



CONTINUOUS DISCLOSURE AND MARKET COMMUNICATIONS POLICY

1. Background

The securities of DUG Technology Limited ("the Company") are listed and traded on the Australian Securities Exchange ("ASX"). The Company must comply with its disclosure obligations under the ASX Listing Rules and the Corporations Act 2001 (Cth) ("the Act").

This policy sets out:

- (a) the processes the Company follows to ensure it complies with its ASX disclosure obligations; and
 - (b) outlines the way in which it communicates information to its shareholders and the market.
- This policy applies to all directors and employees of the Company and its subsidiaries.

2. Legal requirements

2.1 Continuous Disclosure (Listing Rule 3.1)

The Company must immediately notify the ASX once it becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.

2.2 The Exception:

LR 3.1A contains the only exception to LR 3.1: *"Listing Rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:*

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

- 1) It would be a breach of a law to disclose the information;*
- 2) The information concerns an incomplete proposal or negotiation;*
- 3) The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- 4) The information is generated for internal management purposes of the entity; or*
- 5) 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."

3. Key concepts

3.1 Disclosure principle

The Company will immediately notify the market of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the Company's securities, unless it falls within the exception outlined in LR 3.1A detailed above.

3.2 Material price sensitive information

Information is market sensitive if a reasonable person would expect that information to have a material effect on the price or value of the Company's 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 and hold securities for a period of time, based on their view of the inherent value of the security, in deciding whether or not to subscribe for, buy or sell, those securities.

3.3 Immediately

Immediately means promptly and without delay as quickly as can be done in the circumstances and not deferring or postponing it to a later time.

4. Roles and responsibilities

This Policy will be administered by several key personnel within the Company. However, employees at every level have a role to play to ensure that the Company achieves the objectives of this Policy. The responsibilities under this Policy are divided as follows:

- (a) **Board of directors** - the Board will be responsible for reviewing and approving any subsequent amendments to this policy based on recommendations from the Company Secretary. The Board may be involved in the approval of significant ASX announcements, including trading halts.

The Company Secretary will ensure that the Board receives copies of all material market announcements prior to announcement, to ensure that the Board has timely visibility of the nature

and quality of the information being disclosed to the market and the frequency of such disclosures, and where necessary, the opportunity to comment;

(b) **Managing Director** – The Managing Director is the ultimate decision-maker on continuous disclosure, except where Board approval is required, and will ensure Senior Review is adopted where practicable.

(a) **Senior Review** – a least two of the CFO, Managing Director and Company Secretary will be responsible for determining:

- (i) what information is to be disclosed to the ASX; and
- (ii) determining and recommending to the Board if a trading halt should be required.

(b) **Company Secretary** – responsible for the overall administration of this Policy and all communications with ASX (see below);

(c) **Authorised Spokespersons** – only the Company employees authorised to speak on behalf of the Company to external parties (see below);

(d) **Disclosure Officers** – a Disclosure Officer is to be appointed in respect of employees and Directors who will be responsible for reporting any material price sensitive information of which they are aware to the Company Secretary;

(e) **Other employees** – report any material price sensitive information to their Disclosure Officer. Observe the Company’s “no comments” policy.

Under this policy employees and Directors may be required to provide information to their Disclosure Officer.

4.1 Company Secretary responsibilities

The Company Secretary is responsible for the overall administration of this Policy, and in particular, is responsible for:

- (a) ensuring that the Company is compliant with its continuous disclosure obligations;
- (b) all communications with ASX in accordance with Listing Rule 12.6. The CFO has been nominated as the alternative contact person;
- (c) reviewing proposed external announcements, and consulting with appropriate members of the

Board, senior executives and/or external advisers as necessary and in particular obtaining prior authorisation in relation to all continuous disclosure announcements in accordance with this Policy;

(d) implementing reporting processes and determining divisional guidelines (financial or qualitative) for materiality of information;

(e) provides legal advice, or obtains external legal advice on disclosure matters where required

(f) reporting on continuous disclosure issues regularly to the Board of the Company;

(g) keeping a record of all ASX and other announcements that the Company has made;

(h) monitoring the effectiveness of the Policy, including the understanding by employees in general of the principles and spirit of continuous disclosure; and

(i) regularly reviewing this Policy for legislative changes or development of best practice, and communicating any amendments to Company employees.

4.2 Authorised spokespersons

The authorised spokespersons are the Managing Director and Chair as well as other persons authorised by the Board from time to time.

They are the only Company employees who may speak to the media or other external parties in relation to matters subject to this Policy.

4.3 Company announcements – the procedures

The management of the Company’s external announcements depends largely on an effective system of internal reporting and announcement preparation.

The following procedures will apply in relation to all external announcements:

(a) **Identification and notification of material price sensitive information** – as soon as an employee becomes aware of material price sensitive information which has not previously been released by the Company, he or she should immediately notify their Disclosure Officer.

“Continuous disclosure issues” will be a permanent item on the agenda for every

Board meeting, committee meetings and other meetings as may be determined by the Company Secretary;

- (b) **Review of material price sensitive information** - after receiving any material price sensitive information, the Company Secretary will review the information (in consultation with the CEO and/or Chair and/or other senior executives and/or external advisers if necessary), to determine whether the information is required to be disclosed;
- (c) **Prepare external announcement** - if the information is required to be disclosed, the Company Secretary, CFO or Managing Director, or an appropriate delegate, will prepare a draft announcement.
- (d) **Obtain sign off** - the draft company announcement must be signed off by either the Board or any two of the CFO, Managing Director.
- (e) **Lodge announcement** - the Company Secretary, or a person appointed by the Company Secretary, will lodge the announcement with ASX electronically and will ensure that the Board receives copies of all material market announcements promptly after they have been made; and
- (f) **Post announcement on the Company website** - within 24 hours after receiving an acknowledgement from ASX that the announcement has been released to the market, the Company will post the announcement onto the Company's website.

In light of the Company's obligation to disclose any material price sensitive information "as soon as it becomes aware" of the information, the above steps, where required, should be taken as a matter of urgency.

4.4 Timing

The Company must not release material price sensitive information publicly until it has disclosed it to ASX and received confirmation of its release by ASX.

If information is to be released by the Company's Head Office and simultaneously in another geographical location (for example, by a foreign joint venture partner), the Company Secretary will consult with the relevant parties to determine how the requirement of the Listing Rules will impact on the timing of the disclosure.

4.5 Disseminating announcements

After receiving ASX's confirmation that an announcement has been released to the market, the Company will disseminate the information as soon as possible by posting the announcement on the Company's website (within 1 business day after receiving ASX's confirmation). The Company Secretary must review the relevant company information prior to it being posted on the website. The website is an important tool used to provide information to all stakeholders, including copies of all Company releases to ASX..

4.6 Pre-result periods

To prevent inadvertent disclosure of material price sensitive information, during the periods between the end of its financial reporting periods and the actual results release, the Company will not discuss any financial information or broker estimates and forecasts with institutional investors, individual investors, stockbroking analysts or the media unless the information being discussed has previously been disclosed to ASX.

4.7 Media and market speculation

The Company has a general "no comments" policy in relation to market speculation and rumours, which must be observed by employees at all times. However, the Company may issue an announcement in response to a market speculation or rumour where it is necessary to comply with the continuous disclosure

obligations, for example, for the purpose of correcting factual errors or responding to a formal request from ASX for information. The Company will not provide the media with exclusive interviews or information that potentially contains any material price sensitive information prior to disclosing that information to ASX. It will also not provide any information "off the record".

Employees who are approached by the media or any external parties for information should observe the "no comments" policy and notify the Company Secretary as soon as possible.

4.8 Briefings/meetings/conference calls with analysts or investors

The Company conducts briefings for analyst, investor and media groups from time to time to discuss information that has been released to the market.

The following protocols apply:

- (a) there will be no discussion of market sensitive information not already disclosed to the market;
- (b) questions raised in relation to market sensitive information not previously disclosed will not be answered;
- (c) immediately following briefing sessions, a review of the session discussion is conducted to check whether any market sensitive information has been inadvertently disclosed. If market sensitive information has been inadvertently disclosed during the briefing, it will immediately be disclosed to the ASX and placed on the Company's website; and
- (d) all briefing and presentation materials will be disclosed to the market via the ASX and placed on the Company's website prior to commencement of the briefing.

4.9 Chatrooms and social media

Company employees or associated parties must not participate in chat room and social media discussions on the internet where the subject matter relates to the Company unless authorised in writing to do so by the Managing Director,

CFO or Company Secretary.

Any such participation must clearly identify the participant by name and as an authorised Company spokesperson.

4.10 Inadvertent or premature disclosure of information

Disclosure of material price sensitive information to an external party prior to disclosure to ASX constitutes a breach of Listing Rule 15.7.

To prevent a breach of Listing Rule 15.7 and to minimise the consequences should such a breach occur, the following procedures apply.

A review should be done following any communications with an external party. If a Company employee becomes aware (including following communications with external parties, for example through analyst briefings or responses to security holder questions) that:

- (a) confidential Company information may have been leaked (whatever its source); or
- (b) there may have been disclosure of material price sensitive information which has not been disclosed to ASX,

he or she should immediately notify the Managing Director or Company Secretary. If the Managing Director or Company Secretary believes that the information may require disclosure, having regard to the Listing Rules including provisions relating to avoiding the emergence of a false market, the procedures in clause 4.3 will be followed in respect of that information.

5. False Market

If the ASX considers that there is, or is likely to be, a false market in the Company's securities and asks the Company to give the ASX information to correct or prevent a false market, the Company must immediately give that information to the ASX, even if the Company considers that the Listing Rule 3.1A exception applies.

6. Trading halts

In certain circumstances, the Company may need to request a trading halt from ASX to maintain the efficient trading of its securities. The Senior Review team, or if practicable in the circumstances, the Board, will make any decision with respect to a request for a trading halt.

7. Other matters

7.1 Breach of Policy

The Company takes continuous disclosure very seriously. Non-compliance with continuous disclosure obligations may constitute a breach of the Corporations Act or the Listing Rules. This may result in fines for the Company, personal liabilities for Directors and other officers, and damage to the Company's reputation.

Breaches of this Policy may result in disciplinary action against the employee including dismissal in serious cases.

7.2 Further information

All employees should read this Policy and related procedures carefully and understand their responsibilities for ensuring full compliance with the Company's disclosure obligations..

The Company will periodically review this Policy as legislative requirements and best practice evolve.

If employees have any questions on the Policy, or require further information, they should contact the Company Secretary.

7.3 Adoption of Policy and Board review

The Board is responsible for the adoption of this Policy and approval of material amendments.

The Board will review this Policy periodically.

The Company Secretary will communicate any amendments to employees as appropriate.