

# **SENEX ENERGY LIMITED**

**ABN 50 008 942 827**

## **DISCLOSURE & COMMUNICATIONS POLICY**

**Adopted by resolution of the directors on 11 June 2014  
and amended 24 August 2015 by resolution of the  
directors**

### **DOCUMENT HISTORY**

<b>Approval date</b>	<b>Reason for change</b>	<b>Approved by</b>
27 June 2012	General update	Board
11 June 2014	3 <sup>rd</sup> edition ASX Corporate Governance Principles and Recommendations	Board
24 August 2015	General update	Board

## 1.0 Purpose

As a public company listed on the Australian Securities Exchange (**ASX**), Senex must continuously keep the market informed of material events and developments related to the business as they occur. Significant penalties may be imposed on Senex and its officers if this does not happen.

This Disclosure and Communication Policy demonstrates Senex's commitment to promoting good governance and investor confidence through transparent disclosure. It sets out:

- the rules for disclosing information to the ASX;
- the obligations on Senex and its people; and
- the procedures in place to comply with these rules.

This policy is in addition to the rules Senex must comply with for routine disclosures to the ASX, such as quarterly and annual reporting.

The policy should be reviewed in conjunction with Senex's Securities Trading Policy.

## 2.0 Scope

This policy applies to all Senex Directors, officers, employees, consultants and contractors, wherever Senex conducts its business.

References to shareholders or investors in this policy are intended to include all existing or potential owners of Senex shares (institutional and retail, Australian and international), together with stockbroking analysts and other financial advisers.

References to lodgement with the ASX includes lodgement with the other exchanges on which Senex may be listed in future.

## 3.0 Commitment to shareholder communication

In its dealings with shareholders Senex will ensure:

- all investors have equal and timely access to material information concerning the Company, including its financial situation, performance and governance;
- information about Senex and its governance is provided on the Senex company website;
- Company announcements will be:
  - factual and complete with no omission of material information; and
  - presented in a clear, objective and balanced way, with disclosure of both positive and negative information, as necessary.
- all investor enquiries will be responded to promptly and with integrity;
- all shareholders are given the option to receive communications from, and send communications to Senex and its share registry provider electronically; and
- shareholder meetings will be conducted in a way that encourages shareholder participation.

## **Disclosure obligations for Senex**

Listing Rule 3.1 requires Senex to immediately disclose to the ASX information that a reasonable person would expect to have a material effect on the price or value of Senex's securities.

This rule does not apply to information where:

- one or more of the following applies:
  - Disclosing the information would be a breach of a law.
  - The information concerns an incomplete proposal or negotiation.
  - The information comprises matters of supposition or is insufficiently definite to warrant disclosure.
  - The information has been generated for the internal management purposes of Senex.
  - The information is a trade secret;
- the information is confidential and the ASX has not formed a view that the information has ceased to be confidential; and
- a reasonable person would not expect the information to be disclosed.

If the ASX considers there is, or is likely to be, a false market in Senex's securities, the ASX may ask Senex to disclose information or make a statement to correct or prevent the false market. This may occur where there is market speculation. Subject to its obligations under the ASX Listing Rules, Senex will not comment on rumours or market speculation.

Serious criminal and civil penalties apply for failure to comply with the continuous disclosure obligations, both at the Company level and for individuals.

### **4.0 Disclosure obligations for individuals at Senex**

Each Senex director, officer and employee must advise the Chief Executive, Chief Financial Officer or Secretary immediately of any potentially price sensitive information about Senex that has not been released to the ASX. This includes any information that might influence someone to buy or sell Senex's securities. They must also advise the Chief Executive, Chief Financial Officer or Secretary if they become aware of circumstances that may make, or has made, any publicly released price sensitive information likely to be, or in fact, inaccurate (such as a forward looking statement), so that a correcting statement may be released as soon as possible.

If a person is unsure about the importance or relevance of the information which has become known, the information should be reported to the Chief Executive, Chief Financial Officer or Secretary so that a decision may be made about whether or not to disclose the information to the ASX.

Any known or suspected instances of non-compliance will be reported to the Secretary for full investigation and appropriate disciplinary action. Employees should be aware that breaches of this Policy may result in summary dismissal and may also attract civil penalties under the Corporations Act.

## 5.0 Communicating with shareholders

Senex's commitment to informed shareholder communication is demonstrated by the following:

- Senex will provide information necessary for investors to make informed decisions about investments in the Company. Comprehensive information on financial performance and operations is provided on the Company's website ([www.senexenergy.com.au](http://www.senexenergy.com.au)).
- Senex will communicate regularly with investors through:
  - Full year and interim financial statements and presentations;
  - Quarterly activities reports;
  - Annual reports;
  - Annual General Meetings; and
  - Announcements made under the ASX Listing Rules from time to time.
- All reports, statements and announcements will be lodged with the ASX as required.
- After being lodged with the ASX, announcements will be immediately posted on the Senex website. Any person may register on the Senex website to receive notification of announcements within 24 hours of their release.
- Briefings may be provided to investors at other times in conjunction with functions arranged by brokers or conferences. Where such presentations contain new information or emphases of a material nature, they will be lodged with the ASX and posted on the Senex website prior to the presentation being made.
- For a period of not less than four weeks prior to the announcement of the full year and interim results Senex will not hold meetings with investors or analysts to discuss any information relating to the upcoming financial results announcement. Senex may however, hold meetings to discuss other matters arising from releases to the ASX, to discuss the Company's broad strategy or to discuss non-financial issues. An example of such meetings would be meetings with overseas investors visiting Australia.

Senex will communicate in a clear and balanced way that is accessible to all investors. Investing in the oil and gas exploration and production industry is risky and technically complex. To aid investor understanding, glossaries of technical terms and links to educational material may be provided on the Senex website from time to time. However these materials are not intended as a substitute for professional industry knowledge. All investors are advised to seek professional investment advice prior to making any investment decision.

## 6.0 Shareholder and investor queries

Senex is committed to responding to all shareholder and investor queries in a timely manner:

- Enquiries regarding shareholdings will be directed to the share registry which provides a call centre and email communications service for this purpose. Shareholders may also access their holding information, dividend details and make changes to their Senex holding through the registry website. Contact details for the share registry and a link to the registry's website are provided on the Senex website.

- Contact details for Senex including email, telephone and facsimile contacts are provided on the Senex website and in the Annual and Half Year reports to shareholders.

## **7.0 Analyst reports and estimates**

Senex will not generally comment on analyst forecasts or earnings projections. However, the Company may correct factual errors or underlying assumptions as long as it does not involve providing material information that is not common knowledge or has not been previously disclosed to the ASX.

Senex will not provide any forward looking information unless it has already been disclosed to the ASX.

## **8.0 Investment conferences and briefings**

From time to time, Senex may participate in investment conferences and briefings for investors and analysts. At these meetings:

- no new information of a material nature will be disclosed (including in response to questions) unless it has previously been released to the market;
- if such information is inadvertently released it will be immediately released to the ASX and posted on the Senex website; and
- Senex will post a copy of any presentation material containing new information of a material nature on its website.

All presentations to external conferences by Senex employees must be reviewed by the Chief Executive or Secretary prior to delivery. Any presentation which discloses new information of a material nature will be lodged with the ASX prior to delivery.

## **9.0 Market disclosure**

This Policy is provided on the Senex website for the benefit of all Senex Directors, officers, employees, investors and analysts to ensure a full understanding of Senex's intentions with respect to disclosure to the market.

Material information in this Policy means any information concerning Senex that a reasonable person would expect to have a material effect on the price or value of any securities issued by Senex.

Other information may also be considered material information by Senex even if it does not relate to earnings. Such information will include:

- changes to the Board;
- changes to senior management;
- a material variation to the employment, service or consultancy agreement of the CEO or director or a related party of the CEO or director; and/or
- dividend decisions.

## 10.0 Trading halts and preparation of ASX announcements

In order to facilitate an orderly, fair and informed market it may be necessary, in exceptional circumstances, for Senex to request a trading halt from the ASX.

On receipt of information that is potentially material, the Chief Executive, Chief Financial Officer and Company Secretary (**Responsible Officers**) will together determine whether a trading halt is required and whether there is any information that the company must disclose to the ASX. Where one or more of them is not available to participate in the discussion within the time the decision must be made, the one or two Responsible Officers who are available are authorised to make that decision and take that step.

If the Responsible Officers consider that disclosure is required, arrangements to draft an ASX announcement must be made by:

- the Chief Executive where the information concerns technical data;
- the Chief Financial Officer and/or Secretary and/or Chief Executive where the information concerns financial matters or has a financial effect; and
- the Chief Executive where the information concerns other matters.

Each Responsible Officer is authorised, but not required, to delegate their responsibility and authority under this policy, on a continuing basis or from time to time, to a Senex employee who is a peer or direct report when they are themselves unavailable or likely to be unavailable, for communication or action.

## 11.0 Approval of ASX announcement

Once the ASX announcement has been drafted the Responsible Officers will seek approval for the final form of the announcement from the following:

- the Chief Executive where the information concerns technical data, noting that when the technical data involves other joint venture partners, the Responsible Officers will also seek approval from the relevant joint venture manager;
- the Chief Financial Officer and Chief Executive where the information concerns financial matters or has a financial effect;
- the Chief Executive where the information concerns other matters; and
- the Chairman (or Chair of the Audit and Risk Committee if the Chairman is not available), where the information involves a highly significant decision, an event with highly significant consequences for Senex's stakeholders, or forward looking information.

The Chairman (or Chair of the Audit and Risk Committee if the Chairman is not available) will determine whether the significance of a decision, event or forward looking information proposed to be disclosed in an announcement is sufficiently material to seek approval of the proposed announcement from other members of the board.

Where Senex is obliged to provide an announcement to ASX for immediate release, but the Responsible Officers have not received approval of the proposed announcement from those whose approval they are required to seek, they are authorised to determine whether the company should provide the announcement to ASX for immediate release without such approval or request a trading halt.

## 12.0 Materiality

ASX Listing Rule 3.1 says:

*'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 key question under Listing Rule 3.1 is whether information concerning an entity is such that a reasonable person would expect that information to have a material effect on the price or value of the entity's securities – i.e. whether the information is market sensitive, or "material".

Determining market sensitivity is a qualitative and quantitative question. Senex adopts the methodology that ASX articulates in Guidance Note 8 for determining whether information is market sensitive:

- from a qualitative perspective, the Responsible Officers will consider the information material if they answer either of these questions in the affirmative:
  - "Would this information influence my decision to buy or sell Senex securities at their current market price?"
  - "Would I feel exposed to an action for insider trading if I were to buy or sell Senex securities at their current market price, knowing this information had not been disclosed to the market?"
- from a quantitative perspective, the Responsible Officers will consider the information material if they believe:
  - the effect of the information could move the market price of Senex's securities by more than 10%; or
  - the effect of the information could move the market price of Senex's securities by between 5% and 10% and they consider that the facts and circumstances surrounding the information indicate that the information is material.

For completeness, information that is assessed as being unlikely to move the market price of Senex's securities by 5% or more would not be considered material on a quantitative basis, and generally would not be considered material on a qualitative basis.

## 13.0 Discrepancy between internal information and market belief

If Senex has given guidance to the investment market as to its expectation of a material aspect of its future performance (**Performance Guidance**), the Responsible Officers will:

- periodically consider whether the actual outcome of that aspect of the company's performance is likely to be 5% to 10% more or less than the Performance Guidance; and
- in the event that they consider such an outcome likely, provide a recommendation to the Chairman as to whether and how and when the company may update the Performance Guidance.

In considering making or updating Performance Guidance Senex will take care that investors who buy or sell on the basis of that Performance Guidance are not misled or deceived.

If Senex has not given Performance Guidance, but there is an identifiable and credible expectation in the investment market in relation to a material aspect of the company's future performance (**Performance Expectation**), the Responsible Officers will:

- periodically consider whether the difference between:
  - information that Senex holds as to the likely outcome of that aspect of the company's performance; and
  - the market's Performance Expectation;is of such magnitude that a reasonable person would expect that information to have a material effect on the price or value of Senex securities; and
- in the event that they consider the difference to be of such magnitude, provide a recommendation to the Chairman as to whether and how and when the company may provide information or Performance Guidance to the market on or related to that aspect of the company's future performance.

In considering providing information or making Performance Guidance in such circumstances, Senex will take care that any information that Senex would provide is information that it is lawfully and prudently able to provide to the market, and that any forward looking statement has a reasonable basis.

#### **14.0 Market disclosure regarding well results**

Senex will provide drilling reports as follows:

- basic well information including ownership interest, location and spud date will be released to the ASX on a monthly basis;
- overall results for each well will be reported in the monthly drilling report to the ASX described above;
- material results from a particular well, such as a significant hydrocarbon indication or a significant hydrocarbon flow from a drill stem test will be reported as and when that information is available and also included in the monthly drilling report; and
- material results of drilling activities will be summarised each quarter in the Quarterly Activities Report lodged with the ASX.

The above information will be made available on the Senex website ([www.senexenergy.com.au](http://www.senexenergy.com.au)).

#### **15.0 Lodgement of ASX announcement**

Once approved for release, the Secretary will register the announcement in Senex's records and lodge it for immediate release by the ASX via its online lodgement service.

A copy of the announcement will be posted on the Senex website once release of the announcement is confirmed by the ASX.

#### **16.0 Responsibilities**

The Company Secretary is responsible for:

- liaising with the ASX in relation to continuous disclosure matters;
- ensuring timely disclosure of material information to the ASX;



- liaising with the Chief Executive and others in relation to the form of disclosure by Senex;
- keeping records of announcements released by the ASX; and
- reviewing this policy in light of any changes to the rules governing continuous disclosure and recommending changes to the Board for approval.

#### **17.0 Authority**

This policy was adopted and approved by the Board of Directors on 11 June 2014, and amended by the Board on 24 August 2015.

Francis Leo Connolly  
Secretary & Legal Counsel

**Senex Energy Limited**