

# Continuous Disclosure Policy

Approved 29 October 2009

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## 1. Introduction

Techniche Limited (“the Company”) is committed to the promotion of investor confidence by ensuring that trade in its securities takes place in an efficient, competitive and informed market. The Company is listed on the Australian Securities Exchange (“ASX”) and must comply with the Corporations Act and ASX Listing Rules.

This Continuous Disclosure Policy (“Policy”) has been adopted to ensure that the Company complies with its continuous disclosure obligations. The framework is as provided in the Listing Rules and the legislation; the formal procedures are summarised in this Policy.

## 2. Objectives

The purpose of this Policy is to:

- ensure the Company, in a listed environment, meets its continuous disclosure obligations under the Corporations Act and the ASX Listing Rules (particularly ASX Listing Rules 3.1 and 3.1B);
- ensure that all employees are aware of the Company’s continuous disclosure obligations;
- ensure that selective or inadvertent disclosure of material price sensitive information is prevented; and
- implement a procedure for:
  - the central collection of all material information;
  - the assessment of whether that material information must be disclosed to ASX pursuant to the Corporations Act and the Listing Rules; and
  - the method of release of that material information to ASX.

## 3. Policy

The Company will immediately notify the ASX if it 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 Company’s securities. The limited exceptions set out in the Listing Rules for information which is confidential mitigates this disclosure obligation, but only if all necessary conditions are satisfied. (Listing Rules 3.1 and 3.1A are included in Appendix 1).

The Company assesses the materiality of information on the basis of both qualitative and quantitative criteria. Matters which do not appear quantitatively material may be qualitatively material if their omission or non-disclosure has the potential to adversely affect the decision that shareholders might make regarding their investments.

## 5. Procedure

Directors and employees must immediately notify the Company Secretary as soon as they become aware of information that is potentially price sensitive that should be considered for release to the market.

Directors and employees are required to not pre-judge reportable situations and if a Director or employee is uncertain about the consequences of any such information they are to immediately contact the Company Secretary.

As soon as the Director or employee becomes aware of information that:

- is not generally available (i.e. the information in question has not been included in any Annual Report, ASX Release or other publication of the Company); and
- which may be price sensitive (i.e. it is likely to have a financial or reputational impact upon the Company that may be considered material),

they must provide to the Company Secretary the following information (where applicable):

- a general description of the matter;
- details of the parties involved;
- the relevant date of the event or transaction;
- the status of the matter;
- the estimated value of the transaction;
- the estimated effect on the Company's finances or operations; and
- details of any external advisers involved in the matter.

The Company Secretary is responsible for releasing all information to the ASX. The Company Secretary will review the information provided, consult the Managing Director and Chairman to determine if the matter is to be disclosed and co-ordinate the preparation of the disclosure.

The disclosure is to be reviewed and authorised by the Managing Director and Chairman. In the event that the Managing Director and Chairman are in any doubt as to whether something should be notified to the ASX, then they must consult the full Board.

The procedure for continuous disclosure will be reviewed by the Audit Committee on an annual basis or more frequently, if required.

### **Media Speculation and Rumours**

Market speculation and rumours, whether substantiated or not, have the potential to impact the Company. The Company's general policy on responding to market speculation and rumours is that the Company does not respond to market speculation or rumours (unless formally requested by the ASX). Employees must observe this policy at all times. However, the Company may wish to provide a response that corrects speculation if it contains factual errors that could materially affect the Company.

### **Authorised Spokesperson**

The Company will make authorised spokespersons available to shareholders and market participants. The Company's Authorised Spokespersons are the Chairman, the Managing Director and the Company Secretary on matters authorised by the Board to be released to the ASX. Employees authorised to make any public statement on behalf of, or attributable to, the Company must first have the approval of the Chairman or the Managing Director.

## **7. Disclosure**

The Board will make appropriate disclosure to shareholders in the Company's Annual Report of the key aspects of this Continuous Disclosure Policy, including explaining any departure from the best practice recommendations set out in the Australian Securities Exchange Corporate Governance Council Principles of Good Corporate Governance and Best Practice Recommendations.

### **This policy was adopted by the Techniche Limited Board on 29 October 2009.**

The policy is also publicly available on the Company's website in a clearly marked Corporate Governance section.

Any questions relating the interpretation of this policy should be forwarded to the Company Secretary.

## Appendix Australian Securities Exchange Listing Rule 3.1

### Immediate notice of material information

#### General rule

- 3.1 Once an entity is or becomes <sup>+</sup>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 <sup>+</sup>securities, the entity must immediately tell ASX that information.

Introduced 1/7/96. Origin: Listing Rule 3A(1). Amended 1/7/2000, 1/1/2003.

Note: Section 677 of the Corporations Act defines material effect on price or value. As at 11 March 2002 it said for the purpose 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 securities if the 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, the first mentioned securities.

"Information" may include information necessary to prevent or correct a false market, see listing rule 3.1B.

A confidentiality agreement must not prevent an entity from complying with its obligations under the Listing Rules, and in particular its obligation to give ASX information for release to the market where required by the rules.

Examples: The following information would require disclosure if material under this rule:

- a change in the entity's financial forecast or expectation.
- the appointment of a receiver, manager, liquidator or administrator in respect of any loan, trade credit, trade debt, borrowing or securities held by it or any of its child entities.
- a transaction for which the consideration payable or receivable is a significant proportion of the written down value of the entity's consolidated assets. Normally, an amount of 5% or more would be significant, but a smaller amount may be significant in a particular case.
- a change in the control of the responsible entity of a trust.
- a proposed change in the general character or nature of a trust.
- a recommendation or declaration of a dividend or distribution.
- a recommendation or decision that a dividend or distribution will not be declared.
- under subscriptions or over subscriptions to an issue.
- a copy of a document containing market sensitive information that the entity lodges with an overseas stock exchange or other regulator which is available to the public. The copy given to ASX must be in English.
- an agreement or option to acquire an interest in a mining tenement, including the number of tenements, a summary of previous exploration activity and expenditure, where the tenements are situated, the identity of the vendor and the consideration for the tenements. Cross reference: Appendix 5B, which requires this information quarterly, regardless of disclosure because of its materiality.
- information about the beneficial ownership of securities obtained under Part 6C.2 of the Corporations Act.
- giving or receiving a notice of intention to make a takeover.
- an agreement between the entity (or a related party or subsidiary) and a director (or a related party of the director).
- a copy of any financial documents that the entity lodges with an overseas stock exchange or other regulator which is available to the public. The copy given to ASX must be in English.
- a change in accounting policy adopted by the entity.
- any rating applied by a rating agency to an entity, or securities of an entity, and any change to such a rating.
- a proposal to change the entity's auditor.

Cross-reference: Listing rules 3.1A, 3.1B, 5.18, 15.7, 18.7A, 19.2, Guidance Note 8 - Continuous Disclosure: Listing Rule 3.1.

Exception to rule 3.1

3.1A Listing rule 3.1 does not apply to particular information while all of the following are satisfied.

- 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.
  - The information is a trade secret.

Introduced 1/1/2003.

Note: "Confidential" means confidential as a matter of fact. An entity may give information to third parties in the ordinary course of its business and activities and continue to satisfy rule 3.1A.2, provided the entity retains control over the use and disclosure of the information.

Examples include information given to the following:

- the entity's advisers for the purposes of obtaining advice;
- other service providers such as share registries and printers;
- a party with whom the entity is negotiating, for the purposes of the negotiation;
- a regulatory authority or ASX in the course of an application or submission.

ASX would be likely to consider that information has ceased to be confidential if the information, or part of it, becomes known either selectively or generally, whether inadvertently or deliberately. If information becomes known by others in circumstances where the entity does not retain control of its use and disclosure, rule 3.1A.2 is not satisfied, regardless of whether the entity or a third party disclosed the information.

Example: Where there is rumour circulating or media comment about the information and the rumour or comment is reasonably specific, this will generally indicate that confidentiality has been lost.

Cross-reference: Listing rules 3.1, 3.1B, 18.8A; Guidance Note 8 - Continuous Disclosure: Listing Rule 3.1.

+ See chapter 19 for defined terms.