



# Continuous Disclosure Policy

Approved by the board on 25 November 2020

# Continuous Disclosure Policy

## Zeta Resources Limited and its subsidiaries (the Company)

---

### 1. Background

#### 1.1 Overview

The Company is committed to effective communication with its shareholders, market participants, suppliers, financiers, creditors, other stakeholders and the wider community. The Company will ensure that all stakeholders, market participants and the wider community are informed of its activities and performance.

The Company will endeavour to make publicly available all information to ensure that trading in its shares takes place in an efficient, competitive and informed market.

#### 1.2 Purpose

The purpose of the Continuous Disclosure Policy ("the Policy") is to:

- (a) ensure that the Company, as a minimum, complies with its continuous disclosure obligations under the *Corporations Act 2001 (Cth)* of Australia ("Corporations Act") and the Australian Securities Exchange ("ASX") Listing Rules ("Listing Rules") and as much as possible seeks to achieve and exceed best practice;
  - (b) provide shareholders and the market with timely, balanced, direct and equal access to information issued by the Company; and
  - (c) promote investor confidence in the integrity of the Company and its securities.
- 

### 2. Legal requirements and best practice

#### 2.1 Legal requirements

The Company is a public company listed on ASX. It is subject to continuous disclosure requirements under the Corporations Act and Listing Rules (which are given legislative force under section 674 of the Corporations Act), in addition to the periodic and specific disclosure requirements. The key elements of the continuous disclosure obligations are set out below:

- (a) **The Rule:** The primary continuous disclosure obligation is contained in Listing Rule 3.1, which states that:

*"Once an entity is or becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities, the entity must immediately tell ASX that information."*

- (b) **The Exception:** Listing Rule 3.1A contains the only exception to Listing Rule 3.1:

*"Listing Rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:*

*3.1A.1 One or more of the following 5 situations applies:*

- (a) *It would be a breach of a law to disclose the information;*
- (b) *The information concerns an incomplete proposal or negotiation;*
- (c) *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- (d) *The information is generated for internal management purposes of the entity; or*
- (e) *The information is a trade secret; and*

*3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

*3.1A.3 A reasonable person would not expect the information to be disclosed."*

- (c) **ASX may request information to correct false market:** Listing Rule 3.1B provides that if ASX considers that there is, or is likely to be, a false market in an entity's securities, and requests information from the entity to correct or prevent the false market, the entity must give ASX the information needed to correct or prevent the false market.
- (d) **Disclosure to ASX first:** Listing Rule 15.7 further requires that an entity must not release information that is for release to the market to anyone until it has given the information to ASX, and has received an acknowledgement from ASX that the information has been released to the market.
- (e) **Material price sensitive information:** Section 677 of the Corporations Act states that, a reasonable person would be taken to expect information to have a "material effect on the price or value" of securities if the information "would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of" those securities.

## 2.2 Best practice guidelines

In addition to the legal requirements, there are guidelines published by various bodies which, though not (or not yet) mandatory, set out various views of best practice in the area of continuous disclosure. The most important of these guidelines are:

- (a) the 'Corporate Governance Principles and Recommendations (4<sup>th</sup> Edition) published by the ASX Corporate Governance Council, in particular Principle 5;
- (b) ASX Guidance Note 8 "Continuous Disclosure";
- (c) Australasian Investor Relations Association Best Practice Guidelines – "Best Practice Investor Relations: Guidelines for Australasian Listed Entities 4<sup>th</sup> Edition"; and
- (d) Australian Securities and Investments Commission ("ASIC") Guidance Rules Regulatory Guide 62 "Better disclosure for investors".

## 2.3 This Policy

This Policy addresses all continuous disclosure requirements under the Listing Rules and the Corporations Act, and incorporates best practice guidelines suggested by the sources listed above.

---

## 3. Key concepts

### 3.1 Disclosure principle

The Company will immediately notify ASX of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the Company's securities, unless exempted by the Listing Rules.

### 3.2 Material price sensitive information

Any information concerning the Company which would, or would be likely to, influence investors in deciding whether to acquire or sell the Company securities ("material price sensitive information") must be disclosed to ASX in accordance with this Policy.

The Investment Manager is responsible for determining what information is to be disclosed. Where there is doubt as to whether certain information should be disclosed, the Investment Manager will discuss the issue with senior executives, and if necessary, seek external advice.

The Investment Manager may develop further guidelines for each individual business unit in determining what is material price sensitive information for that business unit, for example, in the form of quantitative ranges.

The following provides a guide as to the type of information that is likely to require disclosure. This is not an exhaustive list. The determination of whether certain information is material price sensitive information which is subject to continuous disclosure necessarily involves the use of judgment. There will inevitably be situations where the issue is less than clear. If you come across information which potentially falls within the category of material price sensitive information, you should treat it as if it is material price sensitive information and leave the question for the Investment Manager to resolve.

Matters which generally require disclosure include:

- (a) a material change in the Company's financial forecasts or expectations;
- (b) a recommendation or declaration of a dividend or distribution, or a decision one will not be declared;
- (c) changes in the board of directors or auditors;
- (d) a change in the Company's accounting policy;
- (e) an agreement between the Company (or a related party or subsidiary) and a director (or a related party of the director);
- (f) events regarding the Company's shares, securities, financing or any default on any securities (e.g. under or over subscriptions to an issue of securities, share repurchase program);
- (g) material information about the beneficial ownership of shares obtained by the Company under the Corporations Act;
- (h) giving or receiving a notice of intention to make a takeover offer;
- (i) a transaction for which the consideration payable or receivable is a significant proportion of the written down value of the Company's consolidated assets;
- (j) significant mergers, acquisitions/divestments, joint ventures or changes in assets;
- (k) significant developments in regard to new projects or ventures;
- (l) major drilling results;
- (m) industry issues that may have a material impact on the Company;
- (n) significant changes in technology or the application of technology which could affect business;
- (o) significant legal proceedings against or allegation of any breach of the law, whether civil or criminal, by the Company;
- (p) decisions on significant issues affecting the Company by regulatory bodies in Bermuda and Australia (such as the Australian Competition and Consumer Commission and Takeovers Panel, or other bodies relevant to the Company);
- (q) natural disasters or accidents that have particular relevance to the businesses of the Company or its suppliers;
- (r) the appointment of a receiver, manager, liquidator or administrator in respect of any loan, trade credit, trade debt, borrowing or securities held by the Company or any of its subsidiaries; or
- (s) a copy of a document lodged with an overseas stock exchange or regulator containing market sensitive information not previously disclosed to ASX.

### 3.3 Roles and responsibilities

The responsibilities under this Policy are divided as follows:

- (a) **Board of directors** – the Board will be responsible for signing off on any subsequent amendments recommended by the Investment Manager. The Board may be involved in the review of significant ASX announcements;
- (b) **Investment Manager** – responsible for the overall administration of this Policy and all communications with ASX (see below);
- (c) **Authorised Spokespersons** – only those persons which the Company has authorised to speak on behalf of the Company to external parties (see below); and
- (d) **Disclosure Officers** – the Investment Manager is responsible for reporting any material price sensitive information to the chair.

### 3.4 Investment Manager responsibilities

The Investment Manager is responsible for the overall administration of this Policy, and in particular, is responsible for:

- (a) ensuring that the Company is compliant with its continuous disclosure obligations;
- (b) all communications with ASX;
- (c) reviewing proposed external announcements, and consulting with appropriate members of the Board and/or external advisers as necessary;
- (d) implementing reporting processes and determining divisional guidelines (financial or qualitative) for materiality of information;
- (e) reporting on continuous disclosure issues regularly to the Board of the Company;
- (f) keeping a record of all ASX and other announcements that the Company has made;
- (g) monitoring the effectiveness of the Policy, including the understanding in general of the principles and spirit of continuous disclosure; and
- (h) regularly reviewing this Policy for legislative changes or development of best practice, and communicating any amendments.

### 3.5 Authorised spokespersons

The authorised spokespersons are the chair, Investment Manager and Company Secretary as well as other persons authorised by the Board from time-to-time.

When communicating with external parties, an authorised spokesperson:

- (a) should ensure all comments relate to information within the public domain and/or are not material, as the disclosure of confidential information, even if inadvertent, may result in the information no longer falling within the exception to Listing Rule 3.1 and therefore becoming disclosable to ASX immediately;
- (b) may clarify information that the Company has released to ASX but must not comment on material price sensitive information that has not previously been released;
- (c) should limit any comments to his or her area of expertise as much as possible; and
- (d) should report to the Investment Manager after the external communication is made, to determine if any confidential information has been disclosed and whether as a consequence any disclosure to ASX is necessary.

### 3.6 Company announcements – the procedures

The management of the Company's external announcements depends largely on an effective system of internal reporting and announcement preparation.

The following procedures will apply in relation to all external announcements:

- (a) **Identification and notification of material price sensitive information** – as soon as a person within the Company becomes aware of material price sensitive information which has not been previously released by the Company, he or she should immediately notify the Disclosure Officers or the Investment Manager.  
  
"Disclosures" will be a permanent item on the agenda for every Board meeting and committee meetings (if applicable).
- (b) **Review of material price sensitive information** – after receiving any material price sensitive information, the Investment Manager will review the information (in consultation with external advisers if necessary), to determine whether the information is required to be disclosed;
- (c) **Prepare external announcement** – if the information is required to be disclosed, the Investment Manager, or an appropriate delegate, will prepare a draft announcement. Such announcements should be factual, complete, relevant, balanced and expressed in an objective and clear manner. The use of emotive or intemperate language should be avoided;

- (d) **Obtain sign off** - The draft company announcement must be signed off by the chair or the Investment Manager;
- (e) **Lodge announcement** - the Investment Manager, or a person appointed by the Investment Manager, will lodge the announcement with ASX electronically; and
- (f) **Post announcement on the Company website** - within 24 hours after receiving an acknowledgement from ASX that the announcement has been released to the market, post the announcement onto the Company's website (under the "News – ASX Announcements" section).

In light of the Company's obligation to disclose any material price sensitive information "as soon as it becomes aware" of the information, the above steps, where required, should be taken as a matter of urgency.

### 3.7 Joint announcements

In situations where the Company needs to issue a joint announcement with a joint venture or project partner, the Company will seek to give the partner the opportunity to review the announcement prior to its release, provided that it does not compromise the Company's ability to comply with its disclosure obligation.

### 3.8 Timing

The Company must not release material price sensitive information publicly until it has disclosed it to ASX and received confirmation of its release by ASX.

### 3.9 Disseminating announcements

After receiving ASX's confirmation that an announcement has been released to the market, the Company will disseminate the information as soon as possible by posting the announcement on the Company's website (within 24 hours after receiving ASX's confirmation).

The Company's website will contain relevant information on the Company such as:

- (a) company profile;
- (b) ASX announcements;
- (c) annual reports and other financial results;
- (d) speeches and other information provided to analysts and investors; and
- (e) AGM information.

The Investment Manager must review the relevant information prior to it being posted on the website. The website will be reviewed continuously to ensure that it is up-to-date, complete and accurate.

### 3.10 Pre-result periods

To prevent inadvertent disclosure of material price sensitive information, during the periods between the end of its financial reporting periods and the actual results release, the Company will not discuss any financial information, broker estimates and forecasts, with institutional investors, individual investors, stockbroking analysts, or the media unless the information being discussed has previously been disclosed to ASX.

### 3.11 Media and market speculation

The Company has a general "no comments" policy in relation to market speculation and rumours, which must be observed by employees at all times. However, the Company may issue an announcement in response to a market speculation or rumour where it is necessary to comply with the continuous disclosure obligations, for example, for the purpose of correcting factual errors or responding to a formal request from ASX for information.

The Company will not provide the media with exclusive interviews or information that potentially contains any material price sensitive information prior to disclosing that information to ASX. It will also not provide any information "off the record".

The Company will not disclose any information that is potentially material price sensitive information publicly under an embargo arrangement prior to release to ASX.

Any adherent to this policy approached by the media or any external parties for information should observe the "no comments" policy and notify the Investment Manager as soon as possible.

### 3.12 Briefings/meetings/conference calls with analysts or investors

As part of the Company's management of investor relations and to enhance stockbroking analysts' understanding of its background and technical information, it may conduct briefings with analysts or investors from time-to-time, including:

- one-on-one discussions (for the purpose of this Policy, this includes any communications between the Company and an analyst/investor);
- Company briefings; and
- conference calls,

(collectively referred to as "briefings").

The Company's policy for conducting these briefings is not to disclose any information which is, or potentially is, material price sensitive information, that has not been announced to ASX and the market generally. No briefing should be held during pre-results periods.

In addition, the following protocols will be followed in relation to such briefings:

- (a) the Company will make an announcement prior to the briefing to inform the market;
- (b) any written material to be used at a briefing must be provided in advance to the chair to determine whether it contains any information that has not previously been disclosed;
- (c) if the Investment Manager/other authorised representative cannot attend the briefing, they should be fully briefed within 1 day after the briefing;
- (d) if a question raised during the briefing can only be answered by disclosing material price sensitive information which was not previously disclosed to ASX, the relevant Company representative must decline to answer the question, but take the question on notice; and
- (e) following the briefing, the Company will post all material used or made available for the briefing on the Company's website.

### 3.13 Broker sponsored investor conferences

The Company or its executives may be from time-to-time invited to participate or present at broker sponsored investor conferences. The policy and protocols for the Company's briefings apply to such conferences.

### 3.14 Responding to analyst reports and forecasts

Stockbroking analysts frequently prepare reports on securities of listed entities, which may include the Company, which contain performance and financial forecasts. The Company acknowledges the importance of analyst reports in facilitating the operation of the market in an informed and efficient manner.

However, the Company is independent, and will do all things necessary to be seen as independent, to analysts. The Company will not endorse any such reports, and will restrict its comments to factual matters and information which has been previously disclosed to ASX and the market generally.

In particular, the Company:

- (a) will not generally comment on analyst forecasts or disclose its own earnings projections, however, it may comment on analyst reports by:
  - (i) acknowledging the report's range of estimates; and
  - (ii) correcting factual errors or assumptions where the relevant information has already been disclosed;
- (b) will not include any analyst reports in its own corporate information, or post any analyst reports (including hyperlinks) on its website, but may use the reports internally;
- (c) will include a disclaimer that the Company is not responsible for, and does not endorse, the analyst report, in any response made to an analyst; and

- (d) may consider issuing a profit warning/statement if it becomes apparent that in general the market's earnings projections for the Company materially differ from its own estimates.

If a draft report has been sent to the Company for comments, it should be forwarded immediately to the Investment Manager.

### **3.15 Chatrooms**

Participation in chat room discussions on the internet is prohibited where the subject matter relates to the Company unless authorised in writing to do so by the chair or Investment Manager. Any such participation must clearly identify the participant by name and as a Company spokesperson.

### **3.16 Responding to unexpected questions**

Company representatives may be faced with unexpected questions from external parties – for example, pre-arranged briefings may move outside the scope of intended discussion, or Company representatives may be asked for information in situations other than formal briefings.

When faced with an unexpected question, respond only with information which has previously been disclosed to the market. If answering the question requires the disclosure of information that has not been disclosed, or if in doubt as to whether or not certain information has already been disclosed, decline to answer the question. Take the question on notice so that the formal process of releasing information can operate.

### **3.17 Inadvertent disclosure of information**

Disclosure of material price sensitive information to an external party prior to disclosure to ASX constitutes a breach of Listing Rule 15.7. To prevent a breach of Listing Rule 15.7 and to minimise the consequences should such a breach occur, the following procedures apply.

A review should be done following any communications with an external party. If a Company representative becomes aware that:

- (a) there may have been inadvertent disclosure of material price sensitive information (which has not been disclosed to ASX) during any communication with external parties; or
- (b) confidential Company information may have been leaked (whatever its source),

he or she should immediately notify the Investment Manager. In such a situation, the Company will need to immediately issue a formal ASX announcement.

Where the confidential information disclosed during external communications is not price sensitive, the Company will still ensure equal access to that information by posting it on its website.

---

## **4. Trading halts**

In certain circumstances, the Company may need to request a trading halt from ASX to maintain the efficient trading of its securities. The Board and the Investment Manager will make all decisions in relation to trading halts and are the only personnel authorised to request a trading halt on behalf of the Company.

---

## **5. Other matters**

### **5.1 Advisers and consultants**

The Company will require consultants and professional advisers engaged by the Company or any of its subsidiaries to adhere to this Policy. The Company may ask such consultants and professional advisers to sign a confidentiality agreement.

### **5.2 Breach of Policy**

The Company takes continuous disclosure very seriously. Non-compliance with continuous disclosure obligations may constitute a breach of the Corporations Act or the Listing Rules. This may result in fines for the Company, personal liabilities for directors and other officers, and damage to the Company's reputation.

Breaches of this Policy may result in disciplinary action, including dismissal in serious cases.

### **5.3 Further information**

You should read this Policy carefully and familiarise yourself with the policy and procedures detailed.

The Company will review this Policy regularly as legislative requirements change and best practice for continuous disclosure evolves. The Investment Manager will communicate any amendments to the Policy.

If you have any questions on the Policy, or require further information, contact the Investment Manager.

### **5.4 Adoption of Policy and Board review**

This Policy takes effect from the date it was adopted by the Board and replaces any previous policy in this regard.

The Board will review this Policy periodically. The Investment Manager will communicate any amendments to employees as appropriate.

**Last Review Date:** 4 July 2017