

CARBINE RESOURCES LIMITED
ACN 122 976 818

DISCLOSURE POLICY

1 INTRODUCTION

This is the disclosure policy and procedures for Carbine Resources Limited (“**Carbine**”)¹. This policy is based upon Carbine’s desire to promote fair markets, honest management and full and fair disclosure. The disclosure requirements must be complied with in accordance with their spirit, intention and purpose. In order to achieve this, Carbine has adopted this policy and it is crucial that employees and management at all levels understand and comply with this policy and its procedures.

This policy is not designed as a legal document to be interpreted as if it were black letter law, rather it is part of Carbine’s corporate governance program and should be interpreted so as to demonstrate Carbine’s real and abiding interest in being, and being seen to be, at the forefront of best corporate governance practice.

Failure to strictly comply with this policy may result in serious civil or criminal liability for Carbine and its officers and could damage the reputation of Carbine.

When required, disclosure must be made immediately. Any employee or officer of Carbine who is uncertain as to whether certain information should be disclosed, should immediately contact the company secretary.

2 PURPOSE

The purpose of this policy is to:

- (a) summarise Carbine’s disclosure obligations;
- (b) explain what type of information needs to be disclosed;
- (c) identify who is responsible for disclosure; and
- (d) explain how individuals at Carbine can contribute.

¹ Australian Stock Exchange Corporate Governance Council, Corporate Governance Principles and Recommendations, Recommendation 5.1, Box 5.1 sets out some suggested continuous disclosure policies and procedures.

3 CARBINE'S DISCLOSURE OBLIGATIONS

3.1 Disclosure principles

Carbine's main continuous disclosure obligations are set out in ASX Listing Rules 3.1 and 3.1B.

3.2 What information must be disclosed?

(a) Price sensitive information

ASX Listing Rule 3.1 states:

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.

Carbine does not want to quibble about whether or not Carbine became "aware" of information. In this policy Carbine will assume that existing reporting lines mean that Carbine's executives should, in the course of the performance of their normal duties, become aware of material that will trigger a disclosure obligation.

A reasonable person would be taken to expect information to have a "material effect" on the price or value of shares and other securities of Carbine if the information would, or would be likely to, influence persons who commonly invest in Carbine securities in making a decision to buy, hold or sell Carbine's securities.

This kind of "price-sensitive" information may derive from the internal activities of Carbine or may come from external sources, such as a joint venture partner, an unlisted entity in which Carbine has an interest or a decision by a court or government body.

Annexure 1 sets out examples of the kinds of "price-sensitive" information that Carbine may be required to disclose.

If you are ever in any doubt about the importance of information which comes to your attention, you should immediately notify the Disclosure Committee ("**Committee**") or the disclosure officer for your business unit so that a formal decision can be taken as to whether or not to release the information to the market.

(b) Information required to correct a false market

ASX Listing Rule 3.1B states:

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

A false market refers to a market in which Carbine's securities are traded:

- (i) in the absence of material price-sensitive information having been disclosed; or
- (ii) on the basis of information that is inaccurate or misleading.

Factors such as market speculation on Carbine's earnings projections or misunderstanding concerning the meaning of financial information released by Carbine can lead to a false market.

In order to ensure that there is at all times a fair and balanced market in Carbine's shares and other securities, Carbine should:

- (i) release to the market information required to correct a false market, whether or not a request has been received from the ASX; and
- (ii) provide the market with balanced and factual commentary on Carbine's financial results to ensure that Carbine's investors are able to make an informed assessment of Carbine's activities and results.

(c) Exception to requirement to disclose "price-sensitive" information

Carbine's obligation to disclose price-sensitive information does not apply if, and only if, each of the following conditions is and remains satisfied:

- (i) a reasonable person would not expect it to be disclosed (because, for example, the result of disclosure would be unreasonably prejudicial to Carbine);
- (ii) the information is confidential (i.e. not in the public domain); and
- (iii) one or more of the following conditions apply:
 - (A) it would be a breach of a law to disclose the information;
 - (B) the information concerns an incomplete proposal or negotiation (for example, a negotiation to enter into a new contract);
 - (C) the information comprised matters of supposition or is insufficiently definite to warrant disclosure; and/or
 - (D) the information is a trade secret.

Only the Disclosure Committee or a disclosure officer can make a decision as to whether Carbine can rely on this exception to its disclosure obligations.

(d) Periodic disclosure

The table below sets out some of the more important periodic disclosure obligations of Carbine under the Listing Rules and this policy applies equally to Carbine's periodic disclosure obligations.

Obligations – Periodic Disclosure	
Annual and half yearly financial reports	In addition to the Corporations Act obligations Chapter 4 of the ASX Listing Rules requires a preliminary final report in the form of Appendix 4B
Quarterly cash flow report	Some entities have obligations to give quarterly cash flow reports in accordance with Appendix 4C. ²
Trading halts and related events	Entities must disclose all relevant information in relation to a request for a trading halt, suspension of quotation of an entity's securities or removal of an entity from the official list. ³
Information relating to equity securities	Entities must disclose detailed information relating to the issue, ownership, attached rights of securities. ⁴

4 DISCLOSURE COMMITTEE AND OFFICERS

4.1 Responsibilities of the Disclosure Committee

The Committee is responsible for:

- (a) ensuring Carbine complies with its disclosure obligations;
- (b) determining what information can or should be disclosed to the market;
- (c) overseeing and coordinating the disclosure of information to the ASX, shareholders, analysts, stockbrokers, media and the public; and
- (d) educating officers and employees on Carbine's disclosure policy and procedures and raising awareness of the principles underlying continuous disclosure.

4.2 Decisions of the Disclosure Committee

Where a decision is made by the Committee to disclose certain information, the Committee must ensure that the information disclosed is:

² ASX Listing Rule 4.7B.

³ ASX Listing Rules Chapter 17

⁴ ASX Listing Rules 4.10

- (a) balanced, factual and accurate; and
- (b) disclosed in accordance with the procedures set out in this policy.

In deciding whether to disclose certain information, the Committee must have regard to:

- (a) this policy and its underlying principles;
- (b) the ASX Corporate Governance Principles and Recommendations relevant to Carbine's disclosure obligations; and
- (c) information previously disclosed by Carbine to the market, including profit expectations, commentary on likely results and detailed business plans or strategies.

A decision made by the Committee to disclose information to the market is final.

A decision made by the Committee to decline to disclose price-sensitive information must be ratified by the Board.

4.3 Disclosure officers and authorised representatives

The Committee may:

- (a) delegate responsibilities to other Carbine officers and employees, as it considers appropriate;
- (b) appoint a disclosure officer for the purposes of liaising with the ASX regarding Carbine's Listing Rules obligations; and
- (c) appoint a disclosure officer for each business unit of Carbine, who will be responsible for providing the Committee with material information relating to that business unit.

4.4 Reporting of information to Disclosure Committee

Once a director or employee of Carbine becomes aware of information that is, or may be, price-sensitive, they should immediately refer that information to the Committee or the relevant disclosure officer.

5 DISCLOSURE PROCEDURES

5.1 Release of information to the ASX

Carbine must immediately notify the ASX of any undisclosed price-sensitive information in accordance with Carbine's legislative and regulatory disclosure obligations and the procedures set out in this policy.

If Carbine becomes aware that information that should be released to the ASX has become generally available or is available to a sector of the market, and that information has not been given to the ASX, Carbine must immediately give the information to the ASX.

Disclosure of price-sensitive information to the ASX must be made by Carbine acting through the Committee or an appointed disclosure officer in accordance with the method of disclosure prescribed by the ASX.

An individual director, shareholder of, or third party to, Carbine cannot disclose price-sensitive information to the ASX.

5.2 Release of information to the public

Carbine must not publicly disclose price-sensitive information until it has given that information to the ASX and has received an acknowledgment from the ASX that the information has been released to the market.

After an acknowledgment has been received from the ASX, information disclosed in compliance with this policy should be promptly placed on Carbine's website.

The Committee may also determine that the disclosed information should be released to major news services and other news outlets.

6 AUTHORISED SPOKESPERSONS

6.1 Identity of authorised spokespersons

The number of authorised spokespersons of Carbine must be kept to a minimum to avoid inconsistent communications and reduce the risk of material information being inadvertently disclosed to the market.

6.2 Employees and associated parties

No employee or associated party of Carbine (such as consultants, advisers, lawyers, accountants, auditors, etc) is permitted to comment publicly on matters confidential to Carbine.

All employees and associated parties must be aware of their obligation to keep non-public company information confidential.

In some circumstances, employees and associated parties of Carbine may be asked to sign confidentiality agreements.

6.3 Procedure for comment by authorised spokespersons

The Committee or a disclosure officer must approve the content of all public comments proposed to be made by an authorised spokesperson.

7 DEALING WITH OUTSIDERS

7.1 Insider trading

The Corporations Act makes it unlawful to deal in the shares of Carbine while in possession of price-sensitive information that has not been disclosed.

It is unlawful for any directors, executives, officers and/or employees of Carbine to buy, sell or otherwise deal in Carbine's shares or other securities while in possession of undisclosed price-sensitive information (for example, prior to the release of Carbine's financial results or an announcement by Carbine of a negotiated joint venture).

It is also unlawful for a director, executive, officer and/or employee of Carbine in possession of undisclosed price-sensitive information to encourage someone else to deal in Carbine's shares or other securities or pass the information onto someone they know or suspect may use the information to buy or sell Carbine's shares or other securities.

The penalties for insider trading are severe and can include imprisonment.

Carbine's policy on the trading of its shares and other securities by directors, executives, officers and employees of Carbine is contained in Carbine's Securities Trading Policy.

7.2 Media

Carbine must not provide "exclusive" interviews, stories or information to the media that contains material or price-sensitive information before that information has been disclosed to the market.

Where the Committee considers it appropriate, the media may be invited to participate in Carbine presentations to investors and analysts.

Press releases should be honest, fair and consistent with the terms of this policy.

7.3 Analysts

(a) One-on-one and group briefings

Carbine does not permit selective disclosure of material information. All investors are to be treated in a balanced and fair fashion. One-on-one and group briefings between Carbine and investors or analysts must be restricted to discussion of previously disclosed information.

A disclosure officer should be present at all one-on-one and group briefings to ensure that no undisclosed price-sensitive information is discussed.

Where it is not possible for a disclosure officer to attend a one-on-one or group briefing:

- (i) the relevant disclosure officer must be fully briefed immediately after that briefing to determine whether any price-sensitive information may have been inadvertently disclosed; and
- (ii) where any executive, director or employee of Carbine who participated in that briefing considers that a matter was raised that might constitute a previously undisclosed price-sensitive matter, they must immediately refer that matter to the Committee or a disclosure officer.

If the Committee or a disclosure officer considers that price-sensitive information was inadvertently disclosed at a briefing, Carbine must immediately release that information to the ASX.

Information provided to analysts and investors during a one-on-one or group briefing (such as slides) must be provided to the ASX for release to the market and posted on Carbine's website as soon as practical to ensure all shareholders and investors have equal access to Carbine information.

(b) Procedure for dealing with analyst, shareholder and investor queries

In responding to analyst, shareholder and investor queries, an authorised spokesperson must:

- (i) only discuss information that has been publicly released;
- (ii) ensure all responses are balanced, factual and truthful; and
- (iii) confine comments on market analyst's financial projections to errors in factual information or underlying assumptions.

Where an analyst, shareholder or investor query can only be answered by disclosing price-sensitive information, Carbine's authorised spokesperson must decline to answer that query. He or she should then refer the query to the Committee so a formal decision can be made as to whether or not it is appropriate for Carbine to disclose information relevant to that query.

(c) Analyst reports and forecasts

Where the Committee resolves that Carbine should comment on a report prepared by an analyst, Carbine's comment must be restricted to information that Carbine has publicly disclosed or information that is in the public domain.

Carbine must not comment on analyst forecasts regarding earnings projections for Carbine except:

- (i) where the forecast differs significantly from Carbine's published earnings projections (if relevant); or
- (ii) to correct any factual errors relating to publicly issued information and company statements.

Carbine should not endorse, or be seen to endorse, analyst reports or the information they contain. Carbine should not:

- (iii) externally distribute individual analyst projections or reports;
- (iv) refer to individual analyst recommendations on its website; or
- (v) selectively refer, or publicly comment on individual analyst recommendations or proprietary research (except where necessary to correct a factual error in accordance with the disclosure policy).

Where Carbine becomes aware that the market's earnings projections on Carbine differ significantly from Carbine's published earnings projections or own earnings estimates, Carbine should issue a profit warning or company statement, if considered necessary by the Committee, to avoid a false market.

7.4 Market speculation

Carbine should not comment on market speculation and rumour unless:

- (a) there are factual errors contained in the speculation or rumour that could materially affect Carbine;
- (b) there is a move in the price of Carbine securities which is reasonably referable (in the opinion of the Committee) to the speculation or rumour; or
- (c) Carbine receives a formal request from the ASX or a regulator.

Any comments made by Carbine in response to market speculation and rumour must be authorised by the Committee and must be limited to correcting factual errors.

Carbine is committed to ensuring that a false market is not created in respect of Carbine securities.

8 COMMUNICATIONS

8.1 Website

To ensure information relevant to Carbine is readily available to shareholders, investors and stakeholders, Carbine will provide the following information on its website:

- (a) all company announcements made to the ASX;
- (b) annual reports and result announcements;
- (c) speeches and support material (including slides) given at investor conferences, briefings or presentations;
- (d) company profile and contact details; and
- (e) all written information provided to investors or stockbroking analysts.

All information posted on Carbine's website must be approved by the Committee and must be continuously reviewed and updated to ensure its accuracy and relevance.

8.2 Publications and other communications

Where approved by the Committee, Carbine may issue company statements or publications regarding previously disclosed information, including:

- (a) press release;
- (b) fact books and other corporate publications;
- (c) publication on Carbine's website; and
- (d) broadcast via e-mail and/or fax to Carbine's shareholders, institutional investors and other key stakeholders.

9 TRADING HALTS

In order to maintain a fully informed, fair and transparent market in respect of Carbine's securities, Carbine may request a trading halt from the ASX where:

- (a) confidential information about Carbine is inadvertently made public and further time is required to enable Carbine to prepare an appropriate public announcement; or
- (b) Carbine is preparing to make a major company announcement and is concerned to prevent speculative or insider trading (for example, where Carbine plans to announce a joint venture enterprise or profit warning).

10 MONITORING COMPLIANCE

10.1 Monitoring

If Carbine's continuous disclosure policy and procedures are complied with by all directors, executives, officers and employees of Carbine, the Committee should be aware of all price-sensitive information that has been disclosed and which may need to be disclosed.

10.2 Records

The Committee must keep accurate and complete records of:

- (a) all decisions made by the Committee and disclosure officers to release price-sensitive information (including reasons);
- (b) all decisions made by the Committee and disclosure officers to decline to release price-sensitive information (including reasons and minutes of the Board ratifying that decision); and
- (c) copies of all information, price-sensitive or otherwise, released by Carbine in accordance with this policy.

All disclosure officers must notify the Committee of any decisions made by them in accordance with this policy, and provide the Committee with reasons for that decision by close of business on the day the decision is made.

11 MAINTENANCE AND PROMOTION OF POLICY

11.1 Annual review

The Committee must review Carbine's continuous disclosure policy and procedures on an annual basis to determine whether they are effective in ensuring accurate, balanced and timely disclosure in accordance with Carbine's disclosure obligations.

Carbine encourages all of its executives, officers and employees to actively consider Carbine's disclosure obligations and offer suggestions as to how to improve Carbine's continuous disclosure policy and procedures to either the Committee or the disclosure officer for their business unit.

11.2 Training and internal compliance

(a) Training

As part of Carbine's commitment to its continuous disclosure obligations all directors, executives, officers and employees of Carbine must:

- (i) be issued with a copy of Carbine's continuous disclosure policy and procedure;
- (ii) accept the terms of this policy, including the obligation imposed upon them to keep non-public company information confidential, as a condition of their employment or office;
- (iii) attend training programs (both as part of their general induction training and as part of Carbine's continuous training programs) to ensure that each is aware of Carbine's continuous disclosure obligations and the terms of Carbine's continuous policy and procedures.

(b) Consequences of a breach of this policy

Failure of a director or employee of Carbine to comply with this policy may lead to disciplinary action being taken, including dismissal or removal in serious cases.

ANNEXURE 1

GUIDELINES – MATERIAL INFORMATION

Examples of information that might need to be disclosed include the following:

- (a) results (anticipated or otherwise) from the activities of Carbine;
- (b) a new contract that has been entered into or a variation to an existing contract. In certain circumstances it may even be necessary to disclose the existence of negotiations surrounding the entry into or variation of a contract, should these negotiations no longer be confidential;
- (c) any event which could affect Carbine's earnings or profitability such as:
 - (i) litigation being commenced by or against Carbine (e.g. because of an alleged breach of contract);
 - (ii) industrial action being threatened or commenced; or
 - (iii) significant unbudgeted capital expenditure commitments arising;
- (d) a change in Carbine's financial forecast or expectation. As a general policy, a 10% to 15% change may be considered material. Further, if Carbine has not made a forecast, a similar variation from the previous corresponding period will need to be disclosed;
- (e) 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;
- (f) a transaction for which the consideration payable or receivable is a significant proportion of the written down value of Carbine's consolidated assets. Normally, an amount of 5% or more would be significant, but a small amount may be significant in a particular case;
- (g) a recommendation or declaration of a dividend or distribution or a recommendation or decision that a dividend or distribution will not be declared;
- (h) under subscriptions or over subscriptions to an issue;
- (i) a copy of a document containing market sensitive information that is lodged with an overseas stock exchange or other regulator which is available to the public. The copy given to ASX must be in English;
- (j) information about the beneficial ownership of shares obtained under Part 6C.2 of the Corporations Act;
- (k) giving or receiving a notice of intention to make a takeover; or
- (l) an agreement between Carbine (or a related party or subsidiary) and a director of Carbine (or a related party of the director);
- (m) to the maximum extent practicable, the components of the chief executive officer's pay package that might govern the action of the chief executive officer and drive levels of performance.

ANNEXURE 2

DISCLOSURE COMMITTEE - TERMS OF REFERENCE

1 POWERS AND RESPONSIBILITIES OF DISCLOSURE COMMITTEE

- (a) To establish procedures for the mandatory notification to the Disclosure Committee ("**Committee**") of:
- (i) information that may be required to be disclosed pursuant to law (domestic or foreign) or the rules of any securities or other exchange in which Carbine is a participant; or
 - (ii) information that may be desirable to disclose having regard to considerations of social responsibility or reputational risk,
- being, for the purposes of these Terms of Reference, "**disclosable information**".
- (b) To make decisions concerning the disclosure of disclosable information, including decisions on:
- (i) whether the information is required to be disclosed;
 - (ii) the substance of the disclosure to be made;
 - (iii) the persons to whom disclosure should be made;
 - (iv) the means by which disclosure should be made; and
 - (v) the timing of disclosure.
- (c) To provide formal assurance to the Board that all disclosable information has been the subject of consideration by the Committee.
- (d) To formulate and recommend to the Board, changes to Carbine's continuous disclosure policy and procedures, having regard to changes in applicable law, legal obligations arising through participation in relevant markets and evolving corporate governance standards.

2 REGULATIONS

- (a) The membership of the Committee is as determined from time to time by the Board.
- (b) The Committee will usually convene at the commencement of each meeting of the Board, and its proceedings will constitute the first item in the order of business at such meetings. The Committee may convene at such other non-scheduled times as may be required in order to exercise the powers and discharge the responsibilities conferred by these Terms and Reference.

- (c) Meetings of the Committee may be held by any means permitted for meetings of the Board.
- (d) The Committee may delegate aspects of administering Carbine's continuous disclosure policy and procedures to other Carbine employees, including to any disclosure officer that Carbine is required to appoint in order to comply with applicable ASX Listing Rules. That delegation may be general or specific to a particular matter.
- (e) The Committee will keep minutes of its proceedings in the same way that minutes of meetings of the Board are kept.
- (f) The Committee may from time to time adopt such other rules and regulations as it considers appropriate for the conduct of its affairs and incorporate those rules and regulations into Carbine's continuous disclosure policy and procedures. Such other rules and regulations must not be inconsistent with the constitution of Carbine, these terms of reference or the Corporations Act.