

# **CORPORATE GOVERNANCE POLICIES**

## **CONTINUOUS DISCLOSURE POLICY**

The Company's policy is that all shareholders and investors have equal access to the Company's information and has procedures to ensure that all price sensitive information is disclosed to the ASX in accordance with the continuous disclosure requirements of the Corporations Act 2001 and ASX Listing Rules. The Directors are to identify matters that may have a material effect on the price of the Company's securities. The Executive Directors and the Company Secretary are responsible for all communications with the ASX. This role includes responsibility for ensuring compliance with the continuous disclosure requirements in the ASX Listing Rules and overseeing and co-ordinating information disclosures to the ASX, analysts, brokers, shareholders, the media and the public.

The Corporations Act and ASX Listing Rules impose criminal and civil liabilities on RHM and its officers if price sensitive information is not released to the market immediately after it becomes known

All information required by ASX LR 4.10 will be disclosed in the Company's Annual Reports.

The Company will, at all times, comply with its reporting obligations in accordance with ASX Listing Rules 3.1.

All information which is significant or which may materially impact on the Company's share price, must immediately be brought to the attention of the Managing Director.

All employees and key consultants are, at the time of induction, given information relating to the Company's policies and practices and obligations for continuous disclosure.

Time is of the essence in respect to these matters.

### **Purpose**

This policy is designed to ensure that Richmond Mining Limited (RHM), as an ASX Listed company, complies with the disclosure requirements of the ASX Listing Rules.

The policy further aims to ensure that all senior management are accountable for ensuring compliance with the continuous disclosure requirements.

### **Requirements**

Chapter 3 of the ASX Listing Rules (LR) sets out the continuous disclosure requirements that a listed company must satisfy. Continuous disclosure is the timely advising of information to keep the market informed of events and developments as they occur.

LR 3.1 states "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."

LR 3.1 does not apply to particular information while all of the following are satisfied:

1. A reasonable person would not expect the information to be disclosed.

2. The information is confidential and ASX has not formed a view that the information has ceased to be confidential.
3. One of more of the following applies:
  - It would be a breach of a law to disclose the information.
  - The information concerns an incomplete proposal or negotiation.
  - The information comprises matters of supposition or is insufficiently definite to warrant disclosure.
  - The information is generated for the internal management purposes of the entity.
  - The information is a trade secret.

The only exception to this is where the *ASX Listing Rules* do not require such information to be disclosed. Upon confirmation of receipt from the ASX, the Company will post all information disclosed in accordance with this policy on the Company's website in an area accessible by the public.

It is relevant to note that RHM will be deemed to become aware of information when a Director or executive officer has, or ought reasonably to have, come into possession of the information in the course of performance of duties as a Director or executive officer.

### **The type of information that needs to be disclosed**

Obviously, it is not possible to exhaustively list the information which has to be disclosed. The following examples are provided to give you some idea about information that could require disclosure.

**If you are ever in any doubt about the importance of information, which comes to light, you should immediately notify the Managing Director so that a formal decision can be taken as to whether or not to release the information to the market.**

Examples of information that might need to be disclosed include any event which could effect RHM's earnings or profitability, such as:

- litigation being commenced by or against RHM (eg because of an alleged breach of contract or following an accident etc);
- significant unbudgeted expenditure commitments arising; or
- the loss of a major contract or breach of a material contract.

### **How each officer is expected to play their part**

Where any information comes to light about RHM which may need to be released to the market, each officer is obligated to immediately bring that information to the attention of the Managing Director or in his absence the Company Secretary.

A decision will then be taken by the Managing Director or Company Secretary about whether or not to disclose the information to the market (where appropriate, after taking legal advice). If a decision is made to withhold information from the market, that decision must be confirmed by another Director and the Company Secretary must be informed.

Until a decision as to whether or not to disclose information has been made, that information must remain confidential.

## **Procedure**

- a) Information is determined by the Directors, the Company Secretary or other employee of the Company as being of a type or nature that may warrant disclosure to the ASX;
- b) If not known by the Directors, all information should be reported to the Directors;
- c) The Company Secretary will determine the nature and extent of the information and consult with the Managing Director to determine the form and content of any ASX Release (Release);
- d) The Company Secretary and Managing Director will jointly agree on the text of the proposed Release and will be responsible for ensuring that Company establishes a vetting procedure to ensure that the announcements are factual and do not omit any material information. They will also be responsible for ensuring that Company announcements are expressed in a clear and objective manner that allows investors to assess the impact of the information when making investment decisions. The Company Secretary may also be required to draft the Release for review and will liaise with the Managing Director to ensure all announcements are made in a timely manner.
- e) Depending on the nature of the release, the sensitivity of the information, the availability of the Board, the Managing Director may determine whether or not the Board, as a whole, should be involved in the review of the Release;
- f) The Company Secretary (or in his/her absence, the Managing Director) will be responsible for submitting Releases to the ASX and ensuring that the Website is updated.

Directors must also notify the Company Secretary as soon as practicable, but not later than 3 business days after they have bought or sold the Company's securities or exercised options. In accordance with the provisions of the Corporations Act and ASX Listing Rules, the Company, on behalf of the Directors, must advise the ASX of any transactions conducted by them in the securities of the Company.

Breaches of this policy will be subject to disciplinary action, which may include termination of employment.

## **Responsibility**

### **1. Primary Responsibility**

In compliance with Listing Rule 3.16.4, the Company Secretary has been appointed as the person responsible for communication with ASX in relation to Listing Rule matters.

### **2. Secondary Responsibility**

Managing Director and Board of Directors

## **Conclusion**

Compliance with this policy is very important. Failure to comply could lead to civil or criminal liabilities for RHM and its officers and could have a damaging impact on the perception of RHM within the investment community.

The Directors are encouraged to actively consider the need for disclosure and to get into the habit of discussing the requirement to disclose information to the market. It is far better to consider (and where appropriate reject) the need for disclosure rather than make what could be a false assumption that information does not need to be disclosed.