

## **Continuous Disclosure Policy**

### **ASX Listing Rule 3.1**

#### **Treasury Group Limited**

and related parties:

- **Investors Mutual Limited**
- **Treasury Group Investment Services Ltd**
- **Global Value Investors Ltd**
- **Orion Asset Mgmt Ltd**
- **Confluence Asset Mgmt Ltd**
- **Treasury Asia Asset Management Ltd**
- **RPENJL Ltd (RARE Infrastructure)**

## 1. Continuous Disclosure Policy

This paper documents the policy adopted by the Boards of Treasury Group and its associate companies:

- Investors Mutual Limited
- Treasury Group Investment Services Ltd
- Global Value Investors Ltd
- Orion Asset Mgmt Ltd
- Confluence Asset Mgmt Ltd
- Treasury Asia Asset Mgmt Ltd
- RPENJL Ltd (RARE Infrastructure)

in order to comply with their continuous disclosure obligations under the Corporations Law and the ASX Listing Rules.

It is noted that in certain circumstances where the insider trading provisions of the Corporations Law may apply to an action being contemplated by TRG a higher level of disclosure is required.

This Continuous Disclosure Policy does not address guidelines for directors and senior executives in buying and selling securities in TRG which are set out in the Directors and Staff Securities Trading Policy.

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## 2. Executive Summary

- TRG has obligations under the Corporations Law and ASX Listing Rule 3.1 to keep the market fully aware of information which may have a material effect on the price or value of TRG's securities.
- In addition to exposing TRG's to unwanted adverse publicity, a contravention of these obligations can have the following results:
  - a. TRG securities may be suspended from trading upon the ASX;
  - b. Penalties may be levied on TRG directors and officers; and
  - c. TRG may have to compensate any investor who suffers loss or damage as a result of the contravention (i.e. losses caused by securities price changes arising from failure to disclose in a timely manner).
- The following procedures will apply to safeguard against inadvertent breaches of TRG's continuous disclosure obligations:
  - a. A Continuous Disclosure Officer will be appointed to co-ordinated monitoring continuous disclosure.

It will be the responsibility of the Continuous Disclosure Officer to review these responses, consider any material information and to determine what action (if any) is to be taken in relation to the material information and, where appropriate, liaise with the Chief Operating Officer, the Managing Director, the Chairman or the Board of Directors prior to releasing material information to the ASX.

### 3. TRG's Continuous Disclosure Obligations

#### 3.1 Introduction

The Corporations Law and the ASX Listing Rule require TRG to comply with continuous disclosure obligations. The sources of TRG's continuous disclosure obligations are:

- The ASX Listing Rule (particularly Listing Rule 3.1); and
- The continuous disclosure provisions contained in the Corporations Act (in particular, sections 674-678 of the Corporations Act 2001).

#### 3.2 Roles and responsibilities of the ASX and ASIC

ASIC and the ASX jointly administer the continuous disclosure regime for entities listed in Australia. The ASX is responsible for administering the Listing Rules while ASIC is responsible for enforcing the Corporations Law.

#### 3.3 ASX disclosure obligations

##### a. Listing Rule 3.1

Pursuant to Listing Rule 3.1 TRG must immediately notify the ASX of:

*Any information of which TRG becomes aware, concerning TRG that a reasonable person would expect to have a material effect on the price or value of any securities issued by TRG.*

A reasonable person is 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.

TRG becomes **aware of information** if any of its directors or executive officer has, or ought reasonable to have, come into possession of the information in the course of performance of his or her duties as a director or executive officer of TRG.

##### b. Listing Rule 15.7

TRG must not release the abovementioned information to any person (eg the media) until it has given the information to the ASX and has received an acknowledgement that the ASX has released the information to the market.

### 3.4 Exceptions to ASX disclosure obligations

#### Exceptions

Disclosure under Listing Rule 3.1 is not required where **each** of the following conditions is and remains satisfied:

1. a reasonable person would not expect the information to be disclosed; **and**
2. the information is confidential; **and**
3. **one or more** of the following conditions apply;
  - 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 solely for the internal management purposes of TRG; or
  - E. the information is a trade secret.

As soon as any of elements 1, 2, or 3 are no longer satisfied (for example the information is reported in the media and, therefore, is no longer confidential), TRG must immediately comply with its continuous disclosure obligations. The obligation to disclose the information arises even though two of the above three requirements remain satisfied.

#### a. Contravention

TRG 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 TRG contravenes this obligation intentionally, recklessly or negligently by failing to notify the ASX of information:

- a. That is not generally available; and
- b. That a reasonable person would expect, if it were generally available, to have a material effect on the price or value of securities issued by TRG.

if, and its officers, may be guilty of an offence under section 678 of the Corporations Act 2001.

According to section 676 Corporations Act 2001, **information is generally available** if:

1. it consist of a readily observable matter; or
2. without limiting the generality of a paragraph (1):
  - A. it has been made known in a manner that would, or would be likely to, bring it to the attention of persons who commonly invest in any of the classes of securities issued by TRG; and

- B. since it was so made known, a reasonable period for it to be disseminated among such persons has elapsed; or
3. it consists of deductions, conclusions or inferences made or drawn from the information referred to above.

## **b. Liability and enforcement – penalties for breach**

### **1. TRG**

If TRG contravene its continuous disclosure obligations, it may face:

- If the contravention is intentional or reckless – criminal liability with a fine of up to \$110,000; and
- Civil liability for any loss or damage suffered by any personal as a result of TRG's failure to disclosing relevant information to the ASX.

ASIC can also institute proceedings under the ASIC Act 1989.

### **2. Others**

TRG's officers (including its directors), employees or advisers who are involved in the contravention by TRG, may also face criminal (\$22,000 and/or 5 years imprisonment) and civil liability as outlined above.

### **3. Enforcement**

The court also has power under the Corporations Act 2001 to order compliance with the Listing Rule on the application of the ASX, the ASIC or an aggrieved person (for example, a TRG securityholder (section 793C(2) Corporations Act 2001)).

### **4. Unwanted publicity**

Contravention of its continuous disclosure obligations may also lead to unwanted publicity for TRG and may cause damage to its reputation in the market place which may adversely impact upon the market value of its securities.

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## **4. Proposed Continuous Disclosure Procedures**

### **4.1 ASIC Guidance Rule**

ASIC has issued a guidance rule which suggests practical steps that listed companies can take to ensure that they meet their continuous disclosure requirement. In particular, the guidance rule suggests:

- Keeping to a minimum the number of directors and staff authorised to speak on the company's behalf;

- Appointing a senior officer to have responsibility for ensuring compliance with the company's continuous disclosure obligations. This officer should be aware of information disclosure in advance, including information to be presented at private briefings; and
- That procedures should be implemented which will ensure that the price sensitive information is released first to the ASX before disclosing it to others outside of the company.

#### 4.2 Proposed measures

The following procedures will apply to safeguard against inadvertent breaches by TRG of its continuous disclosure obligations:

- a. A Continuous Disclosure Officer will be appointed to coordinate compliance with continuous disclosure obligations of TRG; and
- b. The Continuous Disclosure Officer will circulate every fortnight an email to senior management (comprising the Chief Operating Officer, the Managing Director, other executives, and other nominated staff (of TRG & associated companies) asking them to:
  1. confirm that they are not in possession of any information that should be considered for disclosure to the market or provide details of relevant information (thus, if there is no information for disclosure no confirmation is required); and
  2. immediately notify the Continuous Disclosure Officer of information that comes into his or her possession that is not generally available and which may be price sensitive (**material information**).

It will be the responsibility of the Continuous Disclosure Officer to review the responses received and determine what action (if any) is to be taken in relation to the material information. Where appropriate, the Continuous Disclosure Officer will liaise with the Chief Operating Officer, Managing Director, Chairman or Board of Directors prior to releasing the material information to the ASX. Once the information is prepared for release, the Continuous Disclosure Officer will sign the documentation, in conjunction with the Managing Director's signature for verification.

#### 4.3 Responsibilities of Continuous Disclosure Officer

The Continuous Disclosure Officer will:

- a. Liaise with the ASX in relation to continuous disclosure issues;
- b. Ensure that there is an adequate system in place for the disclosure of all material information to the ASX in a timely fashion;

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- c. Review fortnightly management reports to determine if there is a disclosable matter and, if so, whether the matter involved any confidential aspects;
  - d. Review proposed announcements by TRG to the ASX and liaise with the Chief Operating Officer and the Managing Director in relation to the form of any releases;
  - e. Liaise with the Chief Operating Officer and the Managing Director, the Chairman and the Board of Director, as appropriate, in relation to the disclosure of information;
  - f. Keep a list of relevant matter (including for example, incomplete negotiations and internal papers) to monitor which may require disclosure in the future; and
  - g. Update TRG's disclosure procedures at least every six months and whenever there is a change to:
    - 1. an ASX continuous disclosure rule; or
    - 2. a relevant ASIC requirement.

**Annexure A – Information Disclosure Requirements**

TRG must disclose any information that a reasonable person would expect to have a material effect on the price or value of securities by TRG.

Such information could include, but is not limited to, matters involving:

1. the financial condition, results of operations and earning performance of TRG or a company controlled by TRG, which are significantly different from that anticipated by TRG or the market;
2. a proposed acquisition or disposition of assets to be announced by TRG or a company controlled by TRG;
3. legal proceedings against or allegation of any breach of the law, whether civil or criminal, by TRG or any of its employees;
4. a change in TRG's financial forecast or expectation;
5. an agreement between TRG (or related party or subsidiary) and a director (or related party of the director);
6. changes in TRG's officers or Managing Director
7. changes in TRG auditors;
8. any negative publicity;
9. planning to undertake a significant financing or security issue (whether debt or equity) or to take other action with respect to outstanding securities (eg share repurchase program, redemption of bonds) or any default on any securities.

*Note: These examples do not provide an exhaustive list. You should include in your reports any matter which you think may be "price sensitive" or influence an investor's decision to buy or sell securities.*

**Annexure B – Email Disclosure Report**

Please complete this disclosure report and forward it to the Continuous Disclosure Officer as soon as you become aware of information that is not generally available and which may be price sensitive (“material information”) or if there is a change of status in relation to any information previously reported to the Continuous Disclosure Officer.

The Continuous Disclosure Officer will determine whether the matter must be disclosed and will co-ordinate any communications with the ASX.

If you have any questions regarding this disclosure report, please contact the Continuous Disclosure Officer.

1. Are you aware of any matter which is material and should be considered for disclosure to the market?

If yes, please provide the relevant details set out below.

If you are aware of more than one matter, please send a separate reply for each matter.

2. General description of matter which may be material:
3. Parties involved:
4. Relevant date of event/transaction:
5. Status of matter (eg final/negotiations still in progress/preliminary investigations only):
6. Estimated value of transaction:
7. Estimated effect of transaction:
8. Estimated effect of TRG operations:
9. External advisers (if any), or provide names of in-house advisers involved:
10. Previous announcements made in relation to the matter (if any):

**Annexure C: Email/Fax/Post disclosure**

In the event of computer/hardware breakdowns, please submit the report as soon as possible to the Continuous Disclosure Officer to one of the following:

Fax number: 03 9661 8499

Postal address: Level 9, 470 Collins Street  
Melbourne Victoria 3000

For verification purposes, please call the Continuous Disclosure Officer on 03 9661 8403 to confirm delivery receipt.