

SIGNATURE METALS LIMITED
ACN 106 293 190
CONTINUOUS DISCLOSURE POLICY

1. OVERVIEW

1.1 Compliance with ASX Listing Rules

Signature Metals Limited ("Signature" or "Company") is listed on the Australian Securities Exchange (ASX) and must comply with the *Corporations Act* and the ASX Listing Rules (Listing Rules).

1.2 Continuous Disclosure of Material Information

One of the most significant obligations imposed by the *Corporations Act* and the Listing Rules is the continuous disclosure to the market via the ASX of material information. This is a mandatory obligation.

1.3 Purpose

The purpose of this Policy is to:

- (a) ensure that all directors, employees and contractors (Employees) are aware of the continuous disclosure obligations of Signature; and
- (b) implement a procedure for the central collection, assessment and if required, release to the ASX, of material information.

2. THE LAW

2.1 Compliance with the Law

Section 674 of the *Corporations Act* requires that the Company comply with the provisions of the Listing Rules relating to the continuous disclosure to the ASX of material information relating to Signature. The *Corporations Act* states that if Signature has information that the continuous disclosure provisions of the Listing Rules require Signature to notify the ASX and that information is:

- (a) not generally available; and
- (b) information that a reasonable person would expect, if it were generally available, to have a material effect on the price or value of Signature shares,

The Company must notify the ASX of that information in accordance with the Listing Rules.

2.2 Material Effect of Information on Signature Shares

Section 677 of the *Corporations Act* states that:

*"A reasonable person would be taken to expect information to have a material effect on the price or value of securities (Signature shares) if the information **would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to acquire or dispose of, the securities.**"*

2.3 Breach – Offences, Infringement Notices and Liabilities

A breach of section 674 of the *Corporations Act* is both a criminal and civil offence.

Furthermore, under section 1317DAC of the *Corporations Act*, the Australian Securities & Investments Commission may issue an Infringement Notice for an alleged contravention of the Act.

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A person who is involved in any contravention by Signature of its continuous disclosure obligations also commits a civil offence. However, a person will not be liable if the person can prove that they:

- (a) took all steps (if any) that were reasonable in the circumstances to ensure that Signature complied with its continuous disclosure obligations; and
- (b) after doing so, believed on reasonable grounds that Signature was complying with its obligations.

A third party who incurs a loss as a result of a breach of Signature's continuous disclosure obligations may commence action against Signature.

3. THE ASX LISTING RULES

3.1 ASX Policy

The ASX's Policy is that:

"Timely disclosure must be made of information which may affect security (share) values or influence investment decisions, and information in which security (share) holders, investors and ASX have a legitimate interest."

3.2 Continuous Disclosure Obligation to Release Material Information

To support this Policy, ASX Listing Rule 3.1 contains the continuous disclosure obligation which applies to Signature and all other listed entities. The Rule provides:

"Once an entity (Signature) 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 (Signature) securities (shares), the entity (Signature) must immediately tell ASX that information."

As in the *Corporations Act*, the Listing Rules provide that a reasonable person would be taken to expect information to have a material effect on the price or value of securities (Signature Shares) 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 securities.**

"Immediately" should be taken to mean within hours of becoming aware of the information.

In this Policy, such information will be referred to as **"Material Information"**.

3.3 Possession of Material Information

Listing Rule 19.12 also provides:

*"An entity becomes **aware** of information **if a director or executive officer has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as a director or executive officer of that entity.**"*

An **"Executive Officer"** is any manager of Signature who is concerned with, or takes part in, the management of the Company.

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3.4 Restricted Exemptions

Listing Rule 3.1A contains a restricted exemption if all of the following reasons in (a) to (c) apply:

- (a) a “reasonable person” would not expect the information to be disclosed;
- (b) the information is confidential (and ASX has not formed the view that the information has ceased to be confidential); and
- (c) one or more of the following applies:
 - it would be a breach of law to disclose the information;
 - the information concerns an incomplete proposal or negotiation;
 - the information is insufficiently definite to warrant disclosure;
 - the information is generated for Signature’s internal management purposes only; or
 - the information is a trade secret.

Decisions on whether any of these exemptions may apply to Material Information will be made by the Chief Executive Officer and/or the Company Secretary.

3.5 False Market

Listing Rule 3.1B provides that where:

*“ASX considers that there is or is likely to be a **false market** in an entity’s (Signature) securities (shares) and asks the entity (Signature) to give it information to correct or prevent a false market, the entity (Signature) must give ASX the information needed to correct or prevent the false market.”*

There is likely to be a **false market** in Signature shares in a number of circumstances including:

- (a) where Signature has Material Information that has not been released to the market because it falls under the exemption in Listing Rule 3.1A; and
- (b) there is reasonably specific rumour or media comment in relation to Signature that has not been confirmed or clarified by an announcement to the market (via the ASX); and
- (c) there is evidence that the rumour or comment is having, or ASX forms the view that the rumour or comment is likely to have, an impact on the price of Signature shares.

4. POLICY

4.1 Overview

The Chief Executive Officer (CEO)/Managing Director (MD) and the Company Secretary are primarily responsible for ensuring that this Policy is implemented and enforced and that all required Material Information is disclosed to the ASX as required by the *Corporations Act* and the Listing Rules.

The CEO/Managing Director (MD) and the Company Secretary have been designated as the Company’s disclosure officers.

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In the absence of the CEO/Managing Director (MD) and Company Secretary, any matters regarding disclosure issues are to be referred to the Chairman.

4.2 Employee Responsibilities

All Employees of Signature, its subsidiaries or associated companies must immediately disclose full details of any Material Information that comes to their attention to the CEO/MD and/or the Company Secretary. If an Employee is unsure whether specific information would be Material Information, the Employee must immediately disclose full details of the information to the CEO/MD and/or Company Secretary.

4.3 Directors' and Executive Officers' Responsibilities

The Listing Rules require disclosure of Material Information that has, or ought reasonably to have come into the possession of a Director or Executive Officer. As such, all Directors and Executive Officers must keep up to date with all matters within their operations which may become material.

4.4 Compliance with Policy

The Board may require the Company's external auditors to audit and report on compliance with this Policy.

5. TYPES OF INFORMATION THAT MAY REQUIRE DISCLOSURE

5.1 Types of Information

For assistance in determining if information is Material Information, Employees are to refer to the CEO/MD and/or Company Secretary if various types of information may be material and therefore may be required to be disclosed.

5.2 Providing Public Information

As a listed company, Employees must ensure that only public information is provided when answering questions asked by third parties, including the media and analysts. Media statements or draft analyst reports will only be commented on or corrected by a Director or CEO/MD of the Company (or their express nominees) and should only be commented on or corrected if doing so involves the provision of publicly available information.

6. OBLIGATIONS OF THE CHAIRMAN, CHIEF EXECUTIVE OFFICER AND THE COMPANY SECRETARY

6.1 Obligations

As required by Section 4 of this Policy, full details of all actual or possible Material Information must be immediately sent to the CEO/MD and/or Company Secretary.

6.2 Company Secretary's Responsibilities

The Company Secretary has administrative responsibility for reviewing all information forwarded pursuant to this Policy and where necessary, for making a recommendation to the Chairman or CEO/MD on whether it is Material Information that must be disclosed to the ASX and/or falls within the exemption referred to in paragraph 3.4.

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6.3 Procedures

The CEO/MD and/or Company Secretary must:

- (a) review all information forwarded pursuant to this Policy and assess what information may be Material Information which must be disclosed to the ASX;
- (b) provide advice to the Chairman;
- (c) following approval of disclosure by the Chairman and/or CEO/MD, release the information to the ASX; and
- (d) maintain a record of all Material Information disclosed to the ASX.

7. QUESTIONS

Any questions relating to the interpretation or enforcement of this Policy should be forwarded to the Company Secretary.