

## INTRODUCTION

Tap Oil Limited (“Tap” or “Company”) is listed on the Australian Stock Exchange (“ASX”) and must comply with the continuous disclosure obligations contained in the ASX Listing Rules.

Tap is committed to:

- ensuring that shareholders and the market are provided with full and timely disclosure of material information relating to Tap’s activities; and
- complying with the disclosure obligations required by the *Corporations Act 2001* (Cth) and ASX Listing Rules.

This Policy presents an overview of the continuous disclosure requirements under the ASX Listing Rules and the Company’s procedures to ensure compliance with those requirements. This Policy applies to the Directors, officers and employees of Tap and its subsidiaries and all persons working for a Tap company under a contract or a consultancy agreement (as opposed to an employment contract) (“**Tap Personnel**”).

## CONTINUOUS DISCLOSURE OBLIGATIONS

Under the Corporations Act and the ASX Listing Rules, Tap must ensure that once 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 Tap’s securities, Tap must immediately tell the ASX of that information.

Tap becomes “aware” of information if any of its Directors or officers 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 officer of Tap.

A reasonable person would be taken to expect information to have a “material effect” on the price or value of Tap’s shares if the information would, or would be likely to, influence persons who commonly invest in shares when deciding whether to buy, hold or sell Tap’s shares.

An officer of an entity who is faced with a decision on whether information needs to be disclosed under Listing Rule 3.1 may find it helpful to ask two questions:

- (1) “Would this information influence my decision to buy or sell securities in the entity at their current market price?”
- (2) “Would I feel exposed to an action for insider trading if I were to buy or sell securities in the entity at their current market price, knowing this information had not been disclosed to the market?”

If the answer to either question is “yes”, then that should be taken to be a cautionary indication that the information may well be market sensitive and, if it does not fall within the carve-outs to immediate disclosure in Listing Rule 3.1A (discussed below), may need to be disclosed to ASX under Listing Rule 3.1.

Further guidance on the continuous disclosure obligation under Listing Rule 3.1 is contained in ASX Guidance Note 8.

## LISTING RULE 3.1A

Listing Rule 3.1A contains an exception to the above general disclosure obligation. Pursuant to Listing Rule 3.1A, the disclosure of particular information is not required while all of the following conditions are satisfied:

- (a) 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 Company; or
  - the information is a trade secret; and
- (b) the information is confidential and ASX has not formed a view that the information has ceased to be confidential; and
- (c) a reasonable person would not expect the information to be disclosed.

For the purposes of Listing Rule 3.1A, “confidential” means “secret”. Thus, information will be confidential for the purposes of that rule if:

- it is known to only a limited number of people;
- the people who know the information understand that it is to be treated in confidence and only to be used for permitted purposes; and
- those people abide by that understanding.

Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the company. Accordingly, even though an entity may consider information to be confidential and its

disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it is no longer a secret and it ceases to be confidential information for the purposes of this rule.

#### OBLIGATION TO CORRECT OR PREVENT A FALSE MARKET

Listing Rule 3.1B imposes an additional disclosure obligation to prevent a false market for a company's securities. Listing Rule 3.1B provides that if ASX considers that there is or is likely to be a false market in a company's securities and asks the company to give it information to correct or prevent a false market, the company must immediately give the information to the ASX.

The disclosure obligation under Listing Rule 3.1B applies even if the requirements for the exception under Listing Rule 3.1A would otherwise be satisfied.

#### PROCEDURES TO ENSURE COMPLIANCE WITH CONTINUOUS DISCLOSURE OBLIGATIONS

- All Tap Personnel who become aware of information that is likely to have a material effect on the price or value of Tap's shares and is not generally available, must immediately provide that information to the Managing Director and the Company Secretary. Tap Personnel should also inform the Company Secretary if they believe any prior disclosure to the ASX is inaccurate or incomplete. If any Tap Personnel is unsure whether specific information should be reported, he or she must provide details of that information to the Company Secretary.
- The Managing Director is primarily responsible for ensuring that Tap complies with its continuous disclosure obligations and for deciding what information will be disclosed. In consultation with the Company Secretary (and where appropriate, the Chairman), a decision will be made by the Managing Director about whether or not to disclose the information, take any necessary steps to protect confidentiality or take steps to prevent a false market (including requesting a trading halt).
- The Company Secretary is primarily responsible for monitoring compliance with Tap's disclosure obligations, the administration of this policy and all communications with ASX, including co-ordinating the preparation and provision of all announcements to ASX and seeking trading halts from ASX when appropriate.
- All reasonable efforts must be made to provide a draft of the intended release to the Managing Director and Company Secretary for review in a reasonable time frame, and in the circumstances set out below, to contact all Directors (on contact details provided) prior to release, to obtain approval or comments.
- All announcements must be reviewed and approved by (at a minimum) the Managing Director and Company Secretary before release to the ASX. The Board must approve any announcement relating to the annual and half year financial reports, or which contains or relates to financial forecasts or which relates to a matter which is material with respect to Tap's strategy. Tap will observe the confidentiality and disclosure clauses under any contract to which it is a party and endeavour to obtain comment from; joint venture participants prior to release of an ASX announcement or other information.
- It is specifically acknowledged that where a continuous disclosure obligation arises, disclosure cannot be delayed to accommodate the availability of Directors or joint venture participants.
- All Directors must be provided with copies of the announcements as soon as practicable thereafter.
- The Managing Director and the Investor Relations Manager are the nominated spokespersons to speak to press, brokers and media.
- In giving any presentations or responding to analyst queries, the Managing Director will use best efforts to ensure that price sensitive information is not discussed unless it has been previously or simultaneously disclosed to the ASX. If price sensitive information is inadvertently released during a presentation, it will immediately be released to the ASX.
- Tap will generally not comment on any rumours or market speculation, unless required to do so by law or by the ASX Listing Rules. The Managing Director will decide if a comment is to be made.
- The Managing Director is responsible for monitoring commentary and analysts' performance projections. Tap will generally not comment on the content of external analyst forecasts or earnings projections, unless required to do so by law or by the ASX Listing Rules. Tap is not responsible for, and does not endorse, external analyst reports on the Company.
- As best practice, the Company will ensure:
  - Presentations – copies of presentation material given to brokers, when containing price sensitive new material or information, will be released to the market prior to the presentation being made.
  - Tap's website is regularly updated – ASX announcements to be placed on the website at the same time as they are released on the ASX.

**COMPLIANCE**

Tap requires all Tap Personnel to comply with this Policy. Serious criminal and civil penalties apply for failure to comply with the continuous disclosure obligations, both at the company level and for individuals.

Any known or suspected non-compliance must be reported to the Company Secretary for full investigation and, where appropriate, disciplinary action. Employees should be aware that breaches of this Policy may result in summary dismissal and may also attract civil penalties under the Corporations Act.

**REVIEW OF POLICY**

The Board will periodically review this Policy to ensure it remains effective in ensuring accurate and timely disclosure in accordance with Tap's disclosure obligations.

Approved by the Board of Tap Oil Limited on 27 August 2009 and amended on 28 November 2013.



**Douglas Weir Bailey**

Chairman, for and on behalf of  
the Board of Directors

28 November 2013

Date