



CONTINUOUS DISCLOSURE POLICY

1. INTRODUCTION

The board of directors of Prime Media Group Limited (**Prime Media**) (**Board**) has adopted this Continuous Disclosure Policy. The purpose of this policy is to outline how Prime Media manages external communications, including to ensure:

- compliance 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;
- that Prime Media security holders and the market are provided with full and timely information about Prime Media's activities; and
- 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.

Examples of price sensitive information may include:

1. significant changes in financial forecasts or expectations;
2. significant new projects or ventures;
3. significant acquisitions, divestments or restructures;
4. entry into, and renewal or termination of significant contracts;
5. dividend declarations and changes to the dividend policy;
6. changes in directors and key management personnel; and
7. other regulatory or other external changes that are likely to have a significant impact on Prime Media.

Annexure A sets out a continuous disclosure decision tree.

2.2 Exception to continuous disclosure obligation

Prime Media does not need to disclose price sensitive information to the ASX if the information is confidential and a reasonable person would not expect it to be disclosed and:

- 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.

Confidentiality of information will be lost if the information becomes known selectively or generally, whether inadvertently or deliberately (eg. as a result of a “leak”). Prime Media should ensure that employees and third parties having access to confidential information are made aware of and bound to maintain confidentiality of the information.

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 and consequences

If Prime Media does not lodge with the ASX information that 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 and be subject to criminal liability or a civil penalty.

3.2 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 Board

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.

4.2 Company Secretary

The Company Secretary is responsible for overseeing and coordinating all communication with ASX and ensuring that Prime Media has in place appropriate arrangements to ensure it complies with its periodic and continuous disclosure obligations.

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 Company Secretary aware of any matter that they consider may be material for continuous disclosure purposes. The Company Secretary will then determine whether the matter must be disclosed in accordance with this policy.
- 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 Consideration of information for disclosure to the ASX

The Company Secretary will consult with the CEO and the CFO about whether information is required to be disclosed to the ASX and if so, the form of the disclosure.

If after consultation, a decision on disclosure cannot be made, the Company Secretary will report the information to the Chairman for review and determination.

If it is decided that the information will be disclosed, the information and the form of the disclosure will be provided to the Chairman for review and approval. If the Chairman approves disclosure, the Company Secretary must immediately notify ASX.

Any material announcements of such significance to Prime Media (**Significant Matters**) that, unless the Board in any particular case otherwise resolves, 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.

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 CEO, Company Secretary and CFO.

4.5 Issues to be considered for disclosure

Some issues that the Company Secretary 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; and
- **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 (ie. 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.

4.6 Disclosure and dissemination

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 Company Secretary posts 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.

4.7 Correcting and updating disclosure

If Prime Media discovers that information lodged with ASX is or has become false, misleading, deceptive or incorrect, the Company Secretary must consult with the CEO and/or the CFO, or if it not available the Chairman, to consider updating the information.

4.8 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.

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 Chairman, 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 Company Secretary must assess whether that information must be disclosed.

5.4 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 Company Secretary 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 Board is responsible for all decisions in relation to trading halts.

Only the Company Secretary is authorised to request a trading halt after a decision by the Board.

7. COMMUNICATIONS

7.1 Prime Media's website

Prime Media's website (www.primemedia.com.au) provides information about the company's governance, activities, performance and financial position to ensure that all market participants

have an equal opportunity to receive externally available information issued by Prime Media. This information includes:

- 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;
- Prime Media's directors and senior executives; and
- all written information provided to investors, analysts, brokers or the media.

7.2 Currency of information

The Company Secretary ensures that all website information is regularly reviewed and updated so that 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 Monitoring compliance with policy

The Board will monitor compliance with this policy and will, through Board meetings:

- discuss 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 the Company Secretary: company.secretary@primemedia.com.au.

12. POLICY REVIEW

The Board will review this policy every two years after its adoption by the Board having regard to regulatory, community and investor requirements.

Annexure A: ASX Listing Rule 3.1 - continuous disclosure decision tree

