

# COMMUNICATION AND DISCLOSURE POLICY

*Listing Rule 3.1 of the Australian Securities Exchange (ASX) requires listed entities to immediately notify the ASX when it becomes aware of any information that a reasonable person would expect to have a material effect on the price or value of the listed entity's securities.*

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## 1. Introduction

### 1.1 Disclosure Context

This Policy sets out the continuous disclosure policy and procedures that apply to Nyrada Inc. ARBN 625 401 818 (**Company**) and its subsidiaries (**Nyrada Group**).

The Company is committed to responsible corporate governance and promoting investor confidence by observing its continuous disclosure obligations under the ASX Listing Rules (**Listing Rules**) and the *Corporations Act 2001* (Cth) (**Corporations Act**).

Accordingly, the board of the Company (**Board**) recognises that the Company should:

- (a) to the extent possible, comply with the Corporate Governance Principles and Recommendations (3<sup>rd</sup> Edition) published by the ASX Corporate Governance Council and any revised editions of these principles (**ASX Principles**); and
- (b) take account of guidelines on disclosure published by ASX including ASX Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1-3.1B* (**Guidance Note 8**).

### 1.2 Commitment to disclosure and communication

The Company is committed to:

- (a) ensuring that the market, stakeholders and the public generally are provided with timely disclosure of information concerning the Company which may have a material effect on the price or value of the Company's securities;
- (b) the promotion of investor confidence by ensuring that trade in its securities takes place in an efficient, competitive and informed market;
- (c) complying with the periodic and continuous disclosure requirements contained in the Listing Rules and the Corporations Act; and
- (d) making all disclosures in a manner that is accurate, complete and not misleading.

### 1.3 Purpose

This Policy outlines corporate governance measures adopted by the Company to further its commitment to disclosure and communication of information. It seeks to incorporate:

- (a) disclosure obligations in the ASX Listing Rules;
- (b) Principle 5 (Make timely and balanced disclosure) and Principle 6 (Respect the rights of security holders) of the ASX Principles; and
- (c) the principles in Guidance Note 8 and the 10 principles set out in ASIC's Regulatory Guide 62: *Better disclosure for investors*.

The Board has approved this Policy as a part of the Company's corporate governance framework.

This Policy applies to all directors, officers, employees and consultants of the Company.

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## **2. Continuous Disclosure Obligations**

### **2.1 Obligations**

Continuous disclosure is a mandatory obligation under the Corporations Act and the Listing Rules. The Company is required to immediately notify ASX once it becomes aware of any information which a reasonable person would expect to have a material effect on the price or value of the Company's securities, unless an exception applies at that time.

Information which the Company is required to disclose under its continuous disclosure obligations is referred to in this Policy as "Market Sensitive Information".

### **2.2 "Aware" of information**

The Company is taken to be aware of information if any of its directors, Company Secretary or senior managers has, or ought reasonably to have, come into possession of that information in the course of the performance of their duties as an officer of the Company.

### **2.3 Determination of Market Sensitive Information**

A reasonable person is taken to expect information to have a material effect on the price or value of the Company's securities (that is the information is Market Sensitive Information) if that information would, or would be likely to, influence persons who commonly invest in securities in deciding whether to subscribe for, buy or sell the Company's securities.

A determination of whether or not information is market sensitive will be a matter of judgment in each particular case.

Each director and employee should immediately notify the Chair, the Chief Executive Officer (**CEO**) or, in their absence, the Company Secretary, of the Company, if they become aware of any information concerning the Company which may be market sensitive.

In assessing whether or not information is market sensitive, consideration is given to the Company's circumstances prevailing at the relevant time, including its business activities, size and place in the market. Any external information that is publicly available at the time and any previous disclosures made by the Company to the market, and the impact of the new information on the previously disclosed information, must also be considered.

ASX has provided examples of the type of information that may need disclosure in the notes to Listing Rule 3.1 and in Guidance Note 8.<sup>1</sup>

If any material information disclosed to the market becomes incorrect, the Company must release an announcement correcting or updating the information if the change in the information is such that a reasonable person would expect it to have a material effect on the price or value of the Company's securities, or if ASX requires in order to correct or prevent a false market.

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<sup>1</sup> Guidance Note 8 notes that, in determining whether information was market sensitive, ASX will look at the effect that information had on the market price when it was announced to the market. For these purposes ASX will generally apply the guidelines on materiality under the Australian Accounting and International Financial Reporting Standards. This means that if the market price has moved 10% or more, ASX will generally regard this as market sensitive information, and if has moved 5% or less, ASX will generally regard this as confirmation that the information was not market sensitive. However these are guidelines only and may not apply in all circumstances.

## 2.4 Exceptions to disclosure of information

The Listing Rules provide an exception to continuous disclosure if all of the following three tests are satisfied:

- (a) **Test 1:** One or more of the following applies:
  - (i) it would be a breach of the law to disclose the information;
  - (ii) the information concerns an incomplete proposal or negotiation;
  - (iii) the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
  - (iv) the information is generated for internal management purposes of the entity; or
  - (v) the information is a trade secret.
- (b) **Test 2:** The information is confidential and ASX has not formed the view that the information has ceased to be confidential.
- (c) **Test 3:** A reasonable person would not expect the information to be disclosed.

As soon as any of Tests 1, 2 or 3 is no longer satisfied in relation to particular Market Sensitive Information, the Company must immediately disclose that information.

The availability of the exception regarding any Market Sensitive Information that has not been disclosed to ASX must be continually assessed by the Company.

## 2.5 Confidentiality

Confidential information is information that is confidential as a matter of fact.

There may be a loss of confidentiality even if the Company has entered into confidentiality agreements. For example, where there is rumour circulating in relation to, or the media is commenting on such information, this will generally indicate that confidentiality has been lost.

Officers and employees of the Company owe a duty of confidentiality to the Company and must ensure that the confidentiality of any information concerning the Company that comes into their possession is protected, by:

- (a) refraining from discussing or divulging the information to any person except in accordance with this Policy; and
- (b) ensuring that any material within their possession relating to that information is properly and securely stored and is not disclosed to an unauthorised person.

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## 3. Roles and Responsibilities

### 3.1 Role and responsibilities of the CEO

The CEO is primarily responsible for ensuring that the Company complies with its continuous disclosure obligations and the overall implementation and administration of this Policy.

In particular, the CEO is responsible for:

- (a) considering the information in question and determining whether it is market sensitive information which must be disclosed by the Company to ASX;
- (b) determining whether the market sensitive information falls within the exception referred to in section 3.4 above;
- (c) if of the view that the market sensitive information falls within the exception to the continuous disclosure obligation, creating and retaining a file note setting out reasons why the market sensitive information falls within the exception and therefore does not need to be released to ASX. In such circumstances, the Company Secretary will circulate a copy of the CEO's considerations to the Board as soon as possible;
- (d) assessing whether the market sensitive information to be disclosed should be reviewed and approved by the Board before it is released and, where appropriate, referring the proposed announcement to the Board;
- (e) when market sensitive information needs to be released, overseeing the preparation of release of such information and (as necessary) consulting with appropriate members of the Board, management and external advisers;
- (f) deciding whether a trading halt is required; and
- (g) authorising the final form of announcements to the market (except any announcements that the Board is required to, elects to or is asked to approve as referred to in section 3.5 below).

### 3.2 **Role and responsibilities of the Company Secretary**

The Board has appointed the Company Secretary as the person responsible for communication with the ASX in relation to Listing Rule matters, with the Australian Securities and Investments Commission (**ASIC**) in relation to continuous disclosures matters.

The Company Secretary's responsibilities include:

- (a) seeking to ensure that the ASX is immediately notified of any information which needs to be disclosed;
- (b) seeking final approval from the Chair or, in his or her absence, the CEO, and, if required under section 3.7, the Board for all documents to be released to the ASX;
- (c) distributing continuous disclosure announcements to the Board and senior managers by email immediately after they have been released to the ASX;
- (d) reviewing board papers and other information referred to the Company Secretary for events that the Company Secretary considers may give rise to disclosure obligations;
- (e) ensuring all officers and employees of the Company are aware of and educated on this Policy and the Company's continuous disclosure obligations; and
- (f) maintaining a register of announcements made to the ASX and lodged with ASIC and recording reasons for any decision to not make an announcement on ASX.

### 3.3 **Obligations of officers and employees**

Officers, employees, agents and contractors of the Nyrada Group must observe this Policy at all times. Officers and employees of the Nyrada Group have the following obligations:

- (a) if they have a question regarding any aspect of this Policy, they should direct their inquiries to the Company Secretary;
- (b) as soon as they become aware of any information that is not generally available and which may be considered market sensitive, they must immediately notify the Chair, the CEO or, in their absence, the Company Secretary;
- (c) if unsure as to whether the information may be “market sensitive” or may influence an investor’s decision to buy or sell the Company’s securities, the information must be referred to the Chair or, in his or her absence, the Company Secretary for determination;
- (d) if they inadvertently leak information to the media or public or become aware that information has been leaked, they must make no comment in relation to the information and must notify the Chair or, in his or her absence, the Company Secretary immediately;
- (e) they must not make any comments in respect to market speculation and rumours. If approached by the media or an external party for information, they must not make any comment and must notify the Chair or, in his or her absence, the Company Secretary immediately; and
- (f) senior managers are responsible for reporting any material matter arising in their division/business unit areas of responsibility that could potentially require disclosure to the Chair or, in his or her absence, the Company Secretary.

#### 3.4 **Information to be provided**

If a director or employee of the Nyrada Group is required to provide details of a matter or event to the Chair or, in his or her absence, the Company Secretary, they must provide the following information:

- (a) a general description of the matter or event;
- (b) details of the parties involved;
- (c) the relevant date of the event or transaction;
- (d) the status of the matter or event;
- (e) the estimated value of the transaction;
- (f) the estimated effect it may have on the Nyrada Group’s operation or financial status; and
- (g) the names of any employees, external advisors or other parties involved in the matter or event.

#### 3.5 **Review by the Board**

As a matter of law, not every announcement of information needs to be referred to the Board. However, matters affecting fundamental aspects of the business or structure of the Company should be approved by the Board. Those matters would include major corporate events such as capital raisings, structural changes and takeover proposals. The Board may also elect to approve certain announcements.

The CEO may also, at his discretion, refer such disclosure matters to the Board for review as the CEO determines as appropriate.

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## **4. Disclosure Matters Generally**

### **4.1 Inform ASX first**

The Company must not release any information publicly that is required to be disclosed through the ASX until the Company has received formal confirmation of its release to the market by the ASX, unless otherwise permitted by the Listing Rules. Information must not be given to the media or otherwise distributed to shareholders before it is given to the ASX, even on an embargo basis.

### **4.2 Speculation and rumours**

Generally, the Company will not respond to market speculation or rumours unless a response is required by its continuous disclosure obligations or by the ASX, including for the purposes of section 4.3 of this Policy.

### **4.3 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 it information to correct or prevent a false market, the Company must give the ASX the information needed to correct or prevent the false market.

### **4.4 Trading halts**

If necessary, the Company may consider requesting a trading halt from the ASX to prevent trading in shares on an uninformed basis, and to manage disclosure issues.

### **4.5 Breaches**

Failure to comply with the disclosure obligations in this Policy may lead to a breach of the Corporations Act or Listing Rules and to personal penalties for directors and officers. Breaches of this Policy may lead to disciplinary action being taken.

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## **5. Market Communication**

### **5.1 Communication of information**

The Company will post on its website relevant announcements made to the market by the Company and related information (which may include slides and presentations used in analyst, investor, shareholder or media briefings) after they have been given to the ASX and following confirmation of release to the market by the ASX.

Market Sensitive Information will be posted as soon as reasonably practicable after its release to the ASX following receipt of confirmation from the ASX.

Information may also be provided from time to time to the media on behalf of the Company but not before disclosure to the ASX, even on an embargo basis.

### **5.2 Analysts and institutional investors**

The Company may conduct briefings for analysts and institutional investors from time to time to discuss matters concerning the Company. Only the Chair, CEO, CFO or approved representatives of the Company are authorised to speak with analysts and institutional investors. The Company's Policy at these briefings is that:

- (a) the Company will not comment on market sensitive issues not already disclosed to the market; and

- (b) any questions raised in relation to market sensitive issues not already disclosed to the market will not be answered or will be taken on notice.

If a question is taken on notice and the answer would involve the release of Market Sensitive Information, the information must be released through the ASX before responding.

A representative of the Company in attendance may make notes of meetings and briefings with investors or analysts. Alternatively, an event may be webcast or teleconferenced or a recording or transcript added to the Company's website.

### **5.3 Analyst reports**

If requested, the Company may review analyst reports. The Company's Policy is that it will only review these reports to clarify historical information and correct factual inaccuracies if this can be achieved using information that has been disclosed to the market generally.

No comment or feedback will be provided on financial forecasts, including profit forecasts prepared by the analyst, or on conclusions or recommendations set out in the report. The Company will communicate this Policy whenever asked to review an analyst report.

The Company may monitor analysts' financial forecasts to assess market consensus of the Company's projected financial performance. If the Company becomes aware that consensus estimates of the Company's projected financial performance materially varies from the Company's own internal projections, the Company will follow Guidance Note 8 in determining whether an announcement is required.

### **5.4 Inadvertent disclosure or mistaken non-disclosure**

If Market Sensitive Information is inadvertently disclosed or a director or employee becomes aware of information which should be disclosed, the Chair, CEO, or, in their absence, the Company Secretary must immediately be contacted so that appropriate action can be taken, including, if required, announcing the information through the ASX.

### **5.5 Media relations and public statements**

Media relations and communications are the responsibility of the CEO. On major matters, the Chair or the CEO is generally the spokesperson, and on financial matters, the CFO or the CEO may generally speak.

Other officers or senior employees may be authorised by the Board, the Chair or the CEO to speak to the media on particular issues or matters.

No information is to be given to the media on matters which are of general public interest without the approval of the Chair or CEO.

Any inquiry that refers to market share, financials or any matter which the recipient considers may be market sensitive must be referred to the Company Secretary.

The guidelines outlined above are subject to any directions given by the Board, either generally or in a particular instance.

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## **6. Investor Relations and Communication**

### **6.1 Investor relations program**

The Company will implement a range of investor relations strategies to facilitate effective two-way communication with investors, shareholders and analysts.

The Company also recognises the importance of engagement with a broad range of stakeholders beyond financial market participants, such as proxy advisers, governance advisers, government and industry groups.

## 6.2 **Periodic reporting**

The Company produces half yearly and yearly financial reports and an annual report in accordance with the Corporations Act, the Listing Rules and applicable accounting standards. These seek to give balanced and understandable information about the Company to investors.

## 6.3 **The Company's website**

The Company will use its website to provide investors and shareholders with information about the Company and its governance. Investor information will be posted in a separate part on the Company's website from other material about Company. This part of the website will include information relating to the following (as recommended in the ASX Principles):

- (a) corporate governance;
- (b) communications;
- (c) corporate information; and
- (d) the Company's share registry contact details.

## 6.4 **Use of electronic communication and other technology**

Shareholders may elect to receive information electronically as it is posted on the Company's website. The website provides information about how to make this election. Shareholders may also communicate electronically with the Company's share registry as provided for on the website.

The Company will communicate by post with its shareholders who have not elected to receive communication electronically.

The Company may consider the use of other technologies to communicate with shareholders.

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## 7. **Review of this Policy**

The Board will review this Policy periodically. This Policy may be amended by resolution of the Board.

Date of last review: 20 November 2019