

## 1. PURPOSE

Capricorn Metals Ltd ('Capricorn' or the 'Company') is listed on the ASX and must comply with continuous disclosure requirements arising from legislation and the ASX Listing Rules.

The purpose of this policy is to establish a process to ensure that information about the Company which may be market sensitive and which may require disclosure in a timely manner, is factual and does not omit material information.

This policy applies to all directors, officers, senior management and other employees of the Company and its wholly owned subsidiaries.

## 2. BACKGROUND

ASX Listing Rule 3.1 contains the general continuous disclosure obligations the Company must adhere to. The Company must keep the market fully informed on information which may have a material effect on the price or value of its securities, or influence an investment decision on its shares or securities and to correct any material mistake or misinformation in the market. The Company discharges these obligations by releasing information to the ASX in the form of an ASX release or disclosure in other relevant documents.

ASX Listing Rule 3.1 requires that the Company immediately notify the ASX of any information which it becomes aware of concerning the Company that a reasonable person would expect to materially affect the price or value of the securities.

Information is considered to be material if there is a substantial likelihood that it would influence an investor in deciding whether to trade in or hold the Company's shares or securities.

## 3. POLICY

The following procedure will apply to ensure the Company complies with its continuous disclosure obligations:

### ***Determining if disclosure is required***

All directors, officers, senior management and other employees must immediately notify the Chief Executive Officer (or if he/she is unavailable, the Company Secretary) as soon as they become aware that they are in possession of information that could potentially be considered material and therefore possibly requiring release to the market.

The Chief Executive Officer in consultation with the Board will review the information and determine whether any of the information is required to be disclosed to the ASX and if so, will co-ordinate the preparation of release.

### ***ASX Announcements***

The Company will use the following procedures for the review and release of ASX Announcements and media releases:

- (a) All draft announcements are to be circulated to and reviewed by all members of the Board.
- (b) The verbal or written approval of each announcement by all members of the Board is required prior to its release.
- (c) Where it is practical/appropriate, any relevant parties named in the announcement should also be given the opportunity to review the announcement prior to its release, to confirm all information is factually correct.

Prepared by:	
Approved by:	Board of Directors

Doc ID:	CMM-COR-PRO-011
Effective Date:	01/07/2020
Review Date:	01/07/2022

- (d) Once a final draft announcement is approved by the Board, the Chief Executive Officer (or in his/her absence, the Company Secretary) will be responsible for the final release to lodge with the ASX.
- (e) A copy of the announcement will be made available on the Company's website, after release on the ASX's platform.

***Market speculation and rumours***

As a guiding principle, the Company does not respond to speculation or market rumours unless required to do so by law, however the Company may issue a statement where:

- The Company considers it has an obligation to make a statement particularly where the speculation or rumour is having, or is likely to have, an impact on the price of the Company's securities; or
- A formal request is received from the ASX.

***Release of information to others***

The Company must not release material price sensitive information to any person if that information is required to be disclosed to the ASX, until cleared by the ASX. Examples of such information include analyst briefings and responses to shareholder enquiries. All information disclosed through the ASX is to be promptly placed on the Company's website after clearance by the ASX.

All inquiries from third parties or the media must be referred to the Chief Executive Officer.

***Presentations and roadshows***

Presentations and roadshows conducted for investors, analysts, institutions and or stockbrokers are considered an important part of proactive investor relations. Any written materials containing new price sensitive information to be used in investor presentations must be lodged with the ASX prior to the briefing commencing.

**4. BREACH OF POLICY AND PENALTIES**

The Company contravenes its Australian continuous disclosure obligations if it fails to notify the ASX of the information required by Listing Rule 3.1 to be disclosed.

If the Company contravenes its continuous disclosure obligations, it may face:

- Criminal liability with a fine if the contravention is intentional or reckless;
- Civil liability for any loss or damage suffered by any person as a result of failure to disclose relevant information to the ASX; and
- De-listing from the ASX.

ASIC can also institute proceedings under the *ASIC Act 1989*. Directors, officers and employees or advisors of the Company who are involved in the contravention, may also face criminal (monetary fines and/or five years imprisonment) and civil liability as outlined above.

Prepared by:	
Approved by:	Board of Directors

Doc ID:	CMM-COR-PRO-011
Effective Date:	01/07/2020
Review Date:	01/07/2022