

## 1. INTRODUCTION

The Board is responsible for adopting and monitoring Grange's Continuous Disclosure and Market Communications Policy.

This Policy embraces the principles contained in the ASIC guidance note titled "Better Disclosure for Investors" and the ASX's guidance material on Continuous Disclosure.

### 1.1 Commitment to Continuous Disclosure

Grange is committed to:

- ensuring that shareholders and the market are provided with full and timely information about Grange's activities;
- complying with disclosure requirements under the ASX Limited (**ASX**) Listing Rules and the Corporations Act in Australia;
- preventing the selective or inadvertent disclosure of material price sensitive information;
- ensuring that all stakeholders have equal opportunities to receive externally available information issued by Grange; and
- making all disclosures in a manner that is clear, concise and effective.

### 1.2 Purpose of Policy

The purpose of this Policy is to:

- record and communicate Grange's commitment to continuous disclosure;
- outline the processes followed by Grange to ensure compliance with its disclosure obligations; and to
- outline the corporate governance standards applied by Grange in its market communications practices.

### 1.3 Policy Review

The Board will review this Policy regularly to determine whether it is effective in ensuring accurate and timely disclosure in accordance with Grange's disclosure obligations.

## 2. CONTINUOUS DISCLOSURE

Grange Resources Limited (**Grange**) is listed on the ASX and is required to comply with the ASX Listing Rules.

The ASX Listing Rules contain general and continuous disclosure requirements based on principles that encompass the interests of listed entities, maintenance of investor protection and the need to protect the reputation and integrity of the market.

Grange is committed to meeting its disclosure obligations in accordance with these principles and to the promotion of investor confidence in its securities.

## 2.1 Disclosure Principles

Grange is obliged to immediately (that is promptly and without delay) notify the market by announcement to the ASX upon it becoming aware of all information concerning the business of Grange that a reasonable person would expect to have a material effect on the price or value of Grange'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.

The only exceptions to this disclosure principle are those permitted under Listing Rule 3.1A where a company may withhold disclosure if and only while **all three** of the following criteria are satisfied:

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

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.

If the 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.

## 2.2 Identification of Potentially Material Information

Directors, senior executives and managers 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 Grange.

It is not possible to pre-determine what type of information may be material for disclosure purposes and relevant information will need to be considered on a case by case basis. If you have any doubt about whether information is required to be disclosed you should take the prudent approach and report it to the Company Secretary immediately.

If the Company Secretary is unavailable, the information should be reported directly to the Chief Financial Officer.

The Company Secretary will review and assess the information reported and determine, in consultation with the Managing Director and if necessary with the Chairman or other members of the Board, whether any of the information is required to be disclosed.

If disclosure is required the Company Secretary shall co-ordinate the actual form and content of disclosure.

Continuous disclosure is a standing agenda item for all Board meetings.

### **2.3 Significant Announcements**

The Board will approve the text of any announcement which contains or relates to financial forecasts or material which is significant as regards to Grange policy or strategy. Where issues arise which may fall within this category, the matter is referred urgently to the Chairman and Deputy Chairman by the Managing Director or Company Secretary.

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

Where the urgency of the subject matter precludes reference to the full Board, an announcement within this category may be approved by the Directors who are available. It is specifically acknowledged that where a continuous disclosure obligation arises, disclosure cannot be delayed to accommodate the availability of Board members.

Where Grange is awaiting Board approval for a major announcement it shall monitor:

- the market price of its securities
- major national and local newspapers;
- major news wire services, such as Reuters and Bloomberg;
- any investor blogs, chat-sites or other social media it is aware of that regularly include postings about the Grange; and
- enquiries from analysts or journalists,

for signs that the information in the announcement may have leaked.

Where it detects signs that the announcement may have leaked and is not in a position to make an immediate announcement it will immediately contact ASX to request a trading halt.

The Board may also delegate authority to the Managing Director to release announcements on its behalf.

## 2.4 Rumours and Market Speculation

Grange's general policy, which must be observed by all employees, contractors and consultants is not to comment on market speculation or 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.

Where the ASX forms a view that a report appears to contain credible market sensitive information (accurate or otherwise) and there is a material change in market price or traded volumes which appears to be referable to that report, the Company will respond to the report in a timely manner.

## 2.5 Published Earnings Guidance

As a general rule Grange does not provide earnings forecasts or publish earnings guidance.

If the Company becomes aware that its earnings for a reporting period will materially differ (downwards or upwards) from:

- any earnings guidance it has given for the period;
- where the Company is covered by sell-side analysts, the consensus estimate of those analysts for the period; or
- where the Company is not covered by sell-side analysts, its earnings for the prior corresponding period,

The Board will consider whether a disclosure obligation arises under Listing Rules and the Corporations Act if the difference is of such magnitude that a reasonable person would expect it to have a material effect on the price or value of the company's securities or because failing to inform the market that its published guidance is no longer accurate could constitute misleading conduct on its part.

## 2.6 Trading Halts

Grange may, request a trading halt to prevent the emergence of a false or uninformed market for Grange's securities and to manage disclosure issues. Any decision to request a trading halt will be made by the Managing Director.

The Company Secretary is responsible for the liaison with the ASX in relation to trading halt discussions and for the lodgment of any trading halt requests with the ASX.

## 2.7 Policy Breaches

Breaches of this policy or any guidance documents that support this policy may lead to a breach of applicable legislation, ASX listing rules or other regulations. This may result in damage to the Company's reputation and potential criminal and civil liabilities could be imposed on Grange or its directors, officers and employees. Accordingly, breaches will be taken very seriously by the Company and may lead to disciplinary action including dismissal in serious instances.

### **3. COMMUNICATIONS WITH FINANCIAL MARKETS**

Grange recognises the importance of regular and proactive interaction with the market in order to ensure the Company's stakeholders remain fully informed about its activities. As well as market announcements, this interaction can be in the form of results briefings to stockbroking analysts and media, institutional investor briefings, one-on-one meetings with investors and presentations at industry conferences.

At all times in these interactions, Grange adheres to its guiding principles for market communications.

#### **3.1 Guiding Principles for Market Communications**

Grange applies the following guiding principles for market communications:

- Grange will not disclose price sensitive information to an external party except where that information has previously been disclosed to the market generally.
- Timely and accurate information must be provided equally to all shareholders and market participants.
- Information must be disseminated by channels prescribed by laws and other channels which Grange considers to be fair, timely and cost-efficient.

#### **3.2 Authorised Spokespersons in Respect of Market Communications**

The only Grange employees authorised to make any public statements to the market on behalf of, or attributable to, Grange are those who have the prior approval of the Managing Director.

The only employees authorised to speak on behalf of Grange in this context are:

- Managing Director; or
- The Managing Director's delegate.

If any other employee receives a request for comment from an investor, analyst or the media in relation to any matter concerning Grange, they must advise that person that they are not authorised to speak on behalf of Grange and must refer enquiries to the Managing Director.

#### **3.3 Communication of Disclosable Information**

The Company Secretary is responsible for all communication to the ASX.

All information disclosed to the ASX in compliance with this Policy will be placed promptly on Grange's website, following receipt of confirmation from the ASX. Grange's website is [www.grangeresources.com.au](http://www.grangeresources.com.au).

The Grange Board is provided with copies of all information disclosed to the ASX.

### 3.4 Shareholder Meetings

Grange encourages and supports shareholder participation in general meetings. Mechanisms for enabling shareholder participation will be reviewed regularly to encourage the highest level of participation and include:

- notices of meeting being prepared, and meetings being conducted, in accordance with industry best practice and the guidelines published by the ASX Corporate Governance Council;
- the use of electronic communication to disseminate information relating to meetings;
- submitting voting instructions electronically; and
- copies of the addresses by the Chairman of the Board and the Managing Director at the AGM being disclosed to the market and posted to the website.

### 3.5 Analyst, Investor and Media Briefings

From time to time, Grange conducts briefings for analyst, investor and media groups to discuss information that has been released to the market.

The following protocols apply:

- There will be no discussion of price sensitive information not already disclosed to the market generally.
- Questions raised in relation to price sensitive information not previously disclosed will not be answered.
- If price sensitive information is inadvertently released during the briefing, it will immediately be released to the ASX and placed on Grange's website.
- All briefing and presentation materials will be disclosed to the market via the ASX and placed on Grange's website prior to commencement of the briefing.

### 3.6 Analyst Reports

Grange recognises the important role played by analysts in assisting the establishment of an efficient market with respect to Grange securities. However, Grange is not responsible for, and does not endorse, analysts' research reports on the Company. When requested to do so, Grange may review analysts' research reports but will confine its comments to material previously disclosed by Grange or material in the public domain.

Grange may comment on analysts' earnings estimates to the extent of:

- acknowledging the current market range of estimates;
- questioning an analyst's assumptions or sensitivities if the analyst's estimate is significantly at variance from current market range estimates; and
- advising factual errors where data is already in the public domain.

Forecast information will not be provided by Grange unless it has already been disclosed to the market.

***Updated by the Board of Grange Resources Limited on 8 May 2013***