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Neptune Marine Services Limited  
ACN 105 665 843

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## **Information Disclosure Policy**

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## 1. COMMITMENT TO SHAREHOLDERS AND AN INFORMED MARKET

The Board of Neptune Marine Services Limited (“Neptune”) believes that shareholders and the investment community should be kept informed of all major business events that influence Neptune in a timely and widely available manner. The Board considers this not just as a matter of compliance with the *Corporations Act 2001* (Cth) (“the Act”) and the Australian Securities Exchange listing requirements (“the Listing Rules”) but so that shareholders, as the owners of Neptune, can make informed decisions about their Company.

The Board is committed to:

- (a) ensuring a consistent message is communicated to the investment community and that material information is disclosed on a timely basis and not disclosed inadvertently;
- (b) shareholders have an equal opportunity to receive and obtain information issued by Neptune;
- (c) balancing the legitimate information needs of investors with Neptune’s need to retain confidentiality of commercially sensitive and proprietary information; and
- (d) manage shareholder expectations effectively, so that an orderly market is maintained for Neptune’s securities.

This information disclosure policy (“the Policy”) explains:

- (a) the procedure for reporting such information to the Chief Executive Officer (“the CEO”); and
- (b) the potential ramifications for Neptune, individual officers and employees of Neptune in the event that the Act or ASX Listing Rules are contravened.

The Policy has been approved by the Board. The Policy will be reviewed annually and if required updated to reflect regulatory change and the changing expectations of Neptune shareholders, the wider investment community and all other legitimate stakeholders.

## 2. SCOPE AND APPLICATION

This Policy applies to all directors and employees of Neptune and its subsidiaries. It is not confined to Australian employees. Although the Policy relates to disclosure to the ASX, the information which is material to Neptune may arise in any country where Neptune conducts business.

This Policy does not address guidelines for directors and employees in buying and selling Neptune’s securities. Those guidelines are set out in Neptune’s “Dealing Rules for Employees and Directors”.

## 3. CONTINUOUS DISCLOSURE AND MATERIAL INFORMATION

### 3.1 Continuous Disclosure

The Act and ASX Listing Rules require Neptune to communicate with the market in a variety of ways.

In addition, specific reporting requirements include:

- (a) production of half yearly and full year financial statements;
- (b) production of annual report;
- (c) conducting an annual general meeting (AGM); and
- (d) other special reporting requirements eg director's interests.

Neptune's general obligation is to immediately notify the ASX of any information of which it becomes aware and which a reasonable person would expect to have a **material** effect on the price or value of Neptune's securities.

The general continuous disclosure obligations in the Act and ASX Listing Rules are designed to ensure that trading in Neptune's securities takes place in a fair, efficient and well informed market. These objectives are fundamental to the operation of the market for Neptune's securities.

### 3.2 Definition of material

Whether information is considered material and therefore required to be disclosed will vary according to the circumstances, and is a matter of judgment. The Act provides that a reasonable person would be taken to expect information to have a material effect on the price of value of 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 such securities.

The types of information considered material include:

- ◆ financial performance and significant changes in Neptune's financial forecast or expectations;
- ◆ changes to Neptune's Board and senior management;
- ◆ mergers, acquisitions, divestments, joint ventures or changes in assets;
- ◆ significant developments regarding new projects or ventures;
- ◆ events related to Neptune's securities;
- ◆ new major contracts, orders or changes in suppliers or customers;
- ◆ significant changes in products or services;
- ◆ industry issues that may have a material impact on Neptune;
- ◆ major litigation; and
- ◆ changes to Neptune's constitution and the rights of shareholders.

### 3.3 Exceptions

Materially price sensitive information must be immediately notified to the ASX unless it falls within the scope of the limited confidentiality exemption contained in the Listing Rules.

Neptune is not required to disclose material information where it would be in the best interest of Neptune not to do so, but only when all of the following three elements are met:

- (a) a reasonable person would not expect the information to be disclosed; and

- (b) the information is confidential and the ASX has not formed the view that the information has ceased to be confidential; and
- (c) the information is of a kind that:
- would be in breach of law to disclose;
  - is, or is part of, an incomplete proposal or negotiation;
  - comprises matters of supposition or is insufficiently definite;
  - is generated for internal management purposes; or
  - is a trade secret.

If any of the three elements cease to be satisfied, Neptune must disclose the information to the ASX immediately.

For example, if information that has not been disclosed by relying on the exemption becomes known in some way to participants in the market, then that information must be given to the ASX for release to the market as it would no longer satisfy the confidentiality requirement. It does not matter how the information become known to the market.

It is critical that Neptune guards against unintended disclosure of material information.

The CEO will ultimately determine whether any information is material or otherwise requires market disclosure.

### **3.4 Neptune becomes aware of information**

Neptune is aware of information if a director or executive officer has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as a director or executive officer of Neptune.

An executive officer means a person who is concerned in, or takes part in, management of Neptune. A person can be an executive officer regardless of his or her designation, and irrespective of whether or not he person is a director.

### **3.5 Your obligations if you should come into possession of material information**

First and foremost, you must remember that you owe a duty of confidentiality to Neptune and any information that comes into your possession regarding Neptune, a subsidiary or a client as a result of your engagement with Neptune should always be kept confidential and reported only in accordance with the Policy.

Neptune's CEO must be consulted on all issues of disclosure.

As soon as you become aware of information that is not generally available and which you think is material, you must provide the CEO with the following information:

- ◆ a general description of the matter;
- ◆ details of the parties involved;
- ◆ the relevant date of the event or transaction;
- ◆ the status of the matter (eg final negotiations still in progress, or preliminary negotiations only);

- ◆ the estimated value of the transaction (in Australian dollars);
- ◆ the estimated effect on Neptune's finances or operations; and
- ◆ the names of any in-house or external advisors involved in the matter.

If you are not an executive officer as defined above, you must pass the information you have to a member of senior management, who will confirm that the information should be treated as material information.

Senior management must immediately notify the CEO as soon as they become aware of the information.

### **3.6 Role of the CEO**

The CEO will consider the information submitted and determine whether it is material information which must be disclosed to the ASX.

The CEO will co-ordinate the actual form of disclosure with the relevant members of management and professional advisers if required.

The CEO will maintain a file of all material relevant to continuous disclosure and record in writing his reasons why, in reviewing and considering a possible announcement or disclosure issue, the decision to make or not to make an announcement or disclosure at the relevant time.

All disclosures to the ASX are to be provided to the Board members as soon as practical after disclosure is made. Apart from the Board, only the CEO has the authority to determine what Neptune need not disclose or may delay the disclosure of material information, due to the operation of an exception to the requirement to disclose.

### **3.7 Authorised spokesperson**

Only the CEO or his nominee is able to communicate to the market. The Chairman is also authorised to comment on matters concerning constitution of the Board and Neptune's CEO.

Unless expressly authorised no employee or associated party (such as consultants, or professional advisers), can comment publicly on any matter regarding Neptune or its subsidiaries.

### **3.8 Releasing information to the ASX**

The CEO will take the following steps in relation to information forwarded to him:

- (a) assess whether disclosure is required;
- (b) consult with advisors, including the ASX, as necessary;
- (c) prepare a market release for provision to the ASX;
- (d) in the case of profit announcements to the extent possible, consult and obtain the approval of the Board or if not possible obtain the approval of the Chairman and the Chairman of the Audit and Risk Management Committee;
- (e) forward the release to the ASX; and
- (f) circulate the release to the Board following confirmation of release by the ASX.

For each set of monthly board papers, there should be an agenda item entitled "Continuous Disclosure". In this item, the CEO should either:

- (g) confirm that there was no material brought to his attention requiring disclosure for the proceeding month; or
- (h) provide a record of releases made.

Neptune must wait until confirmation has been received from the ASX before releasing material information to any third party. Neptune aims to have information available to shareholders via Neptune's website as soon as practical and preferably within 24 hours of an announcement being made.

### **3.9 Handling rumours, leaks and inadvertent disclosures**

Any unauthorised leak of information may place Neptune in breach of the Act and the Listing Rules which could expose Neptune to civil liability and individuals to allegations of insider trading.

If employees consider that information could be confidential, then he or she should take all necessary steps to ensure that the information remains confidential. For instance, that information should not be disclosed to external parties except on the basis of a written confidentiality undertaking.

If external contact is made seeking clarification of a rumour in the marketplace, the enquiry should be referred to the CEO. The recommended response to such query is that Neptune does not respond to market rumours. Consideration will then be given by the CEO as to whether a public announcement is required.

However, if it is in the best interest of shareholders, Neptune reserves the right to comment or make an announcement if Neptune believes that the market for its securities is being materially influenced by:

- (a) public information that is factually incorrect;
- (b) public information that is correct, but which has not been the subject of announcement by Neptune; and
- (c) public information which is correct, but which Neptune believes has been misinterpreted with potentially material consequences.

Where Neptune becomes aware that such information is circulating in the market or media, but which is not materially influencing the market for Neptune's securities, Neptune may make an announcement to correct the information, if Neptune believes that this would also be in the best interest of shareholders.

Additionally, Neptune will comment on market speculation and rumours if the ASX asks Neptune to do so, because it considers there is, or is likely to be, a false market in Neptune securities. In these circumstances, a formal announcement will be made to the ASX.

The CEO must be kept informed of material developments so that the CEO does not inadvertently deny material developments that are, in fact, occurring.

### **3.10 Correcting and updating information**

If Neptune discovers that a statement made to the ASX was and remains materially incorrect, or subsequent information renders it materially incorrect, an announcement to the ASX to correct or update the statement will be made immediately after the discovery.

### 3.11 Trading Halt

In a fully informed market, there is limited need to request a trading halt from the ASX. However in some circumstances a trading halt is an effective way of ensuring that efficient trading in Neptune's securities is maintained.

Circumstances requiring a trading halt may include:

- (a) if confidential information is inadvertently made public, Neptune may need to consider a trading halt to enable the preparation of an appropriate announcement to the market; or
- (b) if preparing for a major announcement could cause market uncertainty, a trading halt may be an appropriate measure to stop speculative or uninformed trading pending an announcement.

### 3.12 Contravention of disclosure obligations

Neptune contravenes its continuous disclosure obligations if Neptune fails to notify the ASX of information required by the Act and Listing Rules to be disclosed.

If Neptune contravenes this obligation by failing to notify the ASX of information that:

- (a) is not generally available; and
- (b) a reasonable person would expect, if it were generally available, to have a material effect on the price or value of securities issued by the Company,

Neptune and any person involved in the contravention may be guilty of an offence under the Act.

Neptune may face:

- (a) a fine up to \$110,000;
- (b) civil liability for any loss or damage suffered by any person as a result of the contravention;
- (c) delisting from the ASX; and
- (d) unwarranted publicity that may cause damage to Neptune's reputation in the market, which in turn may adversely impact upon the market value of Neptune's securities.

Neptune's directors, employees or advisors involved in a contravention by Neptune, may also face a fine of up to \$22,000 and or 5 years imprisonment and civil liability as outlined above.

A person will not be considered to be involved in a contravention if the person proves that they:

- (a) took all reasonable steps to ensure that Neptune complied with its continuous disclosure obligations; and
- (b) after doing so believed, on reasonable grounds that Neptune did comply with its continuous disclosure obligations.

#### **4. WEB-BASED COMMUNICATIONS**

The Board aims to ensure that the market and shareholders are informed of all major developments affecting Neptune and its subsidiaries. Neptune's website contains a section for shareholders and investors ("the Investor Centre"). All announcements will be posted on the Investor Centre immediately after confirmation has been received from the ASX. The website will also contain other corporate material of interest to shareholders and the market generally.

#### **5. DEALING WITH INVESTORS AND ANALYSTS**

The CEO, or his nominee, will attend all briefings with investors or analysts or is updated on the issues discussed at those meetings.

Neptune must ensure that it does not give investors, analysts or other groups of market participants any material price sensitive non public information at any time. It is permissible to clarify or correct any errors of interpretation that investors or analysts make concerning already publicly available information, but only to the extent that the clarification or correction does not itself amount to giving the investor or analyst material non public information (such as correcting market expectations about profit forecast). The Act and the Listing Rules require Neptune to correct its earning forecast or any other projections that may affect its share price, with an appropriate release to the ASX before responding to the investor or analyst.

In order to preserve transparency and confidence in Neptune's continuous disclosure practices, all information given at investor and analyst briefings or industry seminars, such as presentation slides, should be released to the ASX and posted on Neptune's Investor Centre in accordance with the Policy.

All dealings with investors and analysts should be carefully monitored by those employees participating in such dealings to ensure that material non public information is not inadvertently disclosed, and if it is to immediately disclose the information to the ASX in accordance with the Plan.

#### **6. INVESTOR CONFERENCES AND ROAD SHOWS**

Neptune will announce to the ASX any involvement in investor conferences and road shows before the conference or road show commences.

Unless a trading halt is in place slides and or other presentation material used at conferences or on road shows will be lodged with the ASX for immediate release to the market before the presentation commences and subsequently posted on Neptune's Investor Centre. Slides and presentation material used during a trading halt must be released to the ASX before trading resumes.

If the conference organisers provide a web cast at the presentation, including questions and answers, Neptune will announce this to the ASX and post a notice of this on the Neptune website.

Particular care is required when dealing with questions that raise issues outside the intended scope of the discussions. If a question can only be answered by disclosing price sensitive information an answer should be declined or it should be taken on notice and consideration given to whether formal disclosure to the market is appropriate in accordance with the Policy.

If material information is inadvertently disclosed, that information must be formally disclosed to the ASX immediately after the meeting.

Neptune will alert the recipient of the information that they may be in breach of insider trading regulations if they trade in Neptune's securities on the basis of that information, prior to Neptune making its announcement to the ASX.

## **7. CONFERENCE CALLS**

The conduct of conference calls for major announcements covering a broader geographic audience than what could be achieved from a company briefing to an audience in a single location is governed by the same protocols as those for investor conferences and road shows above.

Where practical, recordings or transcripts of conference calls are to be posted on Neptune's Investor Centre.

## **8. THE MEDIA**

In certain circumstances Neptune may find it necessary to comment on media speculation. Neptune must not comment on media speculation and rumours unless there are factual errors that could have a material effect or as requested by the ASX. In those circumstances Neptune will be pro-active in responding.

Neptune will not provide exclusive interviews or stories to the media that contain material information.

Neptune must not provide material information to the media off the record. It must be presumed that off the record discussions are not confidential and the content of the discussion will be disclosed.

## **9. BLACKOUT PERIOD**

No interviews or presentations should be given in the two month period leading up to the annual results announcement or one month before the publication of any other results or outlook without the specific permission of the CEO.

A person who is given permission by the CEO to give an interview or make a presentation must notify the CEO of the date and time for the interview and must give a copy of any presentation to the CEO.

Additional periods in which interviews may not be given or in which presentations may not be made without the specific permission of the CEO may be imposed. Relevant persons will be notified of any such additional interview/briefing blackout period.

## **10. EMPLOYEE COMPLIANCE**

It is important that Neptune complies with its continuous disclosure obligation. Accordingly, it is incumbent upon all employees to comply with the Policy.

Breaches of the Policy will be viewed seriously and may lead to disciplinary action being taken against the relevant employee. In serious cases, such action may include dismissal. Any employee who becomes aware of a violation of the Policy should immediately report the violation to the CEO.