

# Continuous Disclosure Policy

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In accordance with the guidelines and Principle 5 (“Make timely and balanced disclosure”) of the ASX Corporate Governance Principles, Austral Gold Limited (‘the Company ’) has put in place mechanisms designed to ensure compliance with the Corporations Act 2001 (Cth) (Corporations Act) and the Australian Securities Exchange (‘ASX’) Listing Rules such that:

- the Company complies with the general and continuous disclosure principles contained in the Corporations Act and the ASX Listing rules;
- all investors have equal and timely access to material information concerning the Company – including its financial position, performance, ownership and governance;
- the Company reports information to the market on a timely basis;
- The Company announcements are factual and presented in a clear and balanced way. “Balance” requires disclosure of both positive and negative information.

NI 71-102 and its Companion Policy 71-102CP contain statutory exemptions from the requirements of Canadian securities legislation for a Foreign Reporting Issuer. The Company The effect of NI 71-102 as it applies to the Company is to reduce Canadian securities compliance requirements as long as the Company complies with the securities compliance requirements in Australia. The Company currently meets these exemptions as it is incorporated outside of Canada, it has less than 50 per cent of its shares held in Canada and one or more of the following is also true: (i) the majority of its directors and officers are non-Canadian residents; (ii) more than 50 per cent of its assets are not in Canada; and (iii) the business is principally not administered in Canada.

## Disclosure Officer

The Company Secretary and Chief Financial Officer are the primary disclosure officers and are responsible for implementing and administering this policy. The disclosure officers are responsible for all communication with the ASX and acts upon instructions from the Board of Directors who ultimately decide on what should be disclosed publicly under this policy.

## Material Information

In accordance with the ASX Listing Rules, the Company must immediately notify the market (via an announcement to the ASX) of any information concerning the Company which a reasonable person with experience in the industry in which the Company operates would expect to have a material effect on the price or value of the Company’s securities.

The Company is also required to disclose information if asked to do so by the ASX, to correct or prevent a false market.

Information need not be disclosed if:

- a reasonable person would not expect the information to be disclosed;
- the information is confidential and the ASX has not formed the view that the information has ceased to be confidential; and
- one or more of the following applies:
  - it would breach the 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 internal management purposes; or

- the information is a trade secret.

Note that the Company is deemed to have become aware of information where a Director or Officer of the Company has, or ought to have, come into possession of the information in the course of the performance of his duties as a Director or executive Officer.

The Corporations Act defines a material effect on price or value as being where a reasonable person would expect information to have a material effect on the price or value of securities if the information would, or would be likely to, affect the decision of whether to acquire or dispose of securities by persons who commonly invest.

## Review of communications for disclosure

The disclosure officer will review all communications to the market to ensure that they are full and accurate and comply with the Company's obligations. Such communications may include:

- media releases;
- analyst, investor or other presentations;
- prospectuses; and
- other corporate publications.

Examples of information or events that are likely to require disclosure include:

- financial performance and material changes in financial performance or projected financial performance;
- changes in relation to directors and the terms of employment of the Chief Executive Officer, Company Secretary and / Chief Financial Officer;
- mergers, acquisitions, divestments, joint ventures or material changes in assets;
- significant developments in new projects or ventures;
- material changes to the Company's security position;
- material information affecting joint venture partners, customers or non-wholly owned subsidiary companies;
- media or market speculation;
- analyst or media reports based on inaccurate or out of date information;
- industry issues which have, or which may have, a material impact on the Company; and
- decisions on significant issues affecting the Company by regulatory authorities.

Where there is any doubt as to whether an issue might materially affect the price or value of the Company's securities, the disclosure officer will assess the circumstances with a Director/(s) and if necessary, seek external professional advice.

All presentations to analysts and investors will be released to the ASX and then included on the Company's website.

## Authorised spokespersons

The Company's authorised spokespersons are the Chairman, Vice-Chairman, the Chief Executive Officer and the Chief Financial Officer. In appropriate circumstances, the authorised spokespersons may from time to time authorise other spokespersons on particular issues and those within their area of expertise.

No employees or consultants are permitted to comment publicly on matters confidential to the Company. Any information which is not public must be treated by employees and consultants as confidential until publicly released.

## Reporting of disclosable information

Once the requirement to disclose information has been determined, the disclosure officer or those who have been delegated authority are the only persons authorised to release that information to the ASX and TSX.V.

Information to be disclosed must be lodged immediately with the ASX and the TSX.V. Any such information must not be released to the general public until the Company has received formation confirmation of lodgement by the ASX.

All information disclosed to the ASX in compliance with this policy must be promptly placed on the Company's website.

## Market speculation and rumours

As a guiding principle, the Company has a "no comment" policy on market speculation and rumours, which must be observed by all employees. The Company however, will comply with any request by the ASX to comment upon a market report or rumour.

## Trading halts

The Company may, in exceptional circumstances, request a trading halt to maintain orderly trading in the Company's securities and to manage any disclosure issues.

Only the disclosure officer is authorised to seek a trading halt.

## Meetings and group briefings with investors and analysts

The Board of Directors, Chief Executive Officer and Chief Financial Officer are primarily responsible for the Company's relationship with major shareholders, institutional investors and analysts. The Company Secretary, the Chief Executive Officer and the Chief Financial Officer are, however, the primary contacts for those parties.

Any written materials containing new price-sensitive information to be used in briefing media, institutional investors and analysts are lodged with ASX prior to the briefing commencing. Upon confirmation of receipt by ASX, the briefing material is posted to the Company's website. Briefing materials may also include information that may not strictly be required under continuous disclosure requirements.

The Company will not disclose price sensitive information in any meeting with an investor or stockbroking analyst before formally disclosing it to the market. The Company considers that one-on-one discussions and meetings with investors and stockbroking analysts are an important part of pro-active investor relations. The Company however, will only discuss previously disclosed information in such meetings.

## Periods prior to release of financial results

During the time between the end of the financial year or half year and the actual results release, the Company will not discuss financial performance, broker estimates and forecasts and, particularly, any pre-result analysis with stockbroking analysts, investors or the media, unless the information to be discussed has already been disclosed to the ASX, and the Provincial security reporting jurisdictions where the Company reports in Canada.

## Web-based communication

The Company's website features discrete sections for shareholders and investors to ensure that such information can be accessed by interested parties. Such information will include:

- annual reports and results announcements;
- notices of general meetings (including the annual general meeting);
- all other company announcements made to the ASX;

- speeches and support material given at investor conferences or presentations;
- company profile and company contact details; and
- all written information provided to investors or stockbroking analysts.

Announcements lodged with the ASX and the Provincial security reporting jurisdictions where the Company reports in Canada will be placed on the Company's website as soon as practicable after the ASX and SEDAR ("System for Electronic Document Analysis and Retrieval" in Canada) confirms receipt of that information.

Shareholders may be offered the option of receiving information via email instead of post.

### **Analysts reports and forecasts**

Stockbroking analysts frequently prepare reports on listed companies that typically detail their opinion on strategies, performance and financial forecasts. To avoid inadvertent disclosure of information that may affect the Company's value or share price. The Company's comments on analyst reports will be restricted to:

- information the Company has issued publicly; and
- other information that is in the public domain.

Given the level of price sensitivity to earnings projections, the Company will only make comment to correct factual errors in relation to information publicly issued by other parties and Company statements.

This policy is reviewed annually.