

## CONTINUOUS DISCLOSURE POLICY

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### 1. Introduction

RCG recognises the critical importance of timely disclosure to ensure the efficient operation of the securities market. The objective of this policy is to ensure that the management and delivery of price sensitive information by RCG is done in a comprehensive and efficient manner that complies with the continuous disclosure obligations of the ASX Listing Rules and the Corporations Act.

### 2. Continuous Disclosure Principle

The overarching principle of this Policy is governed by Listing Rule 3.1 which requires the Company to immediately disclose to ASX any information concerning the Company when the Company is, or becomes, aware of the information and which a reasonable person would expect to have a material effect on the price or value of RCG's quoted securities, provided that the information does not fall within the exception to disclosure under the ASX Listing Rules.

The test for determining whether information is price sensitive information (and therefore needs to be immediately disclosed to ASX under ASX Listing Rule 3.1) is set out in section 677 of the *Corporations Act 2001* (Cth). Under that section, a reasonable person is taken to expect information to have a material effect on the price or value of the Company's securities (such that the information is price sensitive information) if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of those securities.

### 3. Exceptions to the Continuous Disclosure Principle

Under Listing Rule 3.1A, the Company is exempt from the continuous disclosure requirements if, and only if, *all* of the following requirements are satisfied in relation to the information:

- One or more of the following five situations apply:
  - It would be a breach of 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
- The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and
- A reasonable person would not expect the material to be disclosed.

The board of RCG will consider whether or not any piece of information meets these criteria before disclosing it.

### 4. When the Company is deemed to have become aware of the information

Under the ASX Listing Rules, the Company will be deemed to have become aware of information if, and as soon as, an officer of the Company (which includes a director, secretary or senior manager) has, or ought reasonably to have, come into possession of the information in the course of performance of their duties as an officer of the Company.

## **5. Compliance with the Policy**

The Board is responsible for ensuring that RCG complies with its continuous disclosure obligations. To this end, the Board has established procedures to ensure compliance with continuous disclosure obligations under the Corporations Act and the ASX Listing Rules.

## **6. Implementation of the Policy**

In practice, the Board delegates responsibility for making “routine” continuous disclosure to a Disclosure Sub-Committee. The Disclosure Sub-Committee comprises the Chairman, the CEO, the CFO (or relevant equivalent) and the Company Secretary.

The Board has appointed the Company Secretary as the Company’s Compliance Officer. The CEO has been appointed as the Deputy Compliance Officer and shall act when the Compliance Officer is not available.

Where disclosure is not “routine”, the input from all relevant Board members is sought before disclosure is made. The Disclosure Sub-Committee can and does seek outside expert advice in relation to disclosure matters from time to time. In deciding what information must be disclosed to the ASX, the Company’s legal advisers should be consulted as necessary.

## **7. Role of the Compliance Officer**

The Compliance Officer is responsible for:

- Ensuring that RCG complies with the continuous disclosure obligations under the Corporations Act and the ASX Listing Rules
- Communicating with ASX in relation to Listing Rule matters
- Overseeing and coordinating disclosure of information to ASX
- Together with the Chairman, coordinating the disclosure of information to analysts, brokers, shareholders, the media and the public
- Educating Directors, officers and employees on RCG’s disclosure obligations, by reference to the ASX Listing Rules and this Policy
- Ensuring that each of the Company’s Directors and senior managers has a copy of the Continuous Disclosure Memorandum annexed to this policy, and institute such other procedures as the Compliance Officer considers necessary and expedient to ensure that all of the Company’s employees are aware of and understand the Company’s continuous disclosure requirements and of their responsibilities under this policy.

## **8. Reporting and disclosure procedure**

### *Reporting to the Compliance Officer*

Where any information comes to light about the Company which may need to be disclosed, all Directors, executive officers and employees are obliged to bring that information to the attention of the Compliance Officer or the Deputy Compliance Officer (as the case may be) with all possible expediency.

In the case of an emergency, or where any delay would prejudice the Company, initial verbal notification should be given directly to the Compliance Officer, to be followed by a written report.

### *Determining whether the information must be disclosed*

Upon receipt of a report from a Director or any other person, the Compliance Officer shall determine whether the information contained in that report is required to be disclosed to the

ASX under the Corporations and the ASX Listing Rules. In making that determination, the Compliance Officer shall decide whether the information:

- is price-sensitive and must be disclosed;
- is not price-sensitive and does not have to be disclosed; or
- does not have to be disclosed because it falls under a permitted exception to ASX Listing Rule 3.1.

*If the information must be disclosed*

- If the information is price-sensitive and must be disclosed, the Compliance Officer shall, immediately:
  - discuss the matter with the Chairman of the Board;
  - prepare an appropriate release, which must be factual, complete, balanced (disclosing both positive and negative information) and expressed in a clear and objective manner that allows investors to assess the impact of the information when making investment decisions, which must be reviewed by the Chairman of the Board prior to it being sent to the ASX;
  - send the release to the ASX's Company Announcements Office; and
  - place a copy of the release on the Company's website.
- If the Compliance Officer and the Chairman of the Board are unable to agree on whether the information must be disclosed, whether in whole or in part, or as to the terms of the disclosure, the Company's legal advisors should be consulted immediately.

*If the information does not have to be disclosed*

If the information is not price-sensitive or does not have to be disclosed because it falls under a permitted exception to ASX Listing Rule 3.1, then the Compliance Officer must record the information and the reason for it not being disclosed.

*If the Compliance Officer is unsure*

If the Compliance Officer is unsure whether the information is price sensitive or whether it falls under a permitted exception to ASX Listing Rule 3.1, then he or she must immediately discuss the matter with, with the Chairman of the Board.

If the Compliance Officer and the Chairman of the Board cannot agree on whether the information is required to be disclosed, then the Compliance Officer shall immediately seek advice from the Company's legal advisors.

*Release of Information*

The Company must not disclose the information in any way until disclosure has been made to the ASX and the Company has received acknowledgement from the ASX that the information has been released to the market.

After receipt of the ASX's acknowledgement, the Compliance Officer will arrange for a copy of the announcement to be posted on the Company's website and for a copy to be provided to each of the Company's directors.

All announcements must be kept separate from any promotional material found on the Company's website.

#### **9. Confidential information**

If a determination is made that the information which comes to light is confidential, the Compliance Officer will ensure that anyone who has a copy of, or knows about, the information is aware that it is confidential.

#### **10. Market speculation and rumours**

Market speculation and rumours, whether substantiated or not, have a potential to impact RCG. Speculation may also result in ASX requesting disclosure by the Company on the matter. RCG has a policy of not responding to speculation and market rumours and employees must observe this policy at all times. The Disclosure Sub-Committee will deal with the regulatory authorities' requests in relation to such rumours.

#### **11. Relationship with media, public and analysts**

- Care must be taken not to make comments to the media or others which could result in rumours or speculation about the Company. Directors must comply with clause 5.10 of these Corporate Governance Principles and Practices.
- The policy limits media contact to the Chairman of the Board, the CEO and the Compliance Officer. Other Directors and executives may only speak with the media in relation to a particular matter concerning the Company if they have obtained the prior express approval of the Chairman of the Board.
- It is also important to ensure that any speeches, or external addresses given, do not result in rumours or speculation about the Company or unauthorised disclosure. The text of all speeches and external addresses must receive prior endorsement of the Chairman of the Board or the CEO.
- During any briefings and discussions with analysts, Directors and executives must only disclose information that has been publicly released through the ASX. If a question arises which can only be answered by disclosing price sensitive information, the Director or executive must decline to answer the question or take it on notice and then announce the information through the ASX before responding.

#### **12. Maintenance of continuous disclosure policy**

This Continuous Disclosure Policy shall, at all times, be kept under review by the Compliance Officer to ensure that the Company complies with its continuous disclosure obligations under the Corporations Act and the ASX Listing Rules. Where appropriate, the Company's legal advisors shall be consulted to ensure that the Continuous Disclosure Policy complies with all relevant legislation. Any queries about the Continuous Disclosure Policy should be referred to the Compliance Officer.

#### **13. Breach of Policy**

A breach of this policy by any person will be regarded seriously. It may constitute a breach of the law and it may lead to disciplinary action being taken. Such action may include summary dismissal.

## ANNEXURE - CONTINUOUS DISCLOSURE POLICY

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### 1 Introduction

- 1.1 As a listed company, RCG Limited (“**Company**”) must notify the Australian Stock Exchange Limited (“**ASX**”) of price sensitive information, and must do so immediately once it is or becomes aware of it, unless certain requirements are satisfied.
- 1.2 Price sensitive information is information that is not generally available and, if it were generally available, a reasonable person would expect it to have a material effect on the price or value of the Company’s securities.
- 1.3 A reasonable person is taken to expect information to have a material effect on the price or value of the Company’s securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of those securities.
- 1.4 Failure to notify the ASX of price sensitive information constitutes a breach of the Company’s obligations under the ASX Listing Rules and a contravention of the *Corporations Act 2001* (Cth), exposing the Company and its Directors and executives who are involved, to a range of sanctions including fines, criminal charges or civil liability. It could also result in suspension of the Company’s securities from quotation or possible delisting.
- 1.5 The procedures set out in this Memorandum apply to all the Company’s personnel to ensure compliance by the Company with its continuous disclosure obligations under the Corporations Act and the ASX Listing Rules.

### 2 Information required to be disclosed

- 2.1 The following are non-exhaustive examples of the type of information that, depending on the circumstances, could require disclosure by the Company to ASX:
  - a transaction that will lead to a significant change in the nature or scale of the Company’s activities;
  - a material acquisition or disposal;
  - the granting or withdrawal of a material licence;
  - the entry into, variation or termination of a material agreement;
  - becoming a plaintiff or defendant in a material law suit;
  - the fact that the Company’s earnings will be materially different from market expectations;
  - the appointment of a liquidator, administrator or receiver;
  - the commission of an event of default under, or other event entitling a financier to terminate, a material financing facility;
  - under subscriptions or over subscriptions to an issue of securities;
  - giving or receiving a notice of intention to make a takeover; and
  - any rating applied by a rating agency to the Company, or its securities, and any change to such a rating.
- 2.2 The above is not a definitive list and both the Compliance Officer and the Chief Executive Officer should always be informed if there is any doubt.

### 3 Exception to the disclosure rule

- 3.1 The requirement to disclose information under ASX Listing Rule 3.1 does not apply if, and only if, each of the following requirements is and remains satisfied in relation to the information:
  - One or more of the following five situations apply:
    - It would be a breach of 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
- The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and
  - A reasonable person would not expect the material to be disclosed.
- 3.2 Ultimately, it is for the Compliance Officer and the Chairman of the Board to determine whether the above conditions are satisfied.

#### **4 Reporting process**

- 4.1 Any personnel that becomes aware of any actual or potential price sensitive information concerning the Company must report it to the Compliance Officer immediately.
- 4.2 If the Compliance Officer is not available, the information must be reported to the Deputy Compliance Officer, and if the Deputy Compliance Officer is not available, the information must be reported to another senior person in the Company. A recipient of information under this section 4.2 must immediately pass on the information to the Compliance Officer or, in his or her absence, the Deputy Compliance Officer.
- 4.3 Reports of price sensitive information can be made by telephone but must in all instances be followed up by a comprehensive written report.
- 4.4 All managers must keep up to date with all matters within their responsibility which may be or become material to the Company.

#### **5 Confidentiality**

- 5.1 The price sensitive information must not be passed on to anyone outside of the Company before the ASX is notified and the Company receives an acknowledgment from the ASX that the information has been released to the market. Further, the information must not be passed on to anyone within the Company, other than the Compliance Officer, the Deputy Compliance Officer, or the Chairman of Board, unless the person concerned needs to know in order to do their job properly.
- 5.2 Any person who passes the information on improperly, may be committing a criminal offence.
- 5.3 If it is discovered that persons outside of the Company are aware of the information before the ASX has been notified, the Compliance Officer (or if unavailable, the Deputy Compliance Officer) must be immediately informed.