

## **1. INTRODUCTION**

The shares of the Company are quoted on ASX Limited (**ASX**).

Under the ASX Listing Rules, a company must continuously disclose price sensitive information to the market. Price sensitive information is information that a reasonable person would expect to have a material effect on the price or value of a company's securities.

The disclosure obligation is given legislative force under the *Corporations Act 2001* (Cth) (**Corporations Act**).

The Company is committed to complying with the continuous disclosure obligations contained in the ASX Listing Rules and the Corporations Act.

This protocol embraces the principles contained in the ASIC guidance note, *Better Disclosure for Investors*, ASX Guidance Note 8 and Principle 5 of the Corporate Governance Principles and Recommendations published by the ASX Corporate Governance Council.

## **2. OBJECT**

The objective of this protocol is to:

- ensure that the Company immediately discloses all price sensitive information to ASX in accordance with the ASX Listing Rules and the Corporations Act;
- ensure officers and employees are aware of the Company's continuous disclosure obligations; and
- establish procedures for:
  - the collection of all potentially price sensitive information;
  - assessing if information must be disclosed to ASX under the ASX Listing Rules or the Corporations Act;
  - releasing to ASX information determined to be price sensitive and to require disclosure; and
  - responding to any queries from ASX (particularly queries under Listing Rule 3.1B).

## **3. METHOD**

The Board has appointed the Company Secretary as the Disclosure Officer to be in charge of ensuring that the Company satisfies the continuous disclosure requirements of the ASX Listing Rules and the Corporations Act.

Managers should immediately refer material information to the Disclosure Officer.

This Protocol is divided into the following sections:

- what must be disclosed (see paragraph 4);
- the responsibilities of:
  - the Board (see paragraph 5);
  - the Disclosure Officer (see paragraph 6); and
  - Managers (see paragraph 7); and
- an outline of Listing Rule 3.1 (Annexure)

#### 4. WHAT MUST BE DISCLOSED

The continuous disclosure requirements relate to complying with the ASX Listing Rules requiring notification of matters 'as they arise'. The most general of such Listing Rules is Listing Rule 3.1, which requires the Company to immediately notify the ASX of any information concerning the Company which a reasonable person would expect to have a material effect on the price or value of securities of the Company.

If information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, or buy or sell, securities of the Company, it is material and must be disclosed. However, under the legal definition information could be material in other ways - if there is any doubt, the information should be immediately disclosed to the Disclosure Officer.

The type of information which is covered is not limited to, but could include:

- a material change in revenue or profit or loss forecasts;
- a material change in asset values or the amount of liabilities;
- a material change in tax or accounting policy;
- change in the attitude of significant investors to investment in securities;
- natural disasters that have particular relevance to the businesses of the Company or its suppliers;
- a material decision of a regulatory authority in relation to the businesses of the Company;
- relationship with a new or existing significant customer or supplier;
- termination of a joint venture;
- termination of a major contract;
- a significant transaction involving the Company and any of its controlled entities;
- a material labour dispute;
- the commencement or settlement of any material litigation or claim;
- the lodging of a document containing price sensitive information with an overseas exchange or other regulator so that it is public in that country;
- a material agreement between the Company and one of its directors or one of their related parties;
- material or adverse change in the health or capacity of the directors or senior managers of the Company; and
- information affecting significant customers or suppliers of the Company.

Listing Rule 3.1 requires disclosure of information that 'a reasonable person would expect to have a material effect on the price or value of the entity's securities' comes into possession of a manager in the course of their duties. Therefore, all managers must keep up-to-date with all matters within their responsibility which may be or become material.

Listing Rule 3.1 and the continuous disclosure provisions of the Corporations Act 2001 are set out in the Annexure. Other Listing Rules that are governed by those provisions include the rest of Listing Rule 3. Because of the far-reaching scope of Listing Rule 3.1 however, this protocol will focus primarily on Listing Rule 3.1.

The disclosure required by Listing Rule 3.1 is subject to a number of exceptions, set out in the Annexure. To fall within an exception, information must be both confidential and such that a reasonable person would not expect disclosure of that information as well as satisfying one of the other specific conditions set out in the Listing Rule.

## 5. RESPONSIBILITIES OF THE BOARD

As the Board has overall responsibility for supervision of the Company it must ensure that the Company meets its disclosure obligations.

The Board's responsibilities are to:

- I. Adopt a plan to ensure compliance with the disclosure obligations of the Company (such as this protocol).
- II. Put in place a system for monitoring compliance with the protocol and those disclosure obligations.
- III. Make decisions on trading halts.
- IV. Monitor movements in share price and share trading to identify circumstances where a false market may have emerged in the Company's shares.

This may include setting up a review procedure of management reports to ensure compliance. This review procedure may require periodic monitoring by external auditors, at least in the initial stages.

The Board should also check that matters that it knows were price sensitive were noted in the Disclosure File noted below.

## 6. RESPONSIBILITIES OF THE DISCLOSURE OFFICER

The role of the Disclosure Officer is to:

- decide, in consultation with the Chair, what information must be disclosed to the ASX, subject to any decision of the Board;
- conduct all disclosure dialogue with the ASX;
- maintain on a Disclosure File a record of material that has been disclosed to the ASX and material that has not been disclosed to the ASX together with the reasons for non-disclosure;
- provide a copy of all material announcements to the Board promptly after disclosure to ASX;
- review monthly management reports from Managers to determine whether matters included are potentially material and:
  - should be disclosed to the ASX; or
  - have been resolved in a manner which does not require disclosure;
- if the Disclosure Officer thinks it is necessary, implement training sessions with Managers in relation to the continuous disclosure obligations, their responsibilities in relation to those obligations and the protection of confidential information and this protocol;
- implement and supervise procedures for reporting potentially price sensitive information; and
- ensure (using all reasonable endeavours) announcements are factual, do not omit material information and are expressed in a clear and objective manner that allows investors to assess the impact of the information when making investment decisions.

The Disclosure Officer will receive reports from Managers that include certain information that is or might be price sensitive. The Disclosure Officer must immediately decide whether that information must be disclosed to the ASX. There are three possibilities:

- The Disclosure Officer believes the information is price sensitive and must be disclosed.
  - In this case the Disclosure Officer must discuss the matter with the Chair and Managing Director and prepare and send a letter to the ASX disclosing the price sensitive information. A copy of the letter must be placed on the

Disclosure File.

- The Disclosure Officer is convinced the information is not price sensitive or does not have to be disclosed because it is covered by the exceptions to disclosure.
  - In this case, the Disclosure Officer must make careful notes as to the information that has been brought to their attention and the reasons that the information is not price sensitive or does not have to be disclosed. Those notes must be placed on the Disclosure File.
- The Disclosure Officer is not certain whether the information is price sensitive or whether it falls within an exception.
  - In this case, the Disclosure Officer must immediately discuss the matter with the Chair and Managing Director. Among other matters, the material may be discloseable under some other Listing Rule. If the Disclosure Officer and the Chair together cannot make a decision urgent external legal advice should be obtained from the Company's solicitors.

The Disclosure Officer must also review management reports from Managers. The purpose of the review is to ensure that matters included which are potentially price sensitive are brought to their proper conclusion - either disclosure to the ASX or a reason why they are not price sensitive or do not have to be disclosed. A copy of the management reports and any correspondence relating to the Disclosure Officer's review of the reports should be kept on the Disclosure File.

The Disclosure Officer must also prepare reports to the Board as set out above. As far as possible the Disclosure Officer should indicate in those reports the significance of various items.

## **7. RESPONSIBILITIES OF MANAGERS**

Managers must immediately disclose price sensitive information that comes to their attention to the Disclosure Officer. Personnel categorised as Senior Management will include General Managers, Production Managers, Sales Managers, Financial Managers, Information Technology Managers and Engineering Managers.

If a Manager finds out information which he or she believes to be price sensitive, he or she must immediately notify that information to the Disclosure Officer.

The Manager's primary role (in respect of continuous disclosure) is to notify the Disclosure Officer of price sensitive information. The decision as to whether that information is price sensitive or falls within an exception is primarily the role of the Disclosure Officer.

Managers must also notify the Disclosure Officer of any matters within their responsibility that may give rise to price sensitive information in the future.

Any questions about continuous disclosure or this protocol, should be referred to the Disclosure Officer.

A person involved in a contravention of the disclosure provisions of the Corporations Act can be personally liable in circumstances where there is intentional participation and actual knowledge.

## **8. MEDIA COMMENT AND EXTERNAL COMMUNICATIONS**

The only persons authorised to communicate with news media, analysts, shareholders and the general public in relation to any matter which is subject to this policy on continuous disclosure are the Chair, the Chief Executive Officer and the Chief Financial Officer and

any other person authorised by the Chair or Chief Executive Officer from time to time.

Analyst and brokers will not be briefed or presented with material price sensitive information unless such material has been announced to ASX prior to such presentations taking place. The MaxiTRANS website will be updated with ASX announcements after they are confirmed as released by ASX.

If other employees are asked to comment by an external investor, stockbroking analyst or the media in relation to any matter concerning the Company, they must:

- say that they are not authorised to speak on behalf of the Company; and
- refer the investor, stockbroking analyst or media to the Disclosure Officer.

Before any ASX Announcement can be issued, the Disclosure Officer must:

- review it;
- obtain the approval of the Chair;
- disclose it to the ASX; and
- confirm that the Company has received confirmation from ASX that the information in the ASX Announcement has been released to the market.

Before any price sensitive media release can be issued, the Disclosure Officer must:

- review it;
- disclose it to the ASX; and
- confirm that the Company has received confirmation from ASX that the information in the media release has been released to the market.

## **9. OPEN BRIEFINGS**

The Company may hold open briefings with institutional investors and stockbroking analysts to discuss information that has been released to the market.

For the purposes of this protocol:

- public speeches and presentations by the Managing Director or Chief Financial Officer are open briefings; and
- any meeting that is not an open meeting is a one-to-one briefing.

Price sensitive information that has not been released to the market must not be disclosed at open briefings.

If a question raised in a briefing can only be answered by disclosing price sensitive information, employees must:

- decline to answer the question; or
- take the question on notice and wait until the Company releases the information to the market on ASX.

If an employee participating in a briefing thinks that something has been raised that might be price sensitive information that has not been publicly released, he or she must immediately inform the Disclosure Officer.

## **10. ONE-ON-ONE BRIEFINGS**

The Company may hold one-on-one briefings with institutional investors and stockbroking analysts. At these briefings, the Company may give background and technical information

to help institutional investors and stockbroking analysts better understand its business and activities.

Price sensitive information that has not been released to the market must not be disclosed at one-on-one briefings.

If an employee participating in a one-on-one briefing thinks that something has been raised that might be price sensitive information that has not been publicly released, he or she must immediately inform the Disclosure Officer.

## **11. PRESENTATIONAL AND BRIEFING MATERIALS**

Any presentation or briefing materials for open or one-on-one briefings must be given to the Disclosure Officer before the briefing to determine if they contain any price sensitive information that has not been released to the market.

## **12. 'BLACKOUT' PERIODS**

To protect against the inadvertent disclosure of price sensitive information, the Company will not hold one-on-one briefings and open briefings (except to deal with matters subject to an announcement through the ASX) between:

- the end of its financial reporting periods and the announcement of results to the market; and
- sending notice of an annual general meeting to shareholders and the holding of the meeting.

## **13. REVIEW OF REPORTS BY ANALYSTS**

The Company is not responsible for, and does not endorse, reports by analysts commenting on the Company.

The Company does not incorporate reports of analysts in its corporate information, including its website (this also extends to hyperlinks to websites of analysts).

If an analyst sends a draft report to the Company for comment:

- employees must immediately send it to the Disclosure Officer;
- any response to it will not include price sensitive information that has not been disclosed to the market;
- it will only be reviewed to correct factual inaccuracies on historical matters; and
- no comment will be made on any profit forecasts contained in it.

Any correction of a factual inaccuracy does not imply that the Company endorses a report.

A standard disclaimer will be made in any response to an analyst.

## **14. INFORMING EMPLOYEES**

This protocol or a summary of it will be distributed to employees to help them understand the Company's continuous disclosure obligations, their individual reporting responsibilities and the need to keep the Company's information confidential.

## **15. PROTOCOL BREACHES**

If an employee breaches this protocol, they may face disciplinary action, including

dismissal in serious cases.

**16. QUESTIONS**

Any questions about the Company's continuous disclosure obligations or this protocol should be referred to the Disclosure Officer.

The Disclosure Officer will review this protocol as often as the Disclosure Officer considers necessary. The Board may change this protocol from time to time by resolution.

## ANNEXURE – CONTINUOUS DISCLOSURE SUMMARY

### The disclosure obligation – ASX Listing Rule 3.1

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 is taken to expect information to have a material effect on the price or value of an entity's securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether to buy or sell those securities. (Such information is referred to as 'price sensitive information' in this paper.)

### The exception to disclosure

The disclosure obligation does not apply to particular information while each of the following requirements is satisfied in relation to the information:

1. One or more of the following 5 situations applies:
  - It would be a breach of law to disclose the information;
  - The information concerns an incomplete proposal or negotiation;
  - The information comprises matters of supposition or is insufficiently definite to warrant disclosure;
  - The information is generated for the internal management purposes of the entity; or
  - The information is a trade secret;
2. AND the information is confidential and ASX has not formed a view that the information has ceased to be confidential;
3. AND a reasonable person would not expect the information to be disclosed.

### When is an announcement required?

If information is price sensitive and does not fall within the exception, the requirement to disclose will arise as soon as a company is aware of the information.

"Immediately" means promptly and without delay.

If the obligation to disclose is triggered while the ASX is trading, the company will be expected to give the information to ASX as quickly as it can in the circumstances and without delay, or else request a trading halt.

**ASSESSING INFORMATION FOR DISCLOSURE**

<p><b>Examples</b></p> <p>(Refer Listing Rule 3.1)</p>	<p>Examples of information that could be price sensitive include:</p> <ul style="list-style-type: none"> <li>• a transaction that will lead to a significant change in the nature or scale of MaxiTRANS' activities;</li> <li>• a material acquisition or disposal;</li> <li>• the granting or withdrawal of a material licence;</li> <li>• the entry into, variation or termination of a material agreement;</li> <li>• becoming a plaintiff or defendant in a material law suit; or</li> <li>• the fact that MaxiTRANS' earnings will be materially different from market expectations.</li> </ul>
<p><b>Ask two questions</b></p> <p>(Refer ASX Guidance Note 8, para 4.2)</p>	<p>ASX suggests that an officer of a company who is faced with a decision on whether information needs to be disclosed under Listing Rule 3.1 may find it helpful to ask two questions:</p> <ol style="list-style-type: none"> <li>1. Would this information influence my decision to buy or sell securities in the company at their current market price?</li> <li>2. Would I feel exposed to an action for insider trading if I were to buy or sell securities in the company at their current market price, knowing this information had not been disclosed to the market?</li> </ol> <p>If the answer to either question is 'yes', then ASX states that this should be taken to be a cautionary indication that the information may well be price sensitive and, if it does not fall within the carve-outs to immediate disclosure in Listing Rule 3.1A, may need to be disclosed to ASX.</p>
<p><b>Information that is contrary to the short term interests of a company</b></p> <p>(Refer ASX Guidance Note 8, para 4.21)</p>	<p>A company must comply with Listing Rule 3.1 even if it does not appear to be in its short term interests to do so.</p>
<p><b>Incomplete proposals or negotiations</b></p> <p>(Refer ASX Guidance Note 8, paragraph 5.4)</p>	<p>A proposal involving a company is incomplete unless and until the company has adopted it and is committed to proceeding with it. Negotiations are incomplete unless and until they result in a legally binding agreement or the company is otherwise committed to proceeding with the transaction being negotiated. Generally speaking, an agreement is not legally binding until it is executed.</p> <p>ASX encourages companies to consider execution of price sensitive agreements at a convenient time before the market has opened or after market close (note: 'hand shakes' and side letters to delay disclosure are not acceptable).</p>
<p><b>Insufficiently definite information</b></p> <p>(Refer ASX Guidance Note 8, paragraph 5.5)</p>	<p>Information about a matter will be "insufficiently definite to warrant disclosure" if:</p> <ul style="list-style-type: none"> <li>• the information is so vague, embryonic or imprecise;</li> <li>• the veracity of the information is so open to doubt; and</li> <li>• the likelihood of the matter occurring, or its impact if it does occur, is so uncertain,</li> </ul>

<p><b>Aware of information that is price sensitive but financial impact not yet known</b></p> <p>(Refer ASX Guidance Note 8, para 5.5)</p>	<p>that a reasonable person would not expect it to be disclosed to the market.</p> <p>Scenario: If a company is aware of information about a known event or circumstance and also aware that the event or circumstance will have a material effect on the price or value of its securities, but it may take time for the company to put a figure or estimate on the financial impact of the event or circumstance.</p> <ul style="list-style-type: none"> <li>➔ Listing Rule 3.1 will generally require such information to be disclosed immediately and it is not appropriate for the company to delay announcing the information just because it is not in a position to state the financial impact of the event or circumstance in its announcement.</li> <li>➔ The appropriate course is for a company to announce whatever information in its possession immediately and to signal that it will make a further announcement when it has had the opportunity to assess the financial impact of the information. If there is a concern about creating a false market, a trading halt or voluntary suspension will need to be considered.</li> </ul>	
<p><b>Internal management documents</b></p> <p>(Refer ASX Guidance Note 8 para 5.6)</p>	<p>Internal management documents such as confidential budgets, forecasts, management accounts, business plans, strategic plans and contingency plans fall within the category of “information generated for the internal management purposes of the entity” and do not need to be disclosed, provided that they remain confidential.</p>	
<p><b>Earnings guidance</b></p> <p>(Refer ASX Guidance Note 8 para 7.1)</p>	<p>It is acceptable for a company to have a policy of not providing earnings guidance to the market.</p>	
<p><b>De facto earnings guidance</b></p> <p>(Refer ASX Guidance Note 8, para 7.2)</p>	<p>A company which has a policy of not providing earnings guidance needs to be careful in its communications with security holders, analysts and the press that it preserves the confidentiality of its internal budgets and projections and, in particular, does not make statements that could be construed as de facto earnings guidance.</p> <p>Examples of de facto earnings guidance:</p> <p>Any comment that a company:</p> <ul style="list-style-type: none"> <li>• is “happy” or “comfortable with” or expects its earnings to be “in line with”, analysts’ forecasts or consensus estimates; or</li> <li>• expects its earnings to be in line with, or a particular percentage range above or below, the corresponding prior period.</li> </ul>	
<p><b>Price sensitive earnings surprises</b></p> <p>(Refer ASX Guidance Note 8, para 7.3)</p>	<p>A company’s earnings for a particular reporting period are generally not required to be reported to the market until the due date for the release of that information under the Listing Rules.</p> <p>However, for many companies, the market’s expectations of its earning over the near term will often be a material driver of the price or value of its securities. Those expectations may also have been set or modified by ‘outlook statements’ made by the company over the reporting period.</p> <p>If a company becomes aware that its earnings for the current reporting period will differ (downwards or upwards) from market expectations, it needs to consider carefully whether it is obliged to notify the market.</p>	
<p><i>How does a company determine what the market is expecting its earnings for the current</i></p>	<p>ASX considers that the best and most appropriate base guide to use for these purposes is:</p> <ul style="list-style-type: none"> <li>• earnings guidance the company has given to the market;</li> </ul>	

	<p><i>reporting period to be?</i></p>	<ul style="list-style-type: none"> <li>• if the company has not published earnings guidance for the current reporting period and it is covered by sell-side analysts, the earnings forecasts of those analysts; or</li> <li>• if the company has not published earnings guidance for the current reporting period and it is not covered by sell-side analysts, its earnings for the prior corresponding reporting period.</li> </ul> <p>Market expectations can be set or modified by the disclosures the company makes to the market over the reporting period.</p>
	<p><i>What is a price sensitive difference for these purposes?</i></p>	<p>ASX acknowledges that this can be a difficult question to answer. An earnings surprise will only need to be notified if it is price sensitive – that is, it is of such a magnitude that a reasonable person would expect it to have a material effect on the price or value of the company’s securities.</p> <p>Assessing whether or not this is the case will require a consideration of factors such as:</p> <ul style="list-style-type: none"> <li>• the extent of the earnings surprise;</li> <li>• whether the earnings surprise relates to earnings guidance published by the company or to some other measure of expected earnings (e.g. analyst forecasts or earnings for the prior corresponding period);</li> <li>• whether near term earnings is a material driver of the value of the company’s securities;</li> <li>• whether the difference is attributable to a non-cash item (such as a depreciation, amortisation or impairment charge) that may not impact on underlying cash earnings;</li> <li>• whether the difference is a permanent one or is simply due to a timing issue;</li> <li>• whether the difference is attributable to one-off or recurring factors (ASX commentary: the market generally prices securities on the basis of forward earnings estimates rather than earnings results for past periods. Hence, if the change in expected earnings is attributable to a one-off event that is unlikely to affect earnings in future periods, it may have very little impact on the market price of the company’s securities); and</li> <li>• whether the relative outlook for the company in coming financial periods is positive or negative.</li> </ul> <p>Given the many variables involved, <u>for those cases where a company has not published earnings guidance for the current reporting period</u>, ASX does not consider it appropriate to lay down any general rule of thumb or percentage guidelines on when a difference in actual or projected earnings compared to market expectations ought to be considered to be market sensitive and therefore disclosed under Listing Rule 3.1.</p> <p>ASX suggests that an officer who is faced with a decision on this issue ask the “two questions” set out above.</p> <p><u>For companies who have published earnings guidance</u> for the current reporting period, the general ‘rule of thumb’ is <math>\geq 10\%</math> variation is material and guidance should be updated, <math>\leq 5\%</math> is not material and guidance doesn’t need to be updated; if between 5% and 10%, it is a judgement call whether the difference is material. ASX is clear that this ‘rule of thumb’ does not apply to companies that have not published guidance for the current reporting period.</p>

	<p><i>When does a company become aware that its earnings for the current reporting period will be different from market expectations for these purposes?</i></p>	<p>For a company to have to disclose under Listing Rule 3.1 price sensitive information about an expected difference in its earnings for the current reporting period compared to market expectations, there needs to be a reasonable degree of certainty that there will be such a difference.</p> <p>Disclosure issues about market sensitive earnings surprises are generally more likely to arise towards the end of the reporting period than at the beginning.</p> <p>Whether and when a company is aware of a market sensitive earnings surprise ultimately requires an exercise of judgment by the company and its officers. In some cases, it may have sufficient information before the end of the reporting period to have the requisite degree of certainty that it is facing a market sensitive earnings surprise. In other cases, it may not have the requisite degree of certainty until after the end of the reporting period, when it is in the course of preparing its financial statements for the period.</p>
	<p><i>What should be announced?</i></p>	<p>An announcement which states that a company expects its earnings for the current reporting period to differ significantly from market expectations would not be particularly helpful and would not provide sufficient information for the market to assess the impact of the difference on the price or value of the company's securities. The announcement at least needs to indicate the order of magnitude of the difference. It is generally appropriate for the announcement to be approved by the Board before it is released.</p>
<p>ASX acknowledges that the issues above can be difficult ones for a company and its officers. Forecasting its earnings for the current reporting period with an appropriate degree of confidence, endeavouring to work out what the market is expecting its earnings to be and then predicting how the market will react if its earnings significantly differ from those expectations involves many variables and requires considerable judgement.</p>		
<p><b>Particular event being the trigger for earnings guidance</b></p> <p>(Refer ASX Guidance Note 8, para 7.3)</p>	<p>Where the trigger for giving updated earnings guidance is a particular event (e.g. a natural disaster; the cancellation of a material contract or the loss of a material licence) that can reasonably be expected to have a material effect on the price or value of a company's securities, LR 3.1 will generally require information about that event to be disclosed immediately. It will not be appropriate for the company to delay in announcing the information because it wishes to provide updated earnings guidance in light of that event.</p> <p>A company should announce whatever information is in its possession about that event immediately but signal that it will make a further announcement when it has had the opportunity to prepare updated earnings guidance in light of that event.</p> <p>A trading halt may also need to be considered.</p>	

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**ADDITIONAL POINTS TO NOTE****1. Awareness**

A company becomes *aware of* information if, and as soon as, an officer of the company has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that company. Officers include directors, company secretaries and senior managers.

This effectively deems a company to be aware of information if it is known by anyone within the company and it is of such significance that it ought reasonably to have been brought to the attention of an officer of the company in the normal course of performing their duties as an officer.

**2. Trading halts**

If the market is or will be trading at any time after the continuous disclosure obligation is triggered, but before MaxiTRANS can make an ASX announcement, careful consideration needs to be given to requesting a trading halt. A trading halt can only last for a maximum of two trading days. (The longer term solution is a voluntary suspension.)

**3. False market**

If ASX considers that there is or is likely to be a false market in a company's securities and asks the company to give it information to correct or prevent a false market, the company must immediately give ASX that information (regardless of whether the exception applies).

**4. Failure to comply**

Failure to comply with the continuous disclosure obligation exposes a company to a range of potential consequences, including:

- a criminal offence, punishable by a fine;
- a civil penalty - the greater of \$10.5m; three times the benefit gained or detriment avoided; or 10% of the annual turnover of the company up to a cap of \$525m;
- an ASIC infringement notice imposing a penalty of up to \$100,000 (depending on market capitalisation); and
- a claim for damages from shareholders, including class actions.

Directors, secretaries and other officers of MaxiTRANS are also potentially exposed to civil penalties (greater of \$1.05m or three times the benefit gained/loss avoided from the breach), claims for damages from shareholders and class actions, if they are involved in a breach by the company.

Reputational damage for MaxiTRANS, its directors and senior management is also a likely outcome of a breach of the continuous disclosure obligations.

The fact that a company's officers may honestly believe that information is not price sensitive and therefore does not need to be disclosed will not avoid a breach of Listing Rule 3.1, if that view is ultimately found to be incorrect.

**STANDING ITEM AT BOARD MEETINGS**

A standing item is included on Board Agendas to prompt the Board to consider whether any items have arisen in the meeting that should be disclosed to ASX, or if an item needs to be carefully monitored for potential disclosure.