

DISCLOSURE POLICY

1 INTRODUCTION

This is the disclosure policy and procedures for Anova Metals Limited (“**the Company**”). This policy is based upon the Company’s desire to promote fair markets, honest management and full and fair disclosure. Accordingly, it is crucial that employees and management at all levels understand and comply with this policy and its procedures. Failure to strictly comply with this policy may result in serious civil or criminal liability for the Company and its officers and could damage the reputation of the Company.

When required, disclosure must be made immediately. Any employee or officer of the Company who is uncertain as to whether certain information should be disclosed, should immediately contact the company secretary.

2 THE COMPANY’S DISCLOSURE OBLIGATIONS

2.1 Disclosure principles

The Company’s main continuous disclosure obligations are set out in ASX Listing Rules 3.1 and 3.1B.

2.2 What information must be disclosed?

(a) Price sensitive information

ASX Listing Rule 3.1 states:

Once an entity is or 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, the entity must immediately tell ASX that information.

A reasonable person would be taken to expect information to have a “material effect” on the price or value of shares and other securities of the Company if the information would, or would be likely to, influence persons who commonly invest in the Company securities in making a decision to buy, hold or sell the Company’s securities.

This kind of “price-sensitive” information may derive from the internal activities of the Company or may come from external sources, such as a joint venture partner, an unlisted entity in which the Company has an interest or a decision by a court or government body.

(b) Information required to correct a false market

ASX Listing Rule 3.1B states:

If ASX considers that there is or is likely to be a false market in an entity's securities, and asks that entity to give it information to correct or prevent a false market, the entity must give ASX the information needed to correct or prevent the false market.

A false market refers to a market in which the Company's securities are traded:

- (i) in the absence of material price-sensitive information having been disclosed; or
- (ii) on the basis of information that is inaccurate or misleading.

Factors such as market speculation on the Company's earnings projections or misunderstanding concerning the meaning of financial information released by the Company can lead to a false market.

In order to ensure that there is at all times a fair and balanced market in the Company's shares and other securities, the Company should:

- (i) release to the market information required to correct a false market, whether or not a request has been received from the ASX; and
- (ii) provide the market with balanced and factual commentary on the Company's financial results to ensure that the Company's investors are able to make an informed assessment of the Company's activities and results.

(c) Exception to requirement to disclose "price-sensitive" information

The Company's obligation to disclose price-sensitive information does not apply if, and only if, each of the following conditions is and remains satisfied:

- (i) a reasonable person would not expect it to be disclosed (because, for example, the result of disclosure would be unreasonably prejudicial to the Company);
- (ii) the information is confidential (i.e. not in the public domain); and
- (iii) one or more of the following conditions apply:
 - (A) it would be a breach of a law to disclose the information;
 - (B) the information concerns an incomplete proposal or negotiation (for example, a negotiation to enter into a new contract);
 - (C) the information comprised matters of supposition or is insufficiently definite to warrant disclosure; and/or
 - (D) the information is a trade secret.

3 DISCLOSURE PROCEDURES

3.1 Release of information to the ASX

The Company must immediately notify the ASX of any undisclosed price-sensitive information in accordance with the Company's legislative and regulatory disclosure obligations and the procedures set out in this policy.

If the Company becomes aware that information that should be released to the ASX has become generally available or is available to a sector of the market, and that information has not been given to the ASX, the Company must immediately give the information to the ASX.

3.2 Release of information to the public

The Company must not publicly disclose price-sensitive information until it has given that information to the ASX and has received an acknowledgment from the ASX that the information has been released to the market.

After an acknowledgment has been received from the ASX, information disclosed in compliance with this policy should be promptly placed on the Company's website.

4 DEALING WITH OUTSIDERS

4.1 Media

The Company must not provide "exclusive" interviews, stories or information to the media that contains material or price-sensitive information before that information has been disclosed to the market.

Where the Board considers it appropriate, the media may be invited to participate in the Company presentations to investors and analysts.

Press releases should be honest, fair and consistent with the terms of this policy.

4.2 Analysts

(a) One-on-one and group briefings

The Company does not permit selective disclosure of material information. All investors are to be treated in a balanced and fair fashion. One-on-one and group briefings between the Company and investors or analysts must be restricted to discussion of previously disclosed information.

(b) Procedure for dealing with analyst, shareholder and investor queries

In responding to analyst, shareholder and investor queries, an authorised spokesperson must:

- (i) only discuss information that has been publicly released;
- (ii) ensure all responses are balanced, factual and truthful; and

- (iii) confine comments on market analyst's financial projections to errors in factual information or underlying assumptions.

Where an analyst, shareholder or investor query can only be answered by disclosing price-sensitive information, the Company's authorised spokesperson must decline to answer that query. He or she should then refer the query to the Board so a formal decision can be made as to whether or not it is appropriate for the Company to disclose information relevant to that query.

(c) Analyst reports and forecasts

Where the Board resolves that the Company should comment on a report prepared by an analyst, the Company's comment must be restricted to information that the Company has publicly disclosed or information that is in the public domain.

The Company must not comment on analyst forecasts regarding earnings projections for the Company except:

- (i) where the forecast differs significantly from the Company's published earnings projections (if relevant); or
- (ii) to correct any factual errors relating to publicly issued information and company statements.

The Company should not endorse, or be seen to endorse, analyst reports or the information they contain. The Company should not:

- (iii) externally distribute individual analyst projections or reports;
- (iv) refer to individual analyst recommendations on its website; or
- (v) selectively refer, or publicly comment on individual analyst recommendations or proprietary research (except where necessary to correct a factual error in accordance with the disclosure policy).

Where the Company becomes aware that the market's earnings projections on the Company differ significantly from the Company's published earnings projections or own earnings estimates, the Company should issue a profit warning or company statement, if considered necessary by the Board, to avoid a false market.

4.3 Market speculation

The Company should not comment on market speculation and rumour unless:

- (a) there are factual errors contained in the speculation or rumour that could materially affect the Company;
- (b) there is a move in the price of the Company securities which is reasonably referable (in the opinion of the Board) to the speculation or rumour; or
- (c) the Company receives a formal request from the ASX or a regulator.

Any comments made by the Company in response to market speculation and rumour must be authorised by the Board and must be limited to correcting factual errors.

The Company is committed to ensuring that a false market is not created in respect of the Company securities.

5 RECORDS

The Board must keep accurate and complete records of:

- (a) all decisions made by the Board and disclosure officers to release price-sensitive information (including reasons);
- (b) all decisions made by the Board to decline to release price-sensitive information (including reasons and minutes of the Board ratifying that decision); and
- (c) copies of all information, price-sensitive or otherwise, released by the Company in accordance with this policy.

6 MAINTENANCE AND PROMOTION OF POLICY

6.1 Annual review

The Board must review the Company's continuous disclosure policy and procedures on an annual basis to determine whether they are effective in ensuring accurate, balanced and timely disclosure in accordance with the Company's disclosure obligations.

6.2 Training and internal compliance

(a) Training

As part of the Company's commitment to its continuous disclosure obligations all directors, executives, officers and employees of the Company must:

- (i) be issued with a copy of the Company's continuous disclosure policy and procedure;
- (ii) accept the terms of this policy, including the obligation imposed upon them to keep non-public company information confidential, as a condition of their employment or office;
- (iii) attend training programs (both as part of their general induction training and as part of the Company's continuous training programs) to ensure that each is aware of the Company's continuous disclosure obligations and the terms of the Company's continuous policy and procedures.

(b) Consequences of a breach of this policy

Failure of a director or employee of the Company to comply with this policy may lead to disciplinary action being taken, including dismissal or removal in serious cases.