

Mount Gibson Iron Limited
Corporate Governance Policies and Practices Manual
Continuous Disclosure and ASX Announcements Policy
Adopted by the Board on 18 February 2014

1 Introduction

- 1.1 Mount Gibson Iron Limited (the **Company**) is committed to:
- (a) Ensuring that shareholders and the market are provided with full and timely information about the activities of the Company and its controlled entities.
 - (b) Complying with the disclosure requirements under the Corporations Act and ASX Listing Rules.
 - (c) Preventing the selective or inadvertent disclosure of material price-sensitive information.
 - (d) Ensuring that all stakeholders have equal opportunities to receive information issued by the Company.
 - (e) Making all disclosures in a manner that is clear, concise and effective.
- 1.2 This Policy is intended to:
- (a) Outline processes to be followed by the Company to ensure compliance with its continuous disclosure obligations under the Corporations Act and ASX Listing Rules.
 - (b) Provide guidance in identifying material price-sensitive information that may require disclosure.
 - (c) Outline the processes for reporting information to the Company Secretary, Managing Director, or the Board (as appropriate) for further consideration/action.
- 1.3 References in this document to the “Managing Director” are also taken to include a person acting in the role of “Chief Executive Officer”.

2 Continuous Disclosure

- 2.1 The Company is listed on ASX and is required to comply with the ASX Listing Rules. The Company is committed to complying with these requirements and promoting investor confidence in its securities.
- 2.2 The Company is obliged under the Corporations Act and ASX Listing Rules to inform the market **immediately** of information, if a reasonable person would expect the information to have a material effect on the price or value of the Company’s securities. Information is taken to be within this “price-sensitive” category if it would be likely to influence an experienced investor to buy or sell the Company’s securities.
- 2.3 The Company discharges its continuous disclosure obligations by releasing information to the ASX in the form of an ASX announcement. Where information is not likely to have a material effect on the price or value of the Company’s securities, it may be disclosed through periodic disclosure (for example, in annual or half-yearly reports).
- 2.4 The only exceptions to the requirement for immediate disclosure of material price-sensitive information are those permitted under ASX Listing Rule 3.1A. This rule permits a company to withhold disclosure if **all three** of the following tests are satisfied:

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- (a) A reasonable person would not expect the information to be disclosed.
- (b) The information is confidential and the ASX has not formed the view that the information has ceased to be confidential.
- (c) One or more of the following applies:
 - (i) it would be a breach of the law to disclose the information;
 - (ii) the information concerns an incomplete proposal or negotiation;
 - (iii) the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
 - (iv) the information is generated for the internal management purposes of the Company; or
 - (v) the information is a trade secret.

2.5 As soon as any of the above three requirements are no longer satisfied (for example, the information is reported in the media and so ceases to be confidential), the Company must immediately announce the information to ASX. The obligation to disclose arises even though the other two of the above three requirements may still be satisfied.

2.6 ASX Listing Rule 3.1B provides that if ASX considers that there is or is likely to be a false market in the Company's securities, ASX can ask the Company to provide it with information to correct or prevent the false market. The Company must then give this information to ASX. The obligation under Listing Rule 3.1B to give information to correct or prevent a false market arises even if the exceptions under Listing Rule 3.1A still apply.

2.7 ASX may consider that there is or is likely to be false market in the following circumstances:

- (a) the Company has information that has not been released to the market (because all three limbs of the exception in Listing Rule 3.1A are satisfied);
- (b) there is reasonably specific rumour or media comment in relation to the Company, that has not been confirmed or clarified by the Company; and
- (c) there is evidence that the rumour or comment is having, or ASX forms the view that it is likely to have, an impact on the price of the Company's securities.

2.8 The following procedures will continue to apply to ensure compliance with the Company's continuous disclosure obligations:

- (a) Directors and senior executives must immediately notify the Company Secretary as soon as they become aware of information that should be considered for release to the market. This will include any information which may have a material financial, operational or reputational effect on the Company.

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- (b) The following information should be immediately provided to the Company Secretary (to the extent applicable):
 - (i) A general description of the matter.
 - (ii) Details of the parties involved.
 - (iii) The date or expected date of the event or transaction.
 - (iv) The status of the matter (i.e. final/negotiations still in progress/preliminary negotiations only).
 - (v) The estimated value of the transaction.
 - (vi) The estimated effect on the Company's finances or operations.
 - (vi) The names of any Company executives or external advisers involved in the matter.

- (c) The Company Secretary will:
 - (i) review the information reported;
 - (ii) determine, in consultation with the Chairman, Managing Director or other members of the Board, whether any of the information is required to be disclosed; and
 - (iii) if disclosure is required, co-ordinate the actual form of disclosure with those consulted under (ii) above.

- (d) External advice may be taken to assist in determining whether disclosure is required.

2.9 An indicative list of matters that may be considered material is set out in Annexure A. This list is provided for illustrative purposes only and is not exhaustive.

3 Management of Continuous Disclosure Policy and ASX Announcements

- 3.1 The Nomination, Remuneration and Governance Committee (**NRG Committee**) is responsible for monitoring the effectiveness of this Policy.

- 3.2 The Board has delegated to the Company Secretary the primary responsibility for all communications with ASX in relation to ASX Listing Rule matters. The Company Secretary is responsible for:
 - (a) Liaising with ASX on continuous disclosure issues.
 - (b) Ensuring, with the assistance of the NRG Committee, that the system for reporting and disclosure of all material information is operating effectively.
 - (c) Reviewing proposed announcements by the Company to ASX and liaising with the Chairman or Managing Director or other relevant executives in relation to the form of any ASX releases (subject to the procedure for review of significant announcements, as described in paragraph 3.3 of this Policy).
 - (d) Liaising with the Board and key executives, as appropriate, in relation to the disclosure of material information.

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- (e) Keeping a register of all ASX announcements and other releases that have been made by the Company.
- (f) Periodically reviewing this Policy and its operation in the light of changes to the ASX Listing Rules or the Corporations Act, and recommending any necessary changes to the Board.
- (g) Preparing regular reports to the Board of the Company on:
 - (i) material matters considered and the form of disclosure (if any); and
 - (ii) any material changes to the Company's continuous disclosure process.

3.3 The Company's protocol for review and release of ASX announcements (and media releases) is as follows:

- (a) All significant announcements are to be circulated to, and reviewed by, all members of the Board.
- (b) Significant announcements include any announcement which contains or relates to financial forecasts or Company policy or strategy. Issues which may fall into this category are to be referred urgently to the Chairman for consideration, by the Managing Director or Company Secretary.
- (c) Significant announcements of a recurring nature, such as the Company's half-year and end-of-year results, are as a matter of course presented for consideration by the full Board prior to their release to the market. However, if in the course of preparation of annual or half-yearly results any material item of information is identified, consideration must be given to the immediate disclosure of this information.
- (d) All members of the Board are required to provide the Company Secretary (or in the Company Secretary's absence, the Chairman) with verbal or written approval of each significant announcement, prior to its release.
- (e) Where the urgency of the subject-matter precludes reference to the full Board, an announcement may be approved by the Directors who are available. It is particularly acknowledged that where a continuous disclosure obligation arises, disclosure cannot be delayed to accommodate the availability of Board members.
- (f) The Chairman (or in his absence the Chairman of the NRG Committee, or failing him the Company Secretary) is to give final approval before release to ASX.
- (g) The Company Secretary must be provided with advance notice of all planned disclosures of Company information, including information to be presented at broker or investor presentations or private briefings. If these disclosures contain confidential information they must be released to ASX in advance or simultaneously – see section 8 below.

3.4 The Company Secretary will ensure that all announcements are released electronically to ASX. After confirmation of the release has been obtained from ASX, the Company Secretary is to circulate the announcement to all members of the Board.

3.5 The Company Secretary will ensure that all announcements are posted on the Company's website as soon as practicable after ASX confirms release to the market.

4 Induction procedures for new Directors and senior executives

- 4.1 As part of the Company's induction procedures for new Directors and senior executives, an induction briefing covering the following issues will be held:
- (a) Overview of the continuous disclosure requirements under the Corporations Act and ASX Listing Rules.
 - (b) What constitutes material information and when should it be disclosed, including the permitted exceptions to such disclosure requirements.
 - (c) The roles and responsibilities of Directors, senior executives and employees of the Company in the disclosure context; in particular, who has the primary responsibility for ensuring that the Company complies with its disclosure obligations and deciding what information is disclosed.
 - (d) Safeguarding confidentiality of corporate information to avoid premature disclosure.
 - (e) Media contact and comment, in accordance with this policy and the Company's Shareholder Communications Policy.
 - (f) Measures for preventing a false market in the Company's securities.
 - (g) Overview of the Company's policies governing external communications such as analyst briefings and responses to shareholder queries, in accordance with the Company's Shareholder Communications Policy.
- 4.2 The induction will be conducted by the Company Secretary or other senior executives of the Company with the assistance of external advisers and consultants as appropriate.
- 4.3 All Directors, senior executives and other key personnel of the Company are to be provided with a copy of Guidance Note 8 to the ASX Listing Rules, entitled "Continuous Disclosure: Listing Rule 3.1".

5 Rumours and market speculation

- 5.1 The Company's general policy, which must be followed by all employees, is not to comment on market speculation and rumours. The Managing Director will determine if a comment is to be made, having regard to the Company's obligations under Listing Rule 3.1B to prevent the emergence of a false and uninformed market for the Company's securities.

6 Trading halts

- 6.1 The Company may, in exceptional circumstances, request a trading halt to prevent the emergence of a false and uninformed market for the Company's securities and to manage disclosure issues. Any decision to request a trading halt will be made by the Managing Director.

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7 Trading in securities

- 7.1 This Policy does not address guidelines for the Company's Directors, senior executives and employees in buying and selling the Company's securities, which are set out in the separate Company Policy "Policy on Key Management Personnel Dealing in Securities".

8 Analysts and media briefings

- 8.1 The objectives of this policy include preventing the selective or inadvertent disclosure of material price-sensitive information, and ensuring that all stakeholders have equal opportunities to receive information issued by the Company. To achieve these objectives the Company must carefully manage all information disclosures, including:
- (a) discussions with stockbroking analysts and media;
 - (b) discussions with institutional investors and other investors; and
 - (c) external presentations (for example, at industry conferences).
- 8.2 Material information must not be selectively disclosed (i.e. by briefings to analysts, the media or customers) prior to being announced to ASX. If any material information is to be disclosed through briefings of this kind, it must first be given to the Company Secretary for review (in consultation with the Chairman, Managing Director or Board, as appropriate) to consider whether an announcement should be made pursuant to ASX Listing Rule 3.1 prior to or simultaneously with the briefing – or alternatively, whether the information should not be disclosed at the briefing.
- 8.3 All inquiries from external parties such as analysts or the media or requests for a presentation concerning the Company must be referred to the Managing Director (or the Investor Relations manager or any other person to whom the Board has delegated authority).
- 8.4 All media releases must be referred through the Company Secretary and approved by the Managing Director or Board (as appropriate) prior to release to journalists. If appropriate, an announcement will be made pursuant to ASX Listing Rule 3.1 prior to making any release to journalists.
- 8.5 Slides and presentations to be used in investor briefings will be given to ASX by the Company Secretary prior to the briefing, and posted on the Company's website after confirmation of release by ASX, where the briefing contains information not already disclosed.
- 8.6 No employee may give an interview or make a presentation to an analyst or the media without the specific permission of the Managing Director or Chairman.

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- 8.7 From time to time, the Company may conduct briefings for analyst, investor and media groups to discuss information that has been released to the market. In conducting such briefings, the following protocols will apply:
- (a) There will be no discussion of price-sensitive information not already disclosed to the market generally.
 - (b) Questions raised in relation to price-sensitive information not previously disclosed will not be answered.
 - (c) All briefing and presentation materials will be disclosed to ASX and placed on the Company's website prior to commencement of the briefing.

9 Social media

Unless the Board has otherwise directed, Directors and employees must not use networking sites such as Facebook and Twitter to discuss or comment upon Company business. Conversations, comments, photos, videos confidential or commercially sensitive information can remain online permanently, irrespective of attempts to delete. Any release of price sensitive information could trigger market disclosure issues.

10 Investor relations function

- 10.1 If the Company appoints any employee or consultant with responsibility for investor relations, they are to be provided with copies of this policy and the Company's Shareholder Communication Policy as soon as possible after appointment. It is to be a condition of the appointment that all investor relations activities must be conducted strictly in accordance with these policies.
- 10.2 Regular reports on investor relations activities must be provided to the Board or (with the approval of the Board) to the Nomination, Remuneration and Governance Committee.
- 10.3 The Board (or the Nomination, Remuneration and Governance Committee, at the direction of the Board) may establish guidelines for the conduct of the investor relations function, which must be consistent with this Policy and the Company's Shareholder Communication Policy.

11 Policy breaches

- 11.1 Breaches of this Policy by employees of the Company may lead to disciplinary action, including dismissal in serious instances.

12 Review

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- 12.1 The NRG Committee is to review this Policy annually and make recommendations to the Board on whether changes are required. The Board must consider any recommendation received from the NRG Committee and where appropriate, amend this Policy.

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Annexure A – Information Disclosure Requirements

The Company must disclose any information that a reasonable person would expect to have a material effect on the price or value of securities issued by the Company. Set out below is an illustrative list of matters that may give rise to an obligation to make disclosure to the market.

Relevant information / matter	
1	Variations in the financial condition, results of operations, or earning performance of the Company or a controlled entity, as against prior year results, Company-issued forecasts or the expectations of the market.
2	A proposed acquisition or disposal of material assets by the Company, a controlled entity or a joint venture partner.
3	The commencement of significant foreign activities (or significant proposed foreign activities) by the Company.
4	Events or occurrences that have a material impact on the operations of the Company.
5	Natural disasters or accidents that have particular relevance to the businesses of the Company or its suppliers, including any fatal accident.
6	Significant changes in technology or the application of technology which could affect the Company's business.
7	Legal proceedings against the Company or a controlled entity, or any allegation of breach of the law, whether civil or criminal, by the Company or a controlled entity or any of their employees.
8	Any notification by a rating agency that it will review the credit rating of the Company.
9	Appointment of a receiver, manager, liquidator or administrator to the Company or a controlled entity.
10	Any agreement between the Company (or a related party) and a Director (or a related party of a Director).
11	Any change in the Company's key management personnel or auditors.
12	Any event generating negative publicity.
13	Entry by the Company or a controlled entity into a new line of business or the discontinuance of a particular line of business.
14	Any proposal to undertake a significant financing or make a security issue (whether debt or equity) or to take any action with respect to outstanding securities (i.e. share repurchase program, redemption of bonds) or any default on any securities.

Note: These are examples, not an exhaustive list. Any potentially significant matter should be reported to the Company Secretary.

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