



**Magontec Limited**

**Continuous Disclosure Policy**

Approved: 24th February 2016

**This document outlines the company's Continuous Disclosure Policy.**

## **Background**

Magontec Limited is listed on the Australian Securities Exchange (ASX) under the ticker MGL. Magontec is committed to upholding its obligations under both the ASX Listing Rules and the Corporations Act 2001.

This regime requires listed companies to keep the share market fully informed at all times and to advise the market promptly if there has been any event which may impact positively or negatively on the company's share price.

## **Obligations**

The obligations for Continuous Disclosure according to ASX Listing Rule 3.1 are as follows:

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

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

**3.1B    *If ASX considers that there is or is likely to be a false market in an entity's securities, and asks the entity to give it information to correct or prevent a false market, the entity must give ASX the information it asks for.***

## **Definition of 'aware'**

Under the Listing Rules, an entity becomes aware of information if, and as soon as, an officer of the entity has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity.

For Magontec, this includes any director, the Company Secretary or member of key management personnel.

## **Disclosure process**

The aim of this policy is to ensure all investors have equal and timely access to material information concerning Magontec Limited.

### **Roles and responsibilities of directors, officers and employees in complying with continuous disclosure obligations**

All members of the Board and key management personnel are required to notify the Company Secretary of any information that might potentially be material for assessment as to whether it is price sensitive and thus warrants disclosure.

The assessment will then be undertaken with reference to ASX Listing Rule 3.1, Guidance Note 8, and any relevant disclosures will be made promptly and without delay as deemed appropriate.

The Company Secretary will be responsible for ensuring that the company complies with its continuous disclosure obligations, and will co-ordinate the disclosure of information to the ASX in consultation with the Board and key management personnel as deemed necessary.

The Company Secretary will also retain responsibility for making sure this policy is updated in conjunction with regulatory and other developments.

### **Confidentiality**

All directors, the Company Secretary and all employees of the firm are expected to safeguard confidentiality of corporate information in order to avoid premature disclosure.

### **Media contact and external communications**

Magontec will not provide information to the media that is considered material or market sensitive before it has been disclosed to the ASX to the extent that it is related to its Continuous Disclosure obligations.

Regarding other external communications (e.g. analyst briefings and other responses to security holder questions), the company aims to ensure it does not provide selective disclosure of material information in order to provide shareholders with equal access to information.

If a query is raised of a director or senior executive that can only be answered by disclosing market sensitive information, the question will be declined.

## **Measures for responding to or avoiding the emergence of a false market in Magontec securities**

The following is extracted from ASX Listing Rule 3.1B, Guidance Note 8.

### *What is a “false market”?*

According to the ASX listing rules, “false market” refers to a situation where there is material misinformation or materially incomplete information in the market which is compromising proper price discovery. This may arise, for example, where:

- a listed entity has made a false or misleading announcement;
- there is other false or misleading information, including a false rumour, circulating in the market; or
- a segment of the market is trading on the basis of market sensitive information that is not available to the market as a whole.

Magontec Limited is committed to ensuring that a false market is not created in the trade of its securities. The measures below are taken with respect to both media and analyst reports, as well as to market rumours or speculation.

If any of these sources appear to contain market sensitive information (whether accurate or not) and:

- 1) There is a material change in the market price or traded volumes of Magontec securities which appears referable to this source; or
- 2) The source is of a character that when the market does start trading, it is likely to have material effect on the market price or traded volumes of Magontec securities; or
- 3) Magontec receives a request from the ASX

Magontec will take appropriate steps to address this, including responding to the report in a timely manner if deemed appropriate. Otherwise, if these circumstances are not present, Magontec generally does not comment on market speculation or rumour.

## **Website**

The Company’s Website will be promptly updated with all announcements published to the ASX.