

## 1. OBJECT

To ensure that the Company immediately discloses all material information to Australian Stock Exchange Limited ('ASX').

## 2. METHOD

The Board has appointed the Company Secretary as the Disclosure Officer to be in charge of ensuring that the Company satisfies the continuous disclosure requirements of the ASX Listing Rules and the Corporations Act 2001.

Managers should immediately refer material information to the Disclosure Officer.

This Annexure is divided into the following sections:

- what must be disclosed (see paragraph 3);
- the responsibilities of:
  - **the Board (see paragraph 4);**
  - **the Disclosure Officer (see paragraph 5); and**
  - **Managers (see paragraph 6); and**
- an outline of Listing Rule 3.1 and sections 674, 676, 677, 678 and Part 9.4AA of the Corporations Act 2001 (Annexure)

## 3. WHAT MUST BE DISCLOSED

The continuous disclosure requirements relate to complying with the ASX Listing Rules requiring notification of matters 'as they arise'. The most general of such Listing Rules is Listing Rule 3.1, which requires the Company to immediately notify the ASX of any information concerning the Company which a reasonable person would expect to have a material effect on the price or value of securities of the Company.

If information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, or buy or sell, securities of the Company, it is material and must be disclosed. However, under the legal definition information could be material in other ways - if there is any doubt, the information should be immediately disclosed to the Disclosure Officer.

The type of information which is covered is not limited to, but could include:

- significant change in revenue or profit or loss forecasts;
- significant change in asset values or the amount of liabilities;
- change in the attitude of significant investors to investment in securities of the Company;
- natural disasters that have particular relevance to the businesses of the Company or its suppliers;
- decisions of regulatory authorities in relation to the businesses of the Company;
- the health or capacity of the directors or senior managers of the Company; and
- material information affecting significant customers or suppliers of the Company.

Listing Rule 3.1 requires disclosure of information that 'a reasonable person would expect to have a material effect on the price or value of the entity's securities' comes into possession of a manager in the course of his [or her] duties. Therefore all managers must keep up-to-date with all matters within their responsibility which may be or become material.

Listing Rule 3.1 and the continuous disclosure provisions of the Corporations Act 2001 are set out in the Annexure. Other Listing Rules that are governed by those provisions include the rest of Listing Rule 3. Because of the far-reaching scope of Listing Rule 3.1 however, this protocol will focus primarily on Listing Rule 3.1.

The disclosure required by Listing Rule 3.1 is subject to a number of exceptions, set out in the Annexure. To fall within an exception, information must be both confidential and such that a reasonable person would not expect disclosure of that information as well as satisfying one of the other specific conditions set out in the Listing Rule.

#### **4. RESPONSIBILITIES OF THE BOARD**

As the Board has overall responsibility for supervision of the Company it must ensure that the Company meets its disclosure obligations.

The Board's responsibilities are to:

- I. Adopt a plan to ensure compliance with the disclosure obligations of the Company (such as this protocol).
- II. Put in place a system for monitoring compliance with the protocol and those disclosure obligations.
  - This may include setting up a review procedure of management reports to ensure compliance. This review procedure may require periodic monitoring by external auditors, at least in the initial stages.
  - The Board should also check that matters that it knows were price sensitive were noted in the Disclosure File noted below.

#### **5. RESPONSIBILITIES OF THE DISCLOSURE OFFICER**

The role of the Disclosure Officer is to:

- decide what information must be disclosed to the ASX;
- conduct all disclosure dialogue with the ASX;
- maintain on a Disclosure File a record of material that has been disclosed to the ASX and material that has not been disclosed to the ASX together with the reasons for non-disclosure;
- review monthly management reports from Managers to determine whether matters included are potentially material and:
  - should be disclosed to the ASX; or
  - have been resolved in a manner which does not require disclosure.
- submit monthly reports to the Board setting out:
  - any significant matters revealed by the Disclosure Officer's review of monthly management reports.

The Disclosure Officer will receive reports from Managers that include certain information that is or might be material. The Disclosure Officer must immediately decide whether that information must be disclosed to the ASX. There are three possibilities:

- The Disclosure Officer believes the information is material and must be disclosed.
  - In this case the Disclosure Officer must discuss the matter with the Chairman and prepare and send a letter to the ASX disclosing the material information. A copy of the letter must be placed on the Disclosure File.
- The Disclosure Officer is convinced the information is not material or does not have to be disclosed because it is covered by the exceptions to disclosure.
  - In this case, the Disclosure Officer must make careful notes as to the information that has been brought to his attention and the reasons that the information is not material. Those notes must be placed on the Disclosure File.
- The Disclosure Officer is not certain whether the information is material or whether it falls within an exception.
  - In this case, the Disclosure Officer must immediately discuss the matter with the Chairman. Among other matters, the material may be discloseable under some other Listing Rule. If the Disclosure Officer and the Chairman together cannot make a decision urgent external legal advice should be obtained from the Company's solicitors.

The Disclosure Officer must also review management reports from Managers. The purpose of the review is to ensure that matters included which are potentially material are brought to their proper conclusion - either disclosure to the ASX or a reason why they are not material or do not have to be disclosed. A copy of the management reports and any correspondence relating to the Disclosure Officer's review of the reports should be kept on the Disclosure File.

The Disclosure Officer must also prepare reports to the Board as set out above. As far as possible the Disclosure Officer should indicate in those reports the significance of various items.

## **6. RESPONSIBILITIES OF MANAGERS**

Managers must immediately disclose material information that comes to their attention to the Disclosure Officer. Personnel categorised as Senior Management will include General Managers, Production Managers, Sales Managers, Financial Managers, Information Technology Managers and Engineering Managers.

If a Manager finds out information which he or she believes to be material he or she must immediately notify that information to the Disclosure Officer.

The Manager's primary role (in respect of continuous disclosure) is to notify the Disclosure Officer of material information. The decision as to whether that information is material, or falls within an exception is primarily the role of the Disclosure Officer.

Managers must also notify the Disclosure Officer of any matters within their responsibility that may give rise to material information in the future.

Any questions about continuous disclosure or this protocol, should be referred to the Disclosure Officer.

A person involved in a contravention of the disclosure provisions of the Corporations Act can be personally liable in circumstances where there is intentional participation and actual knowledge.

## 7. MEDIA COMMENT AND EXTERNAL COMMUNICATIONS

The only persons authorised to communicate with news media, analysts, shareholders and the general public in relation to any matter which is subject to this policy on continuous disclosure are the Chairman, the Chief Executive Officer and the Chief Financial Officer and any other person authorised by the Chairman or Chief Executive Officer from time to time.

Analyst and brokers will not be briefed or presented with material price sensitive information unless such material has been announced to ASX prior to such presentations taking place. The MaxiTRANS website will be updated with ASX announcements after they are confirmed as released by ASX

### PRINCIPAL CONTINUOUS DISCLOSURE PROVISIONS

#### (A) ASX Listing Rules

Listing Rule 3 provides:

#### IMMEDIATE NOTICE OF MATERIAL INFORMATION

3.1.1 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.

3.1A This rule does not apply to information where any of the following applies:

- 3.1A.1 A reasonable person would not expect the information to be disclosed;
- 3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential;
- 3.1A.3 One or 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; or
  - the information is a trade secret.

#### (B) Corporations Act 2001

For the purpose of the following provisions the Company is a 'listed disclosing entity' and unless advised otherwise every security issued by the Company should be regarded as an 'ED security'. 'Securities' are shares, debentures, prescribed interests and some derivatives. (ED Securities are defined in sections 111AD - 111AM Corporations Act 2001 and Part 1.2A of the Corporations Regulations)

The relevant provisions of the Corporations Act 2001 are:

#### Continuous disclosure - listed disclosing entity bound by a disclosure requirement in market listing rules

- s674** (1) Obligation to disclose in accordance with listing rules Subsection (2) applies to a listed disclosing entity if the provisions of the listing rules of a listing market in relation to that entity require the entity to notify the market operator of information about specified events or matters as they arise for the purpose of the operator making that information available to participants in the market.

- (2) If:
- (a) this subsection applies to a listed disclosing entity; and
  - (b) the entity has information that those provisions require the entity to notify to the market operator; and
  - (c) that information:
    - (i) is not generally available; and
    - (ii) is information that a reasonable person would expect, if it were generally available, to have a material effect on the price or value of ED securities of the entity;
- the entity must notify the market operator of that information in accordance with those provisions.
- (2A) A person who is involved in a disclosing entity's contravention of subsection (2) contravenes this subsection.
- (2B) A person does not contravene subsection (2A) if the person proves that they:
- (a) took all steps (if any) that were reasonable in the circumstances to ensure that the listed disclosing entity complied with its obligations under subsection (2); and
  - (b) after doing so, believed on reasonable grounds that the listed disclosing entity was complying with its obligations under that subsection.
- (3) For the purposes of the application of subsection (2) to a listed disclosing entity that is an undertaking to which interests in a registered scheme relate, the obligation of the entity to notify the market operator of information is an obligation of the responsible entity.
- (4) Nothing in subsection (2) is intended to effect or limit the situations in which action can be taken (otherwise than by way of a prosecution for an offence based on subsection (2)) in respect of a failure to comply with provisions referred to in subsection (1).
- (5) Obligation to make provisions of listing rules available If the listing rules of a listing market in relation to a listed disclosing entity contain provisions of a kind referred to in subsection (1), the market operator must ensure that those provisions are available, on reasonable terms, to:
- (a) The entity; or
  - (b) If the entity is an undertaking to which interests in a registered scheme relate – the undertaking's responsible entity.

**Sections 674 and 675 - when information is generally available**

(note: section 675 relates to unlisted companies)

- s676** (1) This section has the effect for the purposes of section 674 and 675.
- (2) Information is generally available if:
- a) it consists of readily observable matter; or
  - b) without limiting the generality of paragraph a), both the following subparagraphs apply:
    - (i) 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 securities of a kind whose price or value might be affected by the information; and
    - (ii) since it was so made known, a reasonable period for it to be disseminated among such persons has elapsed.

- (3) Information is also generally available if it consists of deductions, conclusions or inferences made or drawn from either or both of the following:
- (a) information referred to in paragraph (2) (a);
  - (b) information made known as mentioned in sub-paragraph (2)(b)(i).

**Sections 674 and 675 - material effect on price or value**

**s677** For the purposes of sections 674 and 675, a reasonable person would be taken to expect information to have a material effect on the price or value of ED securities of a disclosing entity if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to acquire or dispose of ED securities

**Section 678 – Application of *Criminal Code***

S678 The *Criminal Code* applies to an offence based on subsection 674(2), 674(5) or 675(2).

**Part 9.4AA – Infringement notices for alleged contraventions of continuous disclosure provisions**

ASIC has the power to issue infringement notices where it has reasonable grounds to believe that a disclosing entity has contravened subsection 674(2) or 675(2).