



CONTINUOUS DISCLOSURE POLICY

1. INTRODUCTION

- The board of directors of Prime Media Group Limited (**Prime Media**) (**Board**) has adopted this Continuous Disclosure Policy.
- As a company listed on the Australian Securities Exchange (**ASX**), Prime Media is committed to:
 - complying with the general and continuous disclosure obligations contained in the ASX Listing Rules and the *Corporations Act 2001* (Cth) (**Corporations Act**);
 - preventing the inappropriate or improper disclosure of price sensitive information;
 - ensuring that Prime Media security holders and the market are provided with full and timely information about Prime Media's activities; and
 - ensuring that all market participants have equal opportunity to receive material information disclosed by Prime Media.

2. DISCLOSURE OBLIGATIONS AND EXCEPTION

2.1 Continuous disclosure obligation

- This obligation is subject to prescribed exceptions (see section 2.2).
- Prime Media must immediately disclose to ASX any price sensitive information concerning Prime Media of which Prime Media is or becomes aware (section 674 of the Corporations Act and ASX Listing Rule 3.1).
- “Immediately” means releasing the information “promptly and without delay”. It means releasing the information as quickly as possible in the circumstances and not deferring, postponing or putting it off to a later time. The information must not be withheld and then released at a time which the entity thinks is most advantageous to the entity. It must be released when the entity is or becomes aware. Information is price sensitive if a reasonable person would expect that information to have a material effect on the price or value of Prime Media securities.
- A reasonable person is taken to expect information to have such an effect if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell those securities.
- To determine whether a reasonable person would consider the information to be price sensitive two tests could be applied by the Disclosure Officer assessing the information:
 1. Would the information I possess influence my decision to buy or sell Prime Media securities?; or
 2. With the information I possess, would I feel exposed to an action of insider trading if I were to buy or sell securities at their current market price?
- ASX interprets the reference to persons who commonly “invest in” securities as a reference to persons who commonly buy and hold securities for a period of time, based on their view of the inherent value of the security. In ASX’s view, it therefore does not include traders who seek to take advantage of very short term

(usually intraday) price fluctuations and who trade into and out of securities without reference to their inherent value and without an intention to hold them for any meaningful period of time.

- Annexure “A” sets out a continuous disclosure decision tree.

2.2 Exception to continuous disclosure obligation

- Prime Media does not need to disclose information while each of the following is satisfied in relation to the information (ASX Listing Rule 3.1A):

3.1A.1 One or more of the following 5 situations applies:

- it would breach the law to disclose the information; or
- the information concerns an incomplete proposal or negotiation; or
- the information comprises matters of supposition or is insufficiently definite to warrant disclosure; or
- the information is generated for internal management purposes; or
- the information is a trade secret; and

3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and

3.1A.3 A reasonable person would not expect the information to be disclosed.

2.3 False market obligation

- If ASX considers that there is or is likely to be a false market in Prime Media securities and asks Prime Media to give ASX information to correct or prevent a false market, Prime Media must give ASX the information that the ASX asks for to correct or prevent the false market (ASX Listing Rule 3.1B). This obligation to give information to ASX arises even if the exception outlined in section 2.2 applies.
- ASX's position has been that a false market exists where:
 - there is report/rumour circulating or media speculation that appears to include reasonably specific details about the matter or quotes or is attributed to sources who might be knowledgeable about the matter, suggesting that it is more than just mere supposition or idle speculation, and such rumour appearing to be also credible and not the subject of an announcement to the market; and
 - that rumour or speculation appears to be having an impact on the share price or traded volumes of Prime Media's securities or, if the market is not currently trading, in the opinion of ASX there is likely to be when trading commences.

3. CONTRAVENTION OF OBLIGATIONS

3.1 Contravention

- If Prime Media does not lodge with ASX information which is required to be disclosed under the ASX Listing Rules and which is not generally available, it will have committed an offence under the Corporations Act. Persons involved in the contravention may also have committed an offence.

3.2 Consequences of contravention –Prime Media

- If Prime Media contravenes its continuous disclosure obligations, it may face (among other things):
 - a criminal liability with a fine of up to \$110,000 if the contravention is intentional or reckless;
 - a civil penalty of up to \$1,000,000 if the contravention materially prejudices the interests of acquirers or disposers of Prime Media's shares or its shareholders or is serious and/or civil liability for any loss or damage suffered by a person as a result of Prime Media's failure to comply with its continuous disclosure obligations.

3.3 Consequences of contravention – others

- Under the Corporations Act, a person "involved" in any contravention by Prime Media of its continuous disclosure obligations (for example, a Prime Media Director, the Disclosure Officer or an external adviser) can be held criminally or civilly liable for the contravention. The notion of being "involved" requires a form of intentional participation and actual knowledge of the essential elements of the contravention.
- If held criminally liable, the person may face a fine of up to \$22,000 and/or 5 years imprisonment. If found civilly liable, the person may face a civil penalty of up to \$200,000 and/or civil liability for any loss or damage suffered by a person as a result of Prime Media's failure to comply with its continuous disclosure obligations.
- Under the Corporations Act, the person will not be criminally or civilly liable if they took all steps that were reasonable in the circumstances to ensure that Prime Media complied with its obligations and, after doing so, believed on reasonable grounds that Prime Media was complying with its obligations.

3.4 ASIC infringement notice

- If the Australian Securities and Investments Commission (**ASIC**) considers that Prime Media has contravened its continuous disclosure obligations, it may issue Prime Media an infringement notice with a penalty of \$33,000, \$66,000 or \$100,000. Prime Media has the option to comply with the infringement notice or reject the notice. If Prime Media rejects the notice, ASIC may commence civil penalty proceedings for the alleged contravention. Civil penalty proceedings carry a maximum fine of \$1,000,000.

3.5 Other adverse consequences for Prime Media

- A contravention by Prime Media of its continuous disclosure obligations or a failure by a Prime Media employee to comply with this policy may also:
 - result in unfavourable publicity for Prime Media;
 - damage Prime Media's reputation in the investment community; and/or
 - undermine confidence in the market for Prime Media securities.

4. DISCLOSURE RESPONSIBILITIES AND PROCEDURES

4.1 Disclosure Committee

- The board of Prime Media (**Board**) has established a committee (**Disclosure Committee**) to:

- decide what information will be disclosed by Prime Media to the ASX;
- ensure that the procedures for making timely disclosures of material information to the ASX are operating properly;
- prepare (or oversee the preparation of), review and approve proposed external announcements; and
- consult with the Board, management and external advisers as necessary.
- The Disclosure Committee is made up of:
 - the Chief Executive Officer (**CEO**);
 - the Chief Financial Officer (**CFO**); and
 - the Company Secretary.
- The quorum of the Disclosure Committee is two members (one of whom must be the CEO, unless the CEO is unavailable).
- It is acknowledged that where a continuous disclosure obligation arises, disclosure cannot be delayed to accommodate the availability of members of the Disclosure Committee.

4.2 Disclosure Officer

- The Board has appointed the Company Secretary, as the disclosure officer (**Disclosure Officer**).
- The Disclosure Officer is responsible for administering this policy and, in particular:
 - overseeing and coordinating all communication with ASX, investors, analysts, brokers, shareholder associations, the media and the public;
 - monitoring the effectiveness of Prime Media's disclosure practices (including a regular review of Prime Media's reporting system);
 - making recommendations to the Board on updating this policy in response to changes in internal structure, legislative and regulatory developments and technology developments;
 - overseeing and coordinating the disclosure training and education of all Prime Media employees to ensure that they understand Prime Media's disclosure obligations and what information may be price sensitive;
 - collecting and recording all potential price sensitive information concerning Prime Media and making auditable disclosure decisions, subject to the approval requirements set out in 4.6 and 4.7; and
 - ensuring that Prime Media complies with its continuous disclosure obligations.
- The Disclosure Officer may delegate aspects of administering this policy to other Prime Media employees. The delegation may be general or specific to a particular matter.

4.3 Reporting processes – Obligations on Management

- The Company Secretary is responsible for ensuring that all Board decisions that must be disclosed are dealt with by an appropriate company announcement.
- Individual Directors (other than the CEO) will often not be aware of information other than that available to the Board as a whole that is not otherwise dealt with through these reporting processes. If a Director is in doubt about information they come into possession of, they should discuss the matter with the Company Secretary or the CEO, who will arrange for appropriate action to be taken.
- The CEO, CFO, and other Prime Media executives (**Executive Team**) and senior managers reporting to the Executive Team must immediately make the Disclosure Officer aware of any matter that they consider may be material for continuous disclosure purposes. The Disclosure Officer will then determine whether the matter must be disclosed in accordance with this policy.
- It is a standing agenda item at each senior management meeting to raise and consider whether there is any information (including any matters reported to or discussed at the senior management meeting) that may potentially need to be disclosed to the market pursuant to Prime Media's continuous disclosure obligation.
- It is not up to Prime Media's employees to determine whether or not an event is material. Employees must, and will be directed to, disclose all potentially significant information concerning Prime Media whether or not the employee believes that:
 - it is a material event or agreement; or
 - an exception to disclosure applies.

4.4 Board review of continuous disclosure matters

- As a standing agenda item at each Board meeting, the Directors will raise and consider whether there is any information (including any matters reported to or discussed at the Board meeting) that may potentially need to be disclosed to the market pursuant to Prime Media's continuous disclosure obligation.

4.5 Assessment of information by Disclosure Officer

- The Disclosure Officer must decide whether any information of which Prime Media is or becomes aware must be disclosed to ASX by assessing whether the information meets the price sensitive test in section 2.1 or whether it need not be disclosed due to the exception in section 2.2.

4.6 Approval for disclosure

- If the Disclosure Officer believes information must be disclosed, the Disclosure Officer must immediately seek the approval of the Disclosure Committee to disclose the information to ASX. If the Disclosure Committee is unavailable to make a disclosure decision, the Disclosure Officer must get the approval of the Chairman. If the Disclosure Committee or Chairman approves disclosure, the Disclosure Officer must immediately notify ASX.
- The following are considered to be matters of such significance to Prime Media (**Significant Matters**) that, unless the Board in any particular case otherwise resolves, material announcements in respect of them will need to be approved by the Board in accordance with the terms of this Continuous Disclosure Policy:

- any announcement which contains or relates to financial forecasts or material which is significant in respect of Prime Media's policy or strategy;
 - takeovers, mergers, acquisitions and disposals, schemes of arrangement and all other transactions involving a transfer of control;
 - share buybacks, capital reductions and de-mergers and restructures;
 - equity capital raisings;
 - market updates;
 - interim and final results;
 - matters requiring shareholder approval;
 - any matter where directors make a recommendation to shareholders; and
 - any other matter that the Board considers to be significant to Prime Media
- Section 4.10 sets out examples of the types of information that must be disclosed (but is not intended to be exhaustive).
 - Where the need for urgent disclosure prevents a Significant Matter from being referred to the full Board, an announcement may be approved by those Directors that are available, in conjunction with the Disclosure Committee.

4.7 Request for information by ASX – False Market

- If ASX asks Prime Media for information to correct or prevent a false market, the Disclosure Officer must consult with the Disclosure Committee to determine an appropriate response and whether to disclose relevant information to ASX. If the Disclosure Committee is unavailable to make a disclosure decision, the Disclosure Officer must consult the Chairman. If the Disclosure Committee or Chairman approves disclosure of relevant information to ASX, the Disclosure Officer must immediately notify ASX.

4.8 Doubt as to disclosure

- If the Disclosure Officer has doubt as to whether information must be disclosed, the Disclosure Officer must assess the situation with the Chairman and, where necessary, obtain external advice. The Disclosure Officer must follow a similar procedure if the Disclosure Officer is not sure how to appropriately answer a request by ASX for information to correct or prevent a false market.

4.9 Issues to be considered by Disclosure Officer

- Some issues that the Disclosure Officer may consider (if relevant) when assessing whether information must be disclosed include:
 - **prior disclosure** – if previous disclosure has caused the market to have a certain expectation;
 - **market expectations** – if the market has developed an expectation, particularly an expectation of financial performance (whether due to a past trend or a consensus of analyst or broker forecasts or projections), and if relevant consider whether the entity's earnings will be materially different from market expectations. Prime Media should be aware that market expectations can be created by market analysts. There is no distinction

between a market expectation made by the entity or an analyst reporting on the entity. If an analyst has made a forecast and the entity reasonably believes that it will not achieve the forecast it must make an announcement to the market

- **other disclosure** – if Prime Media becomes aware of price or value sensitive information during the preparation of a general or periodic disclosure to either or both ASX and Prime Media security holders as required by the ASX Listing Rules or the Corporations Act (such as a half yearly report), Prime Media may be required to disclose that price or value sensitive information to ASX without waiting for the release of the general or periodic disclosure;
- **material transactions** – if Prime Media becomes aware of price or value sensitive information during due diligence investigations in preparation for a fundraising, takeover or other corporate transaction, Prime Media may be required to disclose that price or value sensitive information to ASX without waiting for the release of the relevant transaction document, and in relation to a market sensitive agreement:
 - (i) an entity signing a market sensitive agreement can satisfy the key terms of the agreement or disclosing a copy of the agreement to the ASX. Where a summary is prepared it must be fair and balanced summary of the material issues and features of the agreement (i.e. it should contain all the information which a reasonable person would expect to be disclosed); and
 - (ii) an entity could disclose an incomplete proposal or negotiation but if it does it must emphasise the proposal is incomplete so as not to mislead investors as to the likelihood of the proposal being completed or negotiated being successfully concluded. If such information is disclosed it might create further obligations to update the ASX on any material developments as they arise.
- **ASX Listing Rule 19.2 and ASX Listing Rule Guidance Note 8** – ASX states that its rule on continuous disclosure should be interpreted:
 - in accordance with its spirit, intention and purpose;
 - by looking beyond form to substance; and
 - in a way that best promotes the principles on which the ASX Listing Rules are based.

4.10 Examples of information to be disclosed

- It is not possible to exhaustively list the information which Prime Media must disclose. Some examples of information which may require disclosure includes:
 - A change in the entity's financial forecast or expectation. Normally a change of more than 10% would be material and be required to be disclosed. A change between 5-10% may be material and judgment needs to be exercised. A change of less than 5% would not generally be seen as material.
 - A transaction for which the consideration payable or receivable is a significant proportion of the value of the entity's consolidated assets. Normally an amount of 10% or more would be material and be required to be disclosed. A change between 5-10% may be material and judgment

needs to be exercised. A change of less than 5% would not generally be seen as material.

- The fact that the entity's earnings will be materially different from the market expectations;
- changes to the Board or certain senior executives;
- material terms of any employment, service or consultancy agreement with the CEO, a director or their related parties (with a number of exceptions) and any material variations;

a copy of any document that the entity lodges with an overseas stock exchange or other regulator which is available to the public. The copy given to the ASX must be in English;

- mergers, material acquisitions or disposals, divestments, joint ventures or material changes in assets;
- the entry into, variation or termination of a material agreement;
- becoming a plaintiff or defendant in a material law suit;
- 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;
- 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 (a proposed issue of securities is separately notifiable to ASX under ASX Listing Rule 3.10.3);
- giving or receiving a notice of intention to make a takeover;
- deactivating or reactivating a distribution/dividend plan;
- any rating applied by a rating agency to an entity, or securities of an entity, and any change to such a rating;
- significant developments in new projects or ventures;
- material changes to capital structure or funding;
- material changes to reserve estimates;
- material information affecting joint venture partners or non-wholly owned subsidiaries;
- media or market speculation;
- analyst, broker or media reports based on materially incorrect or out-of-date information;
- industry issues which have, or which may have, a material impact on Prime Media;
- decisions on significant issues affecting Prime Media by regulatory bodies;

- the granting or withdrawal of a material licence; and
- information about the material terms of any notice from a security holder in relation to the calling of a general meeting or proposing to move a resolution at a general meeting.

4.11 Disclosure and dissemination

- When the Disclosure Committee or Chairman approves the disclosure of information under section 4.6 or 4.7, the Disclosure Officer must immediately lodge that information with ASX in the manner prescribed by the ASX Listing Rules.
- Information lodged with ASX must not be released publicly by Prime Media until Prime Media has received formal confirmation from ASX that the information has been released.
- Once Prime Media has received formal confirmation from ASX, the Disclosure Officer must immediately post the information on Prime Media's website. Prime Media may simultaneously or subsequently release the information in any other manner it considers appropriate including issuing a media release, conducting a press conference or mailing details to Prime Media security holders.

4.12 Correcting and updating disclosure

- If Prime Media discovers that information lodged with ASX is or has become false, misleading, deceptive or incorrect, the Disclosure Officer must consult with the Disclosure Committee, or if it not available the Chairman, to consider updating the information.

4.13 General and periodic disclosure

- Prime Media must make general and periodic disclosures to either or both ASX and its security holders as required by the ASX Listing Rules or the Corporations Act.
- Compliance by Prime Media with its general and periodic disclosure obligations does not extinguish its continuous disclosure obligations under the ASX Listing Rules and the Corporations Act.
- If, during the course of preparing a general or periodic disclosure, a Prime Media employee considers that the general or periodic disclosure contains price sensitive information, they must immediately refer that information to the Disclosure Officer for assessment under section 4.5.
- If the Disclosure Officer believes the information referred to him/her must be disclosed, the Disclosure Officer must immediately on receiving approval under section 4.6 from the Disclosure Committee or Chairman notify ASX without waiting for the release of the general or periodic disclosure.

4.14 Reporting by employees

- If a Prime Media employee has doubt as to whether information concerning Prime Media is price sensitive and must be reported in accordance with Prime Media's reporting systems or to the Disclosure Officer in accordance with this policy, the employee must act conservatively and report that information to the appropriate person.

5. EXTERNAL COMMUNICATIONS

5.1 Authorised spokespersons generally

- Information concerning Prime Media may only be disclosed to external parties by authorised spokespersons appointed in accordance with this policy. In this regard the CEO or Company Secretary, or any other person authorised by the Board, are generally the authorised spokespeople for disclosing information concerning Prime Media to the media.

5.2 No comments by employees or associated parties

- No Prime Media employee or associated party (such as a consultant, adviser, lawyer, accountant, auditor or investment banker) is permitted to comment publicly on matters confidential to Prime Media. Any information which is not public must be treated by all Prime Media employees and associated parties as confidential and must not be disclosed by any of them except through Prime Media's reporting system or the procedures set out in this policy.

5.3 Market speculation and rumour

- Prime Media generally does not respond to market speculation or rumours unless required to do so by law. All Prime Media employees must abide by this principle.
- If unauthorised information concerning Prime Media is disclosed by way of market speculation or rumour, the Disclosure Officer must assess under section 4.5 whether that information must be disclosed.

5.4 Social Media

- In addition to monitoring traditional media, Prime Media must monitor social media including investor blogs and chat-sites that Prime Media is aware of that regularly include postings about Prime Media.
- In particular, Prime Media must monitor social media in the following specific circumstances:
 - (i) when a market sensitive announcement is pending; or
 - (ii) when Prime Media is close to finalising a market sensitive transaction.

5.5 No embargo of information

- Prime Media employees (including authorised spokespersons) and Prime Media Directors must not disclose under an embargo arrangement information concerning Prime Media that is required to be disclosed in accordance with this policy.

6. TRADING HALTS

- Prime Media may, in exceptional circumstances, request a trading halt to maintain fair, orderly and informed trading in Prime Media's securities and to manage disclosure issues.
- These circumstances may include:
 - (i) if confidential price sensitive information is prematurely or inadvertently disclosed and an immediate release cannot be made; or

- (ii) a situation which is sensitive but may not resolve itself in a short period (i.e. information leak); or
 - (iii) ASX has asked the entity to provide information to correct or prevent a false market; or
 - (iv) The announcement is so significant that it requires the approval of the Board; or
 - (v) The information is particularly damaging and likely to cause a significant fall in the market price of the entity's securities; and
 - (vi) Prime Media is not in a position to give an announcement to ASX (either immediately, if the market is trading, or before the market opens if it is not trading).
- In respect of section 6(iv) above, the courts have acknowledged that it is appropriate for some particularly significant continuous disclosure announcements to be considered and approved by the Board before they are released but that board approval of all announcements is not legally necessary. Examples of announcements that must be approved by the Board include:
 - (i) matters not delegated to the disclosure Officer or others under this policy or otherwise;
 - (ii) information concerning the entity's earnings, earnings guidance and comments on market expectations on earnings; and
 - (iii) matters to be decided by the Board (i.e. declaration of a dividend/distribution, appoint an administrator, material transaction subject to Board approval, change in nature or scale an entity's activities); and
 - (iv) earnings guidance and surprises as they are forward looking statement must have a reasonable basis for being made.
 - The Disclosure Committee is responsible for all decisions in relation to trading halts.
 - Only the Disclosure Officer is authorised to request a trading halt after a decision by the Disclosure Committee or Chairman.

7. ELECTRONIC COMMUNICATIONS

7.1 Prime Media's website

- Prime Media's website will feature a disclosure section to ensure that all market participants have an equal opportunity to receive externally available information issued by Prime Media. This information will include:
 - annual reports;
 - results announcements;
 - all other announcements of Prime Media made to ASX (whether under Prime Media's continuous disclosure obligations or not);
 - speeches and support material given at briefings and meetings (including shareholders' meetings);
 - Prime Media's profile and contact details;

- all written information provided to investors, analysts, brokers or the media; and
- briefing material from any site visits involving market participants organised by Prime Media.

7.2 ASX released information

- Information lodged with ASX under Prime Media's general and continuous disclosure obligations will not be posted on Prime Media's website until Prime Media has received formal confirmation from ASX that the information has been released.

7.3 Prior review of information

- The Disclosure Officer will review drafts of all information to be posted on Prime Media's website before it is posted to ensure that it does not cause any breaches of this policy.

7.4 Currency of information

- The Disclosure Officer will ensure that all website information is regularly reviewed and updated so that all information is current, or appropriately dated and archived.

8. POLICY APPROVAL AND COMPLIANCE

8.1 Board approval of policy

- This policy has been approved by the Board. Any amendments to this policy can only be made with the Board's prior approval.

8.2 Continuous disclosure on Board agendas

- The Board will ensure that continuous disclosure is a standing item on Board agendas and will:
 - note all information disclosed since the last Board meeting; and
 - consider whether disclosure is required for any item on the Board agenda.

8.3 Monitoring compliance with policy

- The Board will monitor compliance with this policy and will regularly, either through Board meetings or through any disclosure committee formed by the Board:
 - discuss with the Disclosure Officer the effectiveness and auditability of Prime Media's reporting system; and
 - consider whether Prime Media is complying with its obligations under this policy, the ASX Listing Rules and the Corporations Act.

9. Dissemination of policy

- Prime Media will summarise the key principles of this policy in its annual report, on its website and in other appropriate Prime Media communications to ensure that all Prime Media employees and advisers and all market participants are aware of its contents.

10. POLICY BREACHES

10.1 Strict compliance

- Strict compliance with this policy is mandatory for all Prime Media employees.

10.2 Breach of this policy

- A contravention by Prime Media of its continuous disclosure obligations may result in:
 - civil or criminal liability for Prime Media and persons involved in the contravention; and
 - unfavourable publicity for Prime Media and may damage Prime Media's reputation in the investment community and undermine confidence in the market for Prime Media securities.

10.3 Consequences of breach for employees

- Breaches of this policy will be taken very seriously by Prime Media and may lead to disciplinary action being taken against employees, including dismissal in serious cases.

11. MORE INFORMATION

- If any person has any queries about their reporting requirements, Prime Media's continuous disclosure obligations or any other question about this policy, they should contact:
 - Company Secretary

12. POLICY REVIEW

- The Board will review this policy annually and will, if necessary or desirable, amend the policy to ensure it remains consistent with the Board's objectives, current law and best practice.

Adopted by the Board on 25 September 2013

Last reviewed on 23 September 2015

ASX Listing Rule 3.1 - continuous disclosure decision tree

