
- ♦ If an entity fails to comply with an infringement notice, ASIC may bring civil proceedings against the entity for the alleged contravention. If the court finds that a breach has occurred, it must make a declaration of contravention against the entity, and, if ASIC has sought it, may make an order to disclose information or publish advertisements. The court must also impose a financial penalty;
- ♦ If ASIC is unable to satisfy the burden of proof in civil proceedings, it can not issue another infringement notice relating to the original alleged contravention.

### **(b) Others**

GBG’s officers (including its Director’s, employees or advisers who are involved in the contravention), may also face criminal (monetary fine and/or 5 years imprisonment) and civil liability as outlined above.