



CHINA HAITONG LIMITED

CONTINUOUS DISCLOSURE AND SHAREHOLDER COMMUNICATIONS POLICY

1 INTRODUCTION

1.1 Continuous disclosure

- (a) As a publicly listed company, the Company has obligations under the Corporations Act and the NSX Listing Rules to keep the market fully informed of all information which may have, or could reasonably be expected to have, a material effect on the price or value of its securities.
- (b) The NSX Listing Rules contain provisions requiring the continuous disclosure of information to keep the market informed of events and developments as they occur.
- (c) NSX Listing Rule 6.4 provides that once an entity 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 without delay disclose that information to the NSX.
- (d) NSX Listing Rule 6.4 requires that such information must be given to the NSX before any other public announcement of the information is made.
- (e) NSX Listing Rule 6.4 has statutory force in section 674 of the Corporations Act.
- (f) The Company is committed to complying with the disclosure obligations under the Corporations Act and the NSX Listing Rules to keep the market fully informed of all information which may have, or could reasonably be expected to have, a material effect on the price or value of its securities.

1.2 Shareholder Communications

- (a) The Company recognises the importance of engagement with its Shareholders and providing them with appropriate information and facilities to allow them to exercise their rights as Shareholders effectively. This includes:
 - (i) giving them ready access to information about the entity and its governance;
 - (ii) communicating openly and honestly with them; and

- (iii) encouraging and facilitating their participation in meetings of Shareholders.
- (b) Information about the Company and its governance is available on the Company's website (<http://en.zghtjt.cn/>).
- (c) This Policy provides that information will be communicated to Shareholders and the market through:
 - (i) the Annual General Meeting and other general meetings called to seek Shareholder approval;
 - (ii) the Annual Report which is available to Shareholders;
 - (iii) the Half-Year Report; and
 - (iv) other announcements released to the NSX as required by the continuous disclosure requirements of the NSX Listing Rules and other information that may be distributed to Shareholders.

1.3 ASX Corporate Governance Council's Corporate Governance Principles (3rd edition)

- (a) The Company has adopted the recommendations provided in the *ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3rd edition, 2014)* as amended from time to time and, in particular, the recommendations regarding continuous disclosure and Shareholder communications.

2 DISCLOSURE OBLIGATIONS OF THE COMPANY

2.1 NSX Listing Rule 6.4

- (a) NSX Listing Rule 6.4 provides as follows:

Generally, and apart from compliance with all the specific requirements of this Chapter, the issuer shall keep the Exchange informed without delay, for dissemination of any information relating to the group of which it is aware that:

- (1) is necessary to enable the Exchange and the public to appraise the financial position of the issuer and the group; or*
- (2) is necessary to avoid the establishment of a false market in its securities; or*
- (3) a reasonable person would expect to have a material effect on the price or value of its securities.*

Such information must be made available to the Exchange before the time at which any other public announcement of the information is made.

These provisions will be breached by an issuer who intentionally, recklessly or negligently fails to notify the Exchange of information that:

- (a) *is not generally available; and*
- (b) *a reasonable person would expect, if it were generally available, to have a material effect on the price or value of its securities.*

2.2 Material effect on price or value

- (a) Section 677 of the Corporations Act provides that a reasonable person would be taken to expect information to have a material effect on the price or value of securities if the 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 those securities.
- (b) The Chief Executive Officer, in consultation with the Chair (if a Chair is appointed), has responsibility for determining whether a particular piece of information is material or falls within the exception.

2.3 Information

- (a) Information may include information necessary to correct a false market. It may also include matters of supposition and other matters that are insufficiently definite to warrant disclosure to the market and matters relating to the intentions, or likely intentions, of a person.
- (b) Set out below is a non-exhaustive list of examples of the type of information that, depending on the circumstances, could require disclosure by an entity under listing rule 6.4:
 - (i) a transaction that will lead to a significant change in activities;
 - (ii) a deposit discovery;
 - (iii) acquisition or disposal of a material portion of the business;
 - (iv) granting or withdrawing of a material licence or right;
 - (v) material legal action against the issuer or legal action the issuer is undertaking against a third party;
 - (vi) changes in the forecast of earnings provided by the issuer;
 - (vii) the issuer moves into liquidation, administrator or receivership;
 - (viii) breach of covenants on loans or contractual relationships with a financier;
 - (ix) notices of intention or receiving a takeover bid, merger or acquisition.

2.4 Exception to Listing Rule 6.4

Listing Rule 6.4 does not apply to particular information while each of the following is satisfied in relation to the information:

- (i) a reasonable person would not expect the information to be disclosed;
- (ii) the information is confidential and the NSX has not formed the view that the information has ceased to be confidential; and
- (iii) at least one of the following applies:
 - it would be a breach of a 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 issuer; or
 - the information is a trade secret.

2.5 False Market

- (a) NSX Listing Rule 6.5A requires information to be disclosed to NSX if NSX asks for it to correct or prevent a false market.
- (b) A “false market” refers to a situation where there is material misinformation or materially incomplete information in the market which is compromising proper price discovery. This may occur where:
 - (i) the Company has information that has not been released to the market;
 - (ii) there is a reasonably specific rumour or media commence in relation to the Company that has not been confirmed or clarified by an announcement to the market; or
 - (iii) there is evidence that the rumour or comment is having, or the NSX forms a view that the rumour or comment is likely to have an impact on the price of the Company’s securities.

2.6 Analyst and Investor briefings

Information must not be selectively disclosed to others, such as prospective Shareholders, the media or analysts before it is disclosed to NSX.

3 OBLIGATIONS ON INDIVIDUALS IN THE COMPANY

- 3.1** It is the responsibility of each Director, Officer and Employee of the Company to immediately advise the Company Secretary of any information about the Company that might be price sensitive information and which the person in possession of the information knows has not be released to the NSX.
- 3.2** If a person is unsure about the importance of the information or relevance of the information which has become known, the information should be reported so that a decision may be made about whether or not to disclose the information to the NSX.
- 3.3** The Chair, Chief Executive Officer, Company Secretary and other senior executives will meet regularly to consider whether there is or is expected to be information that should be disclosed to NSX to ensure compliance with this Policy.

4 MANAGEMENT OF THE POLICY

- 4.1** The Board has designated the Company Secretary as the person responsible for:
- (a) liaising with the NSX in relation to continuous disclosure matters;
 - (b) ensuring timely disclosure of material information to the NSX;
 - (c) liaising with the Chair (if a Chair is appointed), Chief Executive Officer and others in relation to the form of disclosure by the Company;
 - (d) taking reasonable steps to ensure that management of the Company are aware of the Company's disclosure obligations and their obligations under this Policy;
 - (e) keeping records of releases to the NSX and any material correspondence with NSX; and
 - (f) reviewing this Policy in light of any changes to the rules governing continuous disclosure, changes in the Company's operations and structure and, where appropriate, recommending changes to the Board for its approval.

5 APPROVAL OF NSX RELEASES

- 5.1** The procedure for the release of NSX announcements by the Company is as follows:
- (a) prior to release to the market, the Board will review and provide written approval to the Company Secretary in respect of all NSX announcements;
 - (b) any and all Company personnel named in the announcement will review the content of the announcement for factual accuracy in respect of information

attributable to them and provide written consent for inclusion of their names in the announcement to the Company Secretary;

- (c) the Chair (if a Chair is appointed)(and in the Chair’s absence, or where a Chair is not appointed, the Chief Executive Officer) is to give the final sign-off before release to the NSX;
- (d) all announcements are to be released electronically by the Company Secretary;
- (e) after confirmation of the release has been received from the NSX, the Company Secretary will circulate the release to all Directors and Officers of the Company;
- (f) All announcements released are to be posted on the Company’s website as soon as practicable; and
- (g) The Company Secretary is to maintain a register and copy of all announcements released.

6 MEDIA RELEASES

- 6.1 Any media release that is intended for release with or following the release of an NSX announcement must be approved by the person who approves the relevant NSX announcement.

7 SUBSIDIARY COMPANIES, JOINT VENTURES, PARTNERSHIPS ETC

- 7.1 The Company will ensure that all subsidiaries, related bodies corporate and any joint venture, partnership or similar ownership structure to which it is a party has in place suitable disclosure policies and arrangements to ensure that all material information relevant to that entity is immediately provided to the Chair (if a Chair is appointed), Chief Executive Officer or the Company Secretary so that the Company may comply with its disclosure requirements.

8 COMMUNICATION CHANNELS

8.1 Website

The Company will actively promote communication with Shareholders through a variety of measures, including the use of the Company’s website (<http://en.zghtjt.cn/>). The Company’s reports and NSX announcements will be available to view and download from its website or the NSX website under NSX code “CHT”.

Where appropriate, after confirmation of receipt by the NSX, the following will be posted to the Company's website:

- (a) announcements made to the market via the NSX;
- (b) media releases;
- (c) investment updates;
- (d) Company presentations and media briefings;
- (e) copies of press releases and announcements for the preceding three years; and
- (f) copies of annual and half yearly reports including financial statements for the preceding three years.

8.2 Annual General Meeting

To ensure a high level of accountability and to encourage Shareholder identification with the Company's strategy and goals, the Board encourages full participation of Shareholders at the Annual General Meeting.

The Company will use general meetings as a tool to communicate effectively with Shareholders. Shareholders will have a reasonable opportunity to ask questions of the Board and otherwise to participate in the meeting.

The external auditor of the Company will be asked to attend each Annual General Meeting and to be available to answer Shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

Important issues requiring Shareholder approval are put to the vote of Shareholders for their approval. The Shareholders are also responsible for voting on the appointment of Directors.

8.3 Reports to Shareholders

The Annual Report is distributed to all Shareholders (unless a Shareholder has specifically requested not to receive the Annual Report). The Board ensures that the Annual Report includes:

- (a) relevant information about the operations of the Company during the year;
- (b) changes in the state of affairs of the Company;
- (c) details of future developments; and
- (d) any other disclosures required by the Listing Rules and the Corporations Act. The Annual Report will be posted on the Company's website and will be available for download.

The Half Year Report contains summarised financial information and a review of operations of the Company during that period. Half yearly audited financial statements prepare in accordance with the requirements of the Accounting

Standards and the Corporations Act are lodged with ASIC and the NSX. The half-year audited financial statements are sent to any Shareholder who requests them.

8.4 NSX announcements

Regular NSX announcements released by the NSX will be placed on the Company's website as soon as practicable after release.

9 QUESTIONS

Any questions about the Company's Continuous Disclosure and Shareholder Communication Policy should be referred to the Company Secretary.

10 REVIEW

This Policy will be reviewed regularly by the Board, having regard to the changing circumstances of the Company.

All new management or other relevant staff will be provided with a copy of this Policy as part of their induction into the Company. Any updates or amendments as approved by the Board will be notified to Employees by the Company Secretary.

11 COMPLIANCE

Breaches of this Policy may lead to disciplinary action being taken against the relevant Director, Employee or Officer including dismissal in serious cases.

12 APPROVAL

The Board may change this Policy by resolution.

13 DISCLOSURE OF POLICY

This Policy, and any updates, will be made available on the Company's website (<http://en.zghtjt.cn/>) in a clearly marked "Corporate Governance" section.

14 DEFINITIONS

General terms and abbreviations used in this Policy have the meanings set out below:

Annual General Meeting means the annual general meeting of the Company.

Annual Reports means the annual report of the Company.

ASIC	means the Australian Securities & Investments Commission.
ASX	means ASX Limited ACN 008 624 691 or the securities market operated by ASX Limited, as the case may be.
Board	means the board of Directors of the Company.
Chair	means the chair of the Board.
Chief Executive Officer	means the chief executive officer, or equivalent managing director, of the Company.
Company	means China Haitong Limited (BVI registration number 1930342) and its controlled entities from time to time.
Company Secretary	means the company secretary of the Company.
Corporations Act	means the Corporations Act 2001 (Cth).
Director	means a director of the Company.
Employee	includes executive Directors, managers and all other staff engaged on a contract of employment or a salaried basis, and where the context requires, non-executive Directors.
Half-Year Report	means half-yearly Directors' and financial reports produced and issued by the Company.
NSX	NSX Limited (ABN 98 008 624 691) or the National Securities Exchange (as the context requires).
NSX Listing Rules	means the listing rules of the NSX, as amended from time to time.
Officer	means a senior executive of the Company
Policy	means this Continuous Disclosure and Shareholder Communications Policy.
Shareholder	means a shareholder of the Company.