

# Invion Limited ACN 094 730 417

## Continuous Disclosure Policy

Adoption Date: May 2013

### 1 Introduction

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#### 1.1 General

As an ASX listed company, Invion Limited is required to comply with the continuous disclosure regime in section 674 of the Corporations Act and Listing Rule 3.1 which entrenches the statutory requirements of section 674 to which statutory liability for its breach attaches.

#### 1.2 Purpose

This document sets out the Board's continuous disclosure policies as adopted by the Board on the Adoption Date.

#### 1.3 Policy overview

- (a) This document outlines the procedure for:
- (i) identifying information that is Price Sensitive Information;
  - (ii) reporting the information to the Chairman/CEO/Secretary for review;
  - (iii) providing a framework to ensure the Company achieves consistently high standards in complying with its continuous disclosure obligations under the Corporations Act and Listing Rules; and
  - (iv) reporting on and authorising the preparation and release of a Continuous Disclosure Announcement when required to be made.
- (b) An overview of the procedure for identifying and responding to Price Sensitive Information and the Company's Continuous Disclosure Obligations is set out in Schedule 1.
- (c) The Insider Trading provisions of the Corporations Act may apply to a corporate action contemplated by the Company, for example, a capital raising or acquisition, in which case the Company would be aware of Price Sensitive Information. In such circumstances, staff may be prevented from trading in the Company's Securities and are referred to the Securities Trading Policy which outlines the applicable restrictions.

### 2 Continuous disclosure obligations

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#### 2.1 Introduction

The Company is required to comply with its Continuous Disclosure Obligations at all times.

#### 2.2 Listing Rule 3.1

- (a) Listing Rule 3.1 requires the Company to immediately disclose to the market by notifying ASX of *'any information that a reasonable person would expect is likely to have a material effect on the price or value of its Securities.'*

This information is **Price Sensitive Information**.

- (b) A non-exhaustive list of matters that may be considered Price Sensitive Information are set out in Schedule 2.

### **2.3 Material effect on the price of securities**

A reasonable person is taken to expect information to have a material effect on the price or value if it would, or would be likely to, influence persons who commonly invest in securities on deciding whether or not to subscribe for, buy or sell the securities.

### **2.4 Information in the Company's knowledge**

The Company becomes aware of information if any of its Directors or executive officers, including the CFO and CEO, has, or ought reasonably to have, come into possession of the information in the course of the performance of his or her duties as a Director or executive officer of the Company.

### **2.5 Information that is generally available**

- (a) The continuous disclosure obligation in Listing Rule 3.1 does not apply where the information is generally available. It only applies to information that is not generally available.
- (b) Information is generally available if:
  - (i) it consists of a readily observable matter;
  - (ii) it has been made known in a manner that would, or would be likely to, bring it to the attention of persons who commonly invest in the Company's Securities, and a reasonable period of time for it to be disseminated among such interested persons has elapsed; or
  - (iii) it consists of deductions, conclusions or inferences made or drawn from other information that is generally available.

### **2.6 Information first released to ASX**

Listing Rule 15.7 states the Company must release information required to be disclosed to the market (i.e. by a Continuous Disclosure Announcement) to ASX and await receipt of an acknowledgement from ASX before the Company discloses the information to any other person.

## **3 Exceptions to the continuous disclosure obligations**

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### **3.1 Listing Rule 3.1A**

- (a) Disclosure under Listing Rule 3.1 is not required in circumstances where each of the following conditions is and remains satisfied:
  - (i) a reasonable person would not expect the information to be disclosed; and
  - (ii) the information is confidential; and
  - (iii) one or more of the following apply:
    - (A) it would be a breach of law to disclose the information;
    - (B) the information concerns an incomplete proposal or negotiation;

- (C) the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
  - (D) the information is generated for internal management purposes of the Company; or
  - (E) the information is a trade secret.
- (b) The exception operates only for as long as all three conditions are satisfied. If one or more of the conditions ceases to be satisfied, the exception no longer applies and the Company must disclose the information immediately in accordance with Listing Rule 3.1.

### **3.2 What is confidential?**

- (a) Information will be confidential so long as the Company has control over the use and disclosure of the information. Confidentiality will not be lost if the Company gives confidential information to its advisers and financiers, or gives the information to a third party subject to a confidentiality arrangement.
- (b) ASX can form the view that confidentiality has been lost if all or part of the information becomes known with reasonable specificity, selectively or generally, whether inadvertently or deliberately. For example, media speculation and market rumours may signal that confidentiality has been lost.

### **3.3 Applying the exceptions in practice**

- (a) Examples of the type of information that does not require disclosure include:
- (i) proposed acquisitions or disposals or other commercial arrangements in the process of negotiation;
  - (ii) internal budgets and forecasts;
  - (iii) management accounts;
  - (iv) business plans;
  - (v) internal market intelligence;
  - (vi) information prepared for financiers;
  - (vii) financing terms in the usual course; and
  - (viii) dispute settlement negotiations.
- (b) However, there may be a number of matters which are commercially sensitive and the disclosure of which would be detrimental to the Company but which may be required to be disclosed because they may not fall within the exceptions. Examples include:
- (i) a serious claim against the Company, prior to commencement of proceedings;
  - (ii) an allegation or investigation by a regulatory body that is not being disputed by the Company;
  - (iii) information about a 'complete' proposal (e.g. where the Board has resolved to adopt a new name or brand);

- (iv) the terms of settlement of a dispute which the parties wish to keep confidential and which is not supported by a court order of confidentiality; and
- (v) material terms of a trading agreement with a major supplier or customer.
- (c) Whether information of this type falls within one of the exceptions will depend on the facts.

### **3.4 False market**

- (a) If ASX considers that there is, or is likely to be, a false market in the Company's Securities and asks the Company to give it information to correct or prevent a false market, the Company must give ASX the information needed to correct or prevent the false market.
- (b) The obligation to give information requested by ASX to correct a false market applies regardless of whether the exception in Listing Rule 3.1A otherwise applies.
- (c) Examples of circumstances where ASX would be likely to consider a false market exists include:
  - (i) the Company has information that has not been released to the market because it is relying on Listing Rule 3.1A;
  - (ii) there is a reasonably specific rumour or media comment in relation to the Company that has not been confirmed, denied or clarified by the Company; and
  - (iii) there is evidence that the rumour or comment is having, or ASX forms the view that it is likely to have, an impact on the price of the Company's Securities.

## **4 Liability and enforcement**

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### **4.1 Liability provisions**

- (a) A contravention of Continuous Disclosure Obligations can result in civil and criminal proceedings against both the Company and any person involved in the contravention.
- (b) A contravention of Continuous Disclosure Obligations imposed by the Listing Rules can result in ASX suspending trade of the Company's Securities and potentially, the delisting of the Company from ASX.

## **5 Disclosure Officer**

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### **5.1 Responsibilities of the Board**

- (a) The Board is responsible for the Company's Continuous Disclosure Obligations and administering this Policy. These responsibilities include:
  - (i) monitoring the Company's compliance with its Continuous Disclosure Obligations;
  - (ii) ensuring adequate processes and controls are in place for the identification and disclosure of Price Sensitive Information in a timely manner;
  - (iii) ensuring officers and employees are educated on the Policy and the internal reporting processes and controls; and
  - (iv) reviewing and making changes to the Policy as required.

## **5.2 Delegation to Disclosure Officer**

- (a) The Board may delegate to a person (Disclosure Officer) the day-to-day management of its responsibilities regarding the Company's Continuous Disclosure Obligations. This shall normally be the Secretary unless otherwise decided by the Board.
- (b) The Disclosure Officer is responsible for:
  - (i) communications with ASX;
  - (ii) ensuring compliance with the reporting procedure for Price Sensitive Information in this Policy;
  - (iii) ensuring the Board is informed of Price Sensitive Information and any Continuous Disclosure Announcements made; and
  - (iv) where reasonably possible, ensuring the Board is consulted and has considered and approved a Continuous Disclosure Announcement.

## **5.3 Cessation and revocation of delegations**

- (a) The power exercisable by the Board under this section shall also include the power to revoke any delegation granted earlier.
- (b) For the purpose of this section, the authority of any Disclosure Officer shall immediately cease upon:
  - (i) their retirement, resignation or removal as an officer of the Company, in the case of a Director or the Secretary, the CEO, CFO or any other person employed by the Company with such delegated power; and
  - (ii) in the case of the Chairman, the resignation or retirement or incapacity of the Chairman to act as Chairman notwithstanding that the Chairman may continue to be a Director of the Company.

## **5.4 Authority to make Continuous Disclosure Announcements**

- (a) The Disclosure Officer has the authority to make and release Continuous Disclosure Announcements in accordance with the procedures outlined in this Policy.
- (b) The Board may impose any conditions or qualifications on the authority of the Disclosure Officer to prepare and release Continuous Disclosure Announcements.

# **6 Disclosure events and reporting procedure**

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## **6.1 Reporting relevant information**

- (a) If any Director, executive officer or employee becomes aware of information that they believe may be Price Sensitive Information, they must immediately provide full details to the Disclosure Officer.
- (b) The Disclosure Officer (or otherwise nominated person) will then take the following steps:
  - (i) review the information and assess whether it is Price Sensitive Information and whether disclosure is required or the exemptions apply;
  - (ii) consult with advisors if necessary;

- (iii) inform the Board as appropriate;
  - (iv) prepare a Continuous Disclosure Announcement for release to ASX; and
  - (v) as appropriate in the circumstances, obtain approval for the Continuous Disclosure Announcement from the Board and then release the same to ASX.
- (c) Once the requirement to disclose information has been determined and approval granted for the release of a Continuous Disclosure Announcement, in accordance with the procedure outlined at section 6.1(b), the Disclosure Officer or otherwise nominated person will be the only person authorised to release that information.

## **6.2 Immediate disclosure**

- (a) The obligation to notify ASX is an obligation to notify immediately, and the Disclosure Officer may not be able to wait for a Board meeting before obtaining approval to release a Continuous Disclosure Announcement.
- (b) In this scenario, the Continuous Disclosure Announcement must have been reviewed and approved by no less than two directors.

## **6.3 Standing agenda items at Board and senior management meetings**

- (a) Continuous disclosure must be a standing agenda item at Board meetings.
- (b) Prior to each Board meeting, the Disclosure Officer must contact each executive officer, each member of senior management, and any other appropriate person to confirm that there is no information requiring disclosure.

# **7 Financial markets communication**

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## **7.1 Group or adviser briefings**

In instances where the Company provides a briefing to analysts, institutions, investors or others that is in any way related to the affairs of the Company, with information that may not already be public or that is a reconstitution of existing information already known, this Policy shall apply so that the information (or an accurate summary of it) is made subject to a Continuous Disclosure Announcement.

## **7.2 Other briefings**

Having regard to the corporate governance principles and recommendations for the time being in place as promulgated by ASX, the Company will keep and maintain a summary record for internal use of issues discussed at any meetings of the kind in section 7, including a record of those present (incorporating names of those present and contact details, as known) and the time and place of the meeting.

## **7.3 Finance Arrangements**

- (a) Where the Company has in place or enters into new material financing arrangements or alters existing material financing arrangements which include terms that may be activated upon the occurrence of certain events (particularly those beyond the control of the Company, such as market events), disclosure may be required under Listing Rule 3.1 at the time that any such term is activated or becomes likely to be activated.
- (b) The disclosure required may include the nature and terms of the arrangements, the trigger event and any other material information such as any impact that triggering of the term may have on the

Company's relationship with its bankers. It may also be appropriate in some circumstances for the Company to request a trading halt if the Company is unable to immediately release the information.

#### **7.4 Margin loans by Directors**

- (a) A Director who has obtained the approval of the Board under the Company's Securities Trading Policy (if permissible) for a margin loan or similar arrangement concerning the Company's Securities must notify the Disclosure Officer.
- (b) Whether a margin loan arrangement is material under Listing Rule 3.1 and requires disclosure is a matter which the Company must decide, having regard to the nature of its operations and the particular circumstances of the Company.

#### **7.5 Endorsement**

The Company is committed to this Policy and its implementation and to ensuring that the continuous disclosure objectives in this Policy are achieved.

### **8 Communication with Shareholders**

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#### **8.1 Broader notification of Continuous Disclosure Announcement**

As much as possible, the Disclosure Officer must ensure that internal procedures are adopted so that each Continuous Disclosure Announcement issued by the Company is immediately displayed on the Company's website.

### **9 Definitions and interpretation**

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#### **9.1 Definitions**

In this document:

<b>Term</b>	<b>Definition</b>
<b>Adoption Date</b>	means the date this Policy was adopted by the Board.
<b>AGM</b>	means the annual general meeting of the Company that the Corporations Act requires to be held.
<b>ASX</b>	means ASX Limited ACN 008 624 691 and the securities exchange operated by it.
<b>Board</b>	means the board of Directors.
<b>Business Day</b>	means a day that is not a Saturday, a Sunday or a public holiday or bank holiday in the place concerned.
<b>Chairman</b>	means the chairman of the Board.
<b>CEO</b>	means the executive officer (by whatever title known) with sole responsibility for the strategic and operational management of the Company.
<b>CFO</b>	means the chief financial officer or equivalent officer of the Company (by whatever title known).
<b>Company</b>	means Invion Limited ACN 094 730 417 and each of its subsidiaries as the context requires.
<b>Continuous Disclosure</b>	means any written announcement disclosing Price Sensitive

<b>Term</b>	<b>Definition</b>
<b>Announcement</b>	Information issued by the Company and released via the ASX announcements platform.
<b>Continuous Disclosure Obligations</b>	means the continuous disclosure obligations of the Company under the Corporations Act and the Listing Rules referred to in clauses 2 and 3.
<b>Corporations Act</b>	means <i>Corporations Act 2001</i> (Cth).
<b>Listing Rules</b>	means the listing rules of ASX.
<b>Policy</b>	means the policy contained in this document or in any amending or replacement document.
<b>Price Sensitive Information</b>	has the meaning set out in section 2.2.
<b>Secretary</b>	means the secretary of the Company.
<b>Securities</b>	includes all ordinary shares, preference shares, debentures, convertible notes, options and hedging mechanisms or derivatives instruments issued by the Company.
<b>Shareholder</b>	means a registered holder of ordinary shares in the Company.

## 9.2 Interpretation

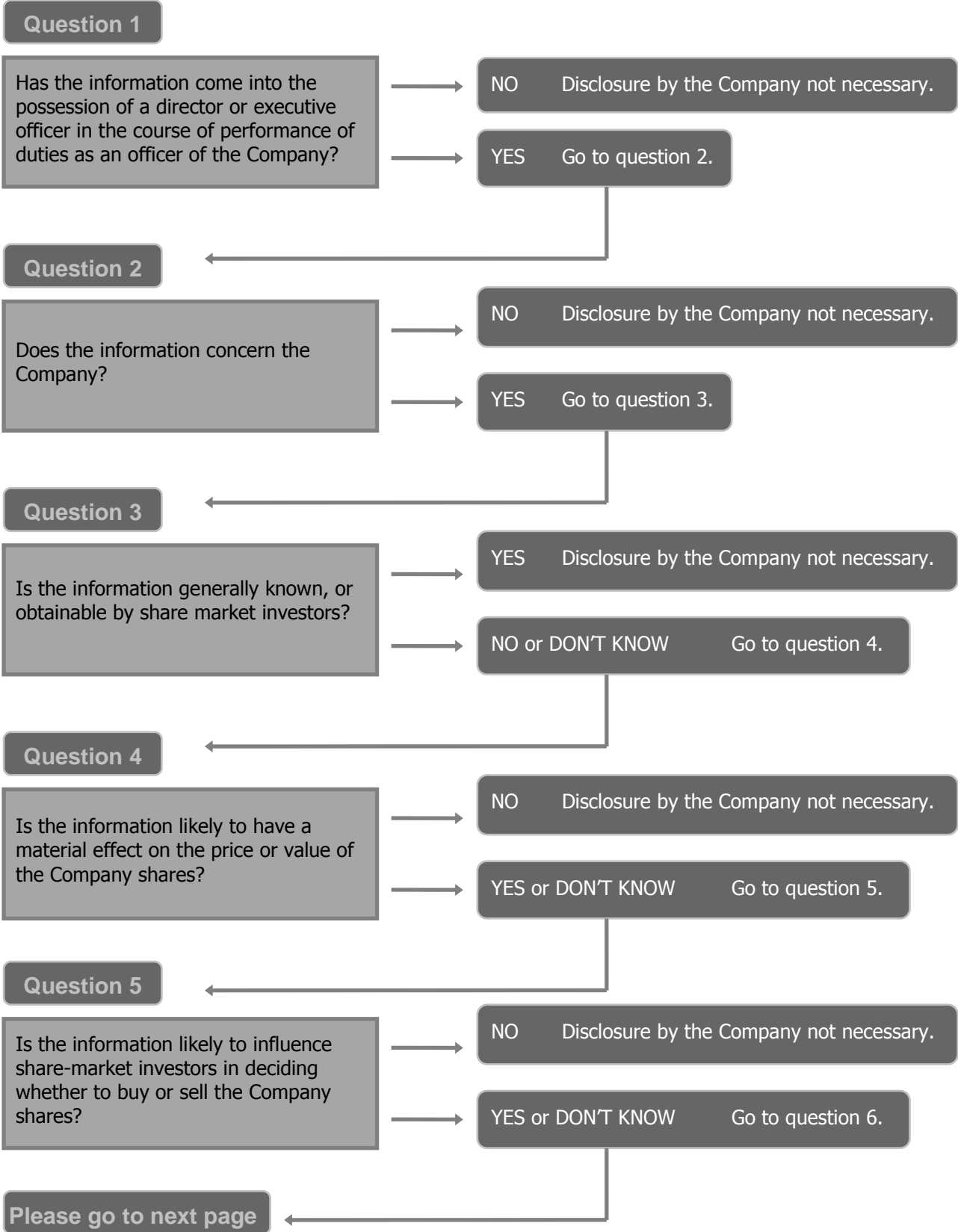
Concepts not defined in this document but which have a meaning in the Corporations Act or the Listing Rules have that same meaning in this document.



# Schedule 1

## Questions and answers

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**Question 6**

Would a reasonable person expect the Company to disclose the information to the market?

YES Disclosure required.

NO or DON'T KNOW Go to question 7.

**Question 7**

Is the information confidential (i.e. is everyone who knows it secret)?

NO Disclosure required.

YES Go to question 8.

**Question 8**

Would it be a breach of a law to disclose the information?

YES Disclosure by the Company not necessary.

NO or DON'T KNOW Go to question 9.

**Question 9**

Is the information part of an incomplete proposal?

YES Disclosure not yet required - review when completed.

NO Go to question 10.

**Question 10**

Does the information relate to a current negotiation?

YES Disclosure not yet required - review when completed.

NO Go to question 11.

**Please go to next page**

**Question 11**

Is the information reasonably certain?

NO Disclosure by the Company not necessary.

YES Go to question 12.

**Question 12**

Has the information been generated for internal management purposes only?

YES Disclosure by the Company not necessary.

NO Go to question 13.

**Question 13**

Is the information a trade secret (e.g. confidential processes, ingredients, methods, ideas, know-how, inventions, or software)?

YES Disclosure by the Company not necessary.

NO Disclosure required.

## Schedule 2

### Examples of Price Sensitive Information

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- (a) Types of information that constitute Price Sensitive Information in relation to the Company include (but are not limited to) information that:
- (i) relates to the financial affairs of the Company, directly or indirectly;
  - (ii) may give the person proposing to deal in Securities an advantage over other persons holding or dealing in Securities; and
  - (iii) if it were generally available, would be likely to materially affect the price or value of the Securities.
- (b) Information about the Company regarding any of the following subjects that is not publicly available, is also Price Sensitive Information:
- (i) material changes in turnover or current or prospective profit figures;
  - (ii) proposed action in the form of dividends, bonus issues or other new share issues;
  - (iii) proposed major disposals or acquisitions of assets and proposed major contracts, beyond the size and nature of contracts normally undertaken by the Company;
  - (iv) proposed changes in capital structure;
  - (v) information to be disclosed under the Corporations Act or Listing Rules;
  - (vi) proposed changes to the Board, other than filling a casual vacancy or a retirement due to ill health or similar situation;
  - (vii) proposed changes in the general character or nature of the business;
  - (viii) information regarding changes in the holdings of substantial Shareholders;
  - (ix) proposed significant changes in the holdings of any director;
  - (x) 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;
  - (xi) a recommendation or declaration of a dividend or distribution;
  - (xii) a recommendation or declaration that a dividend or distribution not be declared;
  - (xiii) undersubscriptions or oversubscriptions to an issue;
  - (xiv) a transaction for which the consideration payable or receivable is a significant proportion of the written down value of the Company's consolidated assets;
  - (xv) a claim against the Company for which the excess or damages (or both) payable by it is a significant proportion of the written-down value of the Company's consolidated assets;
  - (xvi) an agreement or option to acquire or sell a significant asset;
  - (xvii) information about the beneficial ownership of securities obtained under part 6C.2 Corporations Act;
  - (xviii) giving or receiving a notice of intention to make a takeover; or
  - (xix) an agreement between the Company (or a related party or subsidiary) and a director (or a related party of the director).
- (c) Price Sensitive Information, in the context of this policy, refers to information which is not yet public or not publicly released.