



## Continuous Disclosure Policy

|                              |                      |
|------------------------------|----------------------|
| <b>Approved by the Board</b> | <b>26 March 2019</b> |
| Previously Approved          | September 2017       |
| Next Review Date             | March 2020           |

## Table of Contents

|                                 |   |
|---------------------------------|---|
| 1. Continuous Disclosure .....  | 1 |
| 2. Guiding Principle .....      | 1 |
| 3. Communication Protocols..... | 2 |
| 4. Contact with the Market..... | 4 |

## 1. Continuous Disclosure

ReadCloud Limited (**Company**) is committed to:

- ensuring that shareholders and the market are provided with full and timely information about its activities;
- complying with the continuous disclosure obligations contained in the ASX Listing Rules and the *Corporations Act 2001* (Cth);
- providing equal opportunity for all stakeholders to receive externally available information issued by the Company in a timely manner; and
- preventing the selective or inadvertent disclosure of material price sensitive information.

This Policy covers financial markets communication, media contact and continuous disclosure issues. It forms part of the Company's corporate policies and procedures and is available to all staff.

The CEO and Company Secretary have been appointed as the Company's disclosure officers responsible for implementing and administering this Policy. The disclosure officers are responsible for all communication with ASX and for making decisions on what should be disclosed publicly under this policy.

### Guiding Principle

The Company will immediately notify the market via an announcement to the ASX of any information concerning the Company that a reasonable person would expect to have a material effect on the price of the Company's shares or securities or influence an investment decision on those securities.

The Company will ensure that it does not communicate material price sensitive information to an external party except where that information has previously been disclosed to the ASX.

### 1.1. Material Information

Information is considered material if there is a substantial probability that the information would influence investors in deciding whether to invest in or divest the Company's securities.

### 1.2. ASX Disclosure Carve-Outs

Disclosure is not required for material information, where all of the following three requirements are met:

1. one or more of certain conditions contained in ASX Listing Rule 3.1A.1 are satisfied being:
  - 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 entity; or
  - the information is a trade secret; and
2. the information is confidential and ASX has not formed the view that the information has ceased to be confidential; and
  3. a reasonable person would not expect the information to be disclosed.

Irrespective of the above, the Company is required to disclose information if asked to do so by the ASX or where there has been a disclosure or leak of information, in order to correct or prevent a false market.

## 2. Communication Protocols

### 2.1. Reporting of Material Information

The Company's protocol in relation to the review and release of ASX announcements (and media releases) is as follows:

- information is determined by the Board, Company Secretary or other employee of the Company as being of a type or nature that may warrant disclosure to the ASX;
- if not known by the Chair, all information should be reported to the Chair;
- the Chair will determine the nature and extent of the information and consult with the Board and Company Secretary to determine the form and content of any ASX Release;
- the Chair will agree on the text of the proposed release and will be responsible for ensuring that the Company establishes a vetting procedure to ensure that the announcements are factual and do not omit any material information. The Chair will also be responsible for ensuring that Company announcements are expressed in a clear and objective manner that allows investors to assess the impact of the information when making investment decisions. The Company Secretary may also be required to assist in drafting releases for review and will liaise with the Chair in this regard;
- depending on the nature of the release, the sensitivity of the information and the availability of the Board, the Chair will then determine whether the Board, as a whole, should be involved in the review of the ASX Release;
- the Company Secretary will then release the ASX Release to the market, and ensure that the website is updated;
- the Company will not release publicly any information required to be disclosed through the ASX until cleared by the ASX.

### 2.2. Authorised Spokespersons

Only authorised persons are allowed to make public statements to external parties, shareholders, investors, stockbrokers, analysts or the media in relation to any matters affecting the Company.

The Company's authorised spokesperson is the CEO. In appropriate circumstances, the CEO may from time to time authorise other spokespersons on particular issues and those within their area of expertise.

No employees or consultants are permitted to comment publicly on matters relating to the Company. Any information which is not public must be treated by employees and consultants as confidential until publicly released.

### **2.3. Web-based communication**

The Company believes that communicating with shareholders by electronic means, particularly through its website, is an efficient way of distributing information in a timely and convenient manner.

The Company's website shall feature discrete sections for shareholders and investors to ensure that such information can be accessed by interested parties. Such information will include:

- corporate governance policies and practices;
- annual reports and results announcements;
- all other company announcements made to the ASX;
- speeches and support material given at investor conferences or presentations; and
- company profile and company contact details.

Announcements lodged with the ASX will be placed on the Company's website as soon as practicable after ASX confirms receipt of that information.

All website information will be continuously reviewed and updated to ensure that information is current, or appropriately dated and archived.

Shareholders are encouraged to provide an email to the share registry to assist with delivering email alerts.

### **2.4. Management Responsibilities**

The Company's officers, employees and contractors must be made aware of this Policy. Employees or contractors must disclose any information which comes to their attention and is believed to potentially be material to the Company Secretary, Chief Executive Officer or Chair.

Officers, employees and contractors must be made aware of the "no comment policy" to external parties on any matters which may be material to the Company.

### **2.5. Trading Halts**

The Company may request a trading halt to maintain orderly trading in the Company's securities. The Company Secretary will manage the process in consultation with the Chair, Chief Executive Officer and Directors as required.

### **2.6. General Meetings**

At all AGMs and other meetings with shareholders, the Chairman of the board is responsible for facilitating and encouraging participation of shareholders.

The Company may consider webcasting and live telecommunications to provide access to shareholders who are unable to attend on an annual basis. Currently no facility is provided.

The Company encourages participation of shareholders and provides proxy forms and opportunities for questions to be asked which will be answered in the meeting.

A representative of the Company's auditor will be present at the AGM to answer any questions regarding the conduct of the audit and the preparation and content of the auditors' report.

### **3. Contact with the Market**

Key executives interact regularly with the market on the Company's activities in a number of ways, including briefings, market announcements, and regular updates on industry issues, one-on-one briefing, meetings and educational sessions.

In addition, the Company occasionally provides background and technical information to institutional investors and stockbroking analysts to support announcements made to the ASX about the Company's on-going business activities.

At all times when interacting with external individuals, investors, stockbroking analysts and market participants, the representatives of the Company should adhere to the guiding principle set out in this Policy.

#### **3.1. Open Briefings to Institutional Investors and Stockbroking Analysts**

The Company may hold open briefings (ie. where all members of a relevant group are invited) with shareholders, investors and/or stockbroking analysts to discuss information that has been released to the market.

Representatives of the Company are under the obligation of this Policy and should not disclose any material price or value sensitive information that has not been announced to the market generally.

With regards to open briefings, the Company will place any written briefing and presentation materials onto their website at the conclusion of the briefing; and for the purposes of this Policy, public speeches and presentations by the Company's Chair or Chief Executive Officer will be classed as 'open briefings'.

#### **3.2. One-on-one Briefings with Stockbrokers, Analysts and Institutional Investors and Shareholders**

It is in the interests of the Company's shareholders that stockbroking analysts have a thorough understanding of the Company's business operations and activities. In addition, other professional investors may seek to better understand certain aspects of the Company's strategy.

From time to time, the Company participates in one-on-one briefings with various investment professionals. At these briefings the Company may provide background and technical information to assist these people in their understanding of the Company's business activities.

The Company's policy is that no previously undisclosed material price or value sensitive information will be disclosed at these briefings.

For the purposes of this Policy a one-on-one briefing includes any communication between the Company and a stockbroking analyst including, for example, phone calls or e-mails made to the Company's Chief Executive Officer. Any written materials to be used at open or one-on-one briefings with institutional investors or stockbroking analysts will be reviewed by the Chief Executive Officer or Chair to ensure all information has previously been disclosed to the market. Where this is not the case, the information will be disclosed in the manner outlined above.

### **3.3. Review of Analyst Reports**

The Company recognises the important role performed by analysts in assisting the establishment of an efficient market with respect to the Company's securities. However, the Company is not responsible for, and does not endorse, analyst reports that contain commentary on the Company.

The Company will not provide non-disclosed material price or value sensitive information in response to such reports. The information may be reviewed only to correct factual inaccuracies. Any correction of factual inaccuracies by the Company does not imply endorsement of the content of these reports.

To avoid inadvertent disclosure of information that may affect the Company's value or share price, the Company's comments on analyst reports will be restricted to:

- information the Company has issued publicly; and
- other information that is in the public domain.

In particular, results of economic studies and earnings forecast guidance will not be provided to the market where this has not been released to the market in general.

Given the level of price sensitivity to earnings projections, the Company will only make comment to correct factual errors in relation to information publicly issued by other parties and Company statements.

### **3.4. Managing Market Speculation and Rumours**

Market speculation and rumours, whether substantiated or not, have a potential to impact the Company's share price. Speculation may also contain factual errors that could materially affect the Company.

The Company's general policy on responding to market speculation and rumours is "no comment", which must be observed by all employees. However, the Company may issue a statement in relation to market speculation or rumour where and when it considers it necessary.

Speculation may result in the ASX formally requesting disclosure by the Company on the matter, in which case the Company will respond to the request.

## **4. Review**

Any amendments to this policy must be approved by the Board.

Any questions in relation to the policy should be directed to the Company Secretary.

This policy will be reviewed annually by the Company Secretary.