
CONTINUOUS DISCLOSURE POLICY

Overview

Compliance with the Corporations Act and the ASX Listing Rules

- 1.1 Ecofibre Limited (**Ecofibre, Company**) is listed on the Australian Securities Exchange (**ASX**) and must comply with the continuous disclosure obligations contained in the *Corporations Act 2001* (Cth) (**Act**) and the ASX Listing Rules (**Listing Rules**).

Continuous Disclosure of Material Information

- 1.2 One of the most significant obligations imposed by the Act and the Listing Rules is the continuous disclosure to the market via the ASX of Material Information. This is a mandatory obligation.
- 1.3 In this Policy, **Material Information** is information that may affect the price or value of the Company's shares or influence decisions taken by investors to buy or sell the Company's shares and must be disclosed publicly via the ASX "promptly and without delay".

Purpose

- 1.4 The purpose of this Policy is to:
- ensure that all of the Company's Directors and employees, contractors and consultants (**Employees**) are aware of the continuous disclosure obligations of the Company to satisfy the requirements of the ASX;
 - set out the procedures that apply to the central collection, control, assessment and if required, release to the ASX, of Material Information; and
 - reflects the Company's commitment to meeting our shareholders' and other stakeholders' expectations for equal, timely, fair and transparent disclosure to ensure that the market is fully informed at all times.

Disclosure Responsibilities and Procedures

Disclosure Officers

- 2.1 For the purposes of the compliance with the Company's continuous disclosure obligations under the Act and Listing Rules, Ecofibre Limited has appointed the Managing Director and the Chief Financial Officer (**CFO**) as the Company's disclosure officers (**Disclosure Officers**).
- 2.2 The Disclosure Officers are responsible for:
- administering this policy and making recommendations to the Board on updating this Policy as required;
 - making decisions on whether or not information of which the Company is or becomes aware must be disclosed to ASX by assessing whether or not the information meets the market sensitive test;
 - ensuring that this Policy is implemented and enforced and that Material Information is

disclosed to the ASX where required by the Act and the Listing Rules;

- d) overseeing and coordinating all communication with investors, analysts, brokers, shareholder associations and the media;
- e) overseeing and coordinating the training and education of all Company employees to ensure that they understand the Company's disclosure obligations and the meaning of 'Material Information'; and
- f) collecting and recording all potential Material Information and making auditable disclosure decisions, subject to the approval requirements set out in section 2.10 of this Policy.

2.3 The Disclosure Officers may delegate aspects of administering this Policy to other Company employees.

2.4 The Company Secretary has been designated as the person responsible for communication with the ASX in relation to Listing Rule matters under Listing Rule 12.6.

2.5 The Disclosure Officers may consult with such advisers as they consider appropriate, including the Company's external legal advisers, if they consider it necessary to fulfil their responsibilities.

Reporting processes

2.6 The Disclosure Officers are responsible for ensuring that all Board decisions that must be disclosed to ASX are disclosed by way of an appropriate company announcement.

2.7 If a **Director** considers that he or she is in possession of potential Material Information, they should discuss the matter with the Chairman or the Managing Director.

2.8 **Employees** who consider that they may be aware of potential Material Information must immediately inform the Disclosure Officers.

2.9 It is not up to the Company's employees to determine whether or not information amounts to Material Information. Employees must inform the Disclosure Officers of all potential Material Information whether or not the employee believes that:

- (a) it is material information; or
- (b) an exception to disclosure applies.

Approval for disclosure to ASX

2.10 If the Disclosure Officers believe information must be disclosed to ASX, excluding the regulatory releases referred to in section 2.11 below, the Disclosure Officers must seek approval for disclosure of the information to ASX as follows:

- (a) in the first instance, approval from the Board;
- (b) if it is not practicable to seek approval from the Board (recognising the requirement to immediately disclose market sensitive information), the Disclosure Officers must seek approval from:

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- (i) the Chairman; or
 - (ii) in his or her absence – the Chairman of the Audit, Risk and Compliance Committee (ARCC); and
 - (c) if, in exceptional circumstances, the Board, Chairman and the Chairman of the ARCC are not available, the Disclosure Officers have authority to approve disclosure of the information to ASX.
- 2.11 The Disclosure Officers are authorised to approve for release to ASX the following disclosures as and when required by the Listing Rules:
- (i) Disclosures of Directors' Interests pursuant to Listing Rule 3.19A;
 - (ii) Disclosure pursuant to Listing Rule 3.10 of a proposed issue of securities or that an issue of securities has been made;
 - (iii) Notification of the forthcoming release of restricted securities or securities subject to voluntary escrow pursuant to Listing Rule 3.10A;
 - (iv) Meeting disclosures pursuant to Listing Rule 3.13; and
 - (v) An application for quotation of securities pursuant to Listing Rule 2.7

Board review of continuous disclosure matters

- 2.11 As a standing agenda item at each Board meeting, the Directors will raise and consider whether there is any information (including any matters reported to or discussed at the Board meeting) that may potentially need to be disclosed to the ASX pursuant to the Company's continuous disclosure obligations.

Request for information by ASX — False market

- 2.12 If ASX asks the Company for information to correct or prevent a false market, the Disclosure Officers must consider the request and seek approval for any disclosures in accordance with section 2.10 above.

Requests for Trading Halts

- 2.13 In the interests of maintaining a fully informed, fair and transparent market, or where confidentiality of price sensitive information is lost and the Company is unable to make immediate disclosure, it may be necessary for the Company to request a trading halt from the ASX. Only the Disclosure Officers are authorised to request a trading halt from ASX. Before requesting a trading halt, the Disclosure Officers must seek approval to do so from the Board or the Chairman (or the Chairman of the Audit, Risk and Compliance Committee) as contemplated in section 2.10 above. However, it is recognised that the Company may be required to submit a trading halt expeditiously and that it may not always be practicable for the approval of the Board to be sought (depending upon the circumstances).

Disclosure to ASX and dissemination

- 2.14 When disclosure of information under section 2.10 has been approved, the Company Secretary must immediately lodge that information with ASX in the manner prescribed by the ASX Listing Rules.
- 2.15 Information lodged with ASX must not be released publicly by the Company until the Company has received formal confirmation from ASX that the information has been released.
- 2.16 Once the Company has received formal confirmation from ASX, the Company Secretary must promptly post the information on the Company's website. The Company may simultaneously or subsequently release the information in any other manner it considers appropriate including issuing a media release, conducting a press conference or mailing details to the Company's security holders.

Responsibilities of Directors, Executives & Employees

- 2.17 Listing Rule 3.1 applies to information that a Director or Executive Officer has in his or her possession, or ought reasonably to have in their possession. This means that Directors and Executive Officers must ensure they are up to date on all matters within their responsibility, so that the Company has sufficient information to manage its continuous disclosure obligations.
- 2.18 If an Employee becomes aware of a matter that may require disclosure, or is unsure whether information may be Material Information, they should immediately consult the Disclosure Officers.
- 2.19 Employees must ensure that the confidentiality of any information concerning the Company is maintained. If information loses confidentiality, the Disclosure Officers will then need to consider whether the information must be disclosed to the ASX.

Inadvertent Disclosure

- 2.20 If any Material Information is inadvertently disclosed by a Director or Employee of the Company to a party outside the Company, the Disclosure Officers must be immediately notified, in order that the information can be considered under the Company's continuous disclosure obligations.
- 2.22 Whether disclosure of these matters is required will need to be assessed having regard to the circumstances prevailing at the time. Where an employee is in any doubt as to whether information is material and requires disclosure, they must forward it to the Disclosure Officers.

EXTERNAL COMMUNICATIONS

Market Speculation & Rumours

- 3.1 It is the Company's policy not to comment on speculation or rumours unless a response is required by the Act, the Listing Rules or ASX. It is also the Company's policy not to endorse financial forecasts published by third parties. In certain circumstances, the Company may decide to issue an

ASX announcement correcting misinformation or if it believes that an announcement is in the best interests of the Company and its shareholders.

Communications with Third Parties

- 3.2 The Company will communicate with the investment community, including retail and institutional investors, analysts and investment banks. Material Information will not be released or discussed with the investment community before it has been disclosed to the ASX.
- 3.3 Communications with the media and responses to media inquiries are also restricted to the Disclosure Officers and such other persons as are authorised by the Board or Disclosure Officers for that purpose. All media inquiries should be directed to the Managing Director in the first instance.
- 3.4 If a person connected with the Company receives a request for comment from a third party, that person must advise the third party that they are not authorised to speak on behalf of the Company and if appropriate, refer the inquiry to the Managing Director or Company Secretary in the first instance.
- 3.5 The Company's Directors and Employees are not permitted to discuss the Company on social media such as stock market forums.

Pre-result Periods

- 3.6 To ensure compliance with its continuous disclosure obligations, in the period between the end of the Company's financial reporting periods and announcement of its financial results, the Company's Directors and Employees may not discuss financial information, broker estimates or forecasts with third parties, unless the information has previously been disclosed to the ASX.
- 3.7 During pre-result periods, the Company will not normally undertake one-on-one meetings between the Company's senior management and investment community representatives or the media.

POLICY BREACHES

- 4.1 Strict compliance with this Policy is mandatory for all Company employees.
- 4.2 A contravention by the Company of its continuous disclosure obligations may result in:
 - (a) civil or criminal liability for the Company and persons involved in the contravention; and
 - (b) unfavourable publicity for the Company and may damage the Company's reputation in the investment community and undermine confidence in the market for the Company's securities.
- 4.3 Breaches of this Policy will be taken very seriously by the Company and may lead to disciplinary action being taken against employees, including dismissal in serious cases.
- 4.4 The Board may require the Company's external auditors to audit and report on compliance with this Policy.

Review of this Policy

- 5.1 This Policy will be reviewed periodically by the Disclosure Officers, to ensure that it remains effective and consistent with all relevant legal pronouncements and best practice corporate governance principles and they will make recommendations to the Board for updating of the Policy as required.
- 5.2 This Policy was approved and adopted by the Board effective 1 June 2019.