

CONTINUOUS DISCLOSURE POLICY

1. INTRODUCTION

- 1.1 This Policy sets out Complii FinTech Solutions Ltd's (**Complii** or the **Company**) continuous disclosure obligations under the Corporations Act 2001 and the ASX Listing Rules and the procedure by which the Company shall follow in order to comply with those provisions.
- 1.2 To the extent practicable, the Company has followed the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3rd Edition) (the **Recommendations**).

2. PURPOSE

The purpose of this Policy is to:

- (i) provide guidance to all directors and employees of Complii regarding what may be considered material information;
- (ii) ensure that all directors and employees are aware of the continuous disclosure obligations of Complii;
- (iii) establish a process by which the Company can promptly identify and, if required, disclose relevant information to the market.
- (iv) provide shareholders and the market with timely, direct and equal access to information issued by Complii; and
- (v) promote investor confidence in the integrity of the Company and its securities.

3. GENERAL PRINCIPLES

3.1 Complii's Obligations

The continuous disclosure provisions of Corporations Act and the ASX Listing Rules mean that criminal and civil liabilities could be imposed on Complii and its directors and officers if material information is not released to the market in accordance with Listing Rule 3.1.

Listing Rule 3.1 requires "immediate" disclosure of any information concerning Complii of which a reasonable person would expect to have a material effect on the price or value of shares and/or other securities of the Company. Section 674 of the Corporations Act reinforces Listing Rule 3.1 by creating criminal and civil penalties for non-compliance.

3.2 Exception

Listing Rule 3.1A provides the requirement to disclose this information does not apply if, and only if, **each** of the following exceptions is and remains satisfied:

- (a) a reasonable person would not expect the information to be disclosed;
- (b) the information is confidential and ASX has not formed the view that the information has ceased to be confidential; and
- (c) one or more of the following conditions apply:

- (i) it would be a breach of a law to disclose the information;
- (ii) the information concerns an incomplete proposal or negotiation (for example, a negotiation to enter into a new contract);
- (iii) the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
- (iv) the information is generated for the internal management purposes of ASX; or
- (v) the information is a trade secret.

3.3 Possession of Material Information

Listing Rule 19.12 provides that Complii will be deemed to have become “aware” of information where a director or officer has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as a director or officer of the Company.

An “officer” is defined in the Corporations Act as a person concerned with, or taking part in, the management of Complii.

3.4 False Market

Listing Rule 3.1B provides that if the ASX considers that there is or is likely to be, a false market in Complii’s securities and requests information from Complii to correct or prevent a false market, Complii must give ASX the information needed to correct or prevent the false market.

This obligation to give information arises even if the exceptions outlined above apply.

There is likely to be a false market in Complii shares in a number of circumstances, including:

- where Complii has material information that has not been released to the market because it falls under the exemption in Listing Rule 3.1A;
- there is a reasonably specific rumour or media comment in relation to Complii that has not been confirmed or clarified by an announcement to the market; and
- there is evidence that the rumour or comment is having, or ASX forms the view that the rumour or comment is likely to have, an impact on the price of securities of Complii.

Unless required to avoid a false market, the Company’s general policy is not to respond to market speculation or rumours.

The Managing Director (or equivalent) and Chairman of the Board will be responsible for the monitoring of any press speculation or rumours and, as appropriate, providing a correcting statement to ASX.

4. THE DISCLOSURE OBLIGATION

4.1 Unless the exception in Listing Rule 3.1A applies, Complii **must** immediately disclose information if a reasonable person would expect that information to have a material effect on the price or value of the securities of Complii.

4.2 A reasonable person is taken to expect information to have such an effect if the information would, or would likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell those securities.

4.3 Neither the Listing Rules nor the Corporations Act define when information will be taken to have such an effect. In practice, usually a monetary test is adopted using thresholds from the accounting standards relevant to preparation of financial statements. However, other concepts of materiality are also adopted in addition to a monetary threshold. For example:

- whether a matter will significantly damage Complii's image or reputation;
- whether a matter will significantly affect Complii's ability to carry on business in the ordinary course; or
- whether the matter involves a breach of any law or regulation.

5. THE TYPE OF INFORMATION THAT NEEDS TO BE DISCLOSED

5.1 It is not possible to exhaustively list the information which must be disclosed. The following examples provide an indication of the information that may require disclosure under Listing Rule 3.1.

- A change in Complii's financial forecast or expectation.
- The appointment of a receiver, manager, liquidator or administrator in respect of any loan, trade credit, trade debt, borrowing or securities held by Complii or any of its subsidiaries.
- A transaction for which the consideration payable or receivable is a significant proportion of the written-down value of the entity's consolidated assets. Normally an amount of 5% or more would be significant, but a smaller amount may be significant in a particular case.
- A recommendation or declaration of a dividend or distribution.
- A recommendation or decision that dividend or distribution will not be declared.
- Giving or receiving a notice of intention to make a takeover.
- An agreement between Complii (or a related party or subsidiary) and a director (or a related party of the director).
- A change in accounting policy adopted by Complii which would have a material effect on Complii's financial result or position.
- A proposal to change Complii's auditor.

5.2 If there is any doubt about the importance of information which comes to light, there should be immediate notification to the Managing Director (or equivalent) or the Chief Financial Officer (or equivalent) so that advice can be given and a formal decision can be made as to whether or not to release the information.

6. THE MANAGING DIRECTOR'S OBLIGATIONS

6.1 The Managing Director (or equivalent) is the ultimate decision-maker on Complii's continuous disclosure.

6.2 The Managing Director is primarily responsible for ensuring that Complii complies with its disclosure obligations and is primarily responsible for deciding what information will be disclosed. In consultation with appropriate personnel, a decision will be made by the Managing Director about whether or not to disclose the information, take any necessary

steps to protect its confidentiality, or take steps to prevent a false market (such as requesting a trading halt).

7. OBLIGATIONS TO NOTIFY THE MANAGING DIRECTOR

7.1 Where any information comes to light about Complii which may need to be released, all directors and employees are obliged to bring that information to the attention of the Managing Director or the Chief Financial Officer with all possible expediency. In the case of directors, initial notification should be given directly to the Managing Director. In their absence notification should be given to the Chairman of the Board or the Company Secretary.

7.2 Until a decision as to whether or not to disclose information has been made, all directors, employees and contractors must treat the information as strictly confidential.

8. DECISION NOT TO DISCLOSE INFORMATION

If a decision is made by the Managing Director not to disclose information, the reasons for that decision must be documented at the time the decision is made and retained by the Company Secretary.

9. CONFIDENTIAL INFORMATION

9.1 Every employee and director is reminded of their obligation not to disclose confidential information to any person except with the express consent of Complii or in circumstances required by law. This obligation is outlined in the Code of Conduct. In determining whether any information that comes to light about Complii needs to be released, it will be necessary to determine whether the conditions permitting non-disclosure under Listing Rule 3.1A apply. In particular, a determination may need to be made as to whether the information is confidential. For that purpose, the Company may seek independent legal advice.

9.2 The Managing Director will cause Complii's share price to be monitored on a continuous basis. If there are any unexpected movements in the share price, then the Managing Director will need to determine whether the cause of that movement relates to the unauthorised release of any confidential information. If the share price movement relates to the unauthorised disclosure of confidential information, then the Managing Director must take action to ensure Complii is in compliance with its disclosure obligations, in particular, preventing a false market.

10. RELATIONSHIP WITH MEDIA AND PUBLIC

10.1 A listed company, including Complii, must disclose information needed to prevent a false market. Accordingly, it may be necessary for Complii to correct a rumour or to respond to speculation, including media speculation.

10.2 Relevant information for release to the market must be provided to ASX under Listing Rule 3.1 and released to the market before it is provided to the media (even on an embargoed basis) or placed on the Complii website.

10.3 Care must be taken not to make comments to the media or others which could result in rumours or speculation about Complii. The Board has designated the Managing Director or the Chairman of the Board to speak to the media on matters associated with the Company.

- 10.4 In briefings to media/ public/ analysts, the Managing Director or Chairman must not disclose previously undisclosed material information, however; they may clarify previously released information.
- 10.5 There will be times when directors and employees will be approached by the media for public comment. On such occasions, the director(s) or employee(s) should comply with the following:
- (i) refer the person to the Managing Director or Chairman as appropriate for comment;
 - (ii) refrain from disclosing any information, documents or other forms of data to the person without the prior consent of the Managing Director or Chairman;
 - (iii) report the person who contacted the director or employee, the reason (explicit or inferred) for the contact and a summary of any other relevant information as soon as possible to the Managing Director or Chairman.

11. BOARD CONSIDERATION OF DISCLOSURE

The Board of Complii will consider whether there are any matters requiring disclosure in respect of each and every item of business that it considers and whether, since the last Board meeting, individual directors have become aware of information in the course of the performance of their duties as a director of Complii, which should be disclosed. Additionally, the Board will note all matters which were disclosed since the last meeting.

12. EMPLOYMENT AND MONITORING OF COMPLIANCE

To promote understanding of the continuous disclosure obligations imposed on Complii by the *Corporations Act* and the Listing Rules, a copy of this document will be distributed to all employees and directors (present and future). The induction procedures for new employees and directors must require that a copy of this document be provided to each new employee and director.

13. SHARE DEALING BY EMPLOYEES AND DIRECTORS

Any director or employee of Complii proposing to trade in Complii shares must comply with the Securities Trading Policy. A copy of this document is available on the Company's website: www.complii.com.au.

14. REPORTING AND CORRECTING MISTAKEN NON-DISCLOSURE

Any director or employee of Complii who becomes aware that relevant information has not been notified and disclosed in accordance with this Policy, should immediately contact the Managing Director or Chief Financial Officer so that appropriate action can be taken. It is not illegal to correct mistaken non-disclosure. It is far better to lodge an announcement belatedly than continue to ignore the omission and fail to comply with Listing Rule 3.1.

15. CONCLUSION

- 15.1 Compliance with this policy is critical. Failure to comply could lead to civil or criminal liabilities for Complii and its directors and employees, and could have a damaging impact on the perception of Complii within the investment community.
- 15.2 Any director or employee of Complii who wilfully or negligently causes a failure to comply with this Policy will be considered to have engaged in serious misconduct which may result in the termination of their engagement by the Company.

15.3 All directors and employees are encouraged to actively consider the need for disclosure. If directors or employees become aware of information that a reasonable person would expect to have a material effect on the price or value of Complii's securities they should immediately notify the Managing Director or Chief Financial Officer as soon as possible. It is better to consider (and, where appropriate, reject) the need for disclosure rather than make what could be a false assumption that the information does not need to be disclosed.

16. REVIEW OF POLICY

The Board will review this Policy from time to time to ensure it remains consistent with the Board's objectives and responsibilities.

17. PUBLICATION OF POLICY

This Policy will be available on the Company's website and the key features will be published in the corporate governance statement.

Approved by the Board of Complii FinTech Solutions Ltd on 27 September 2016.