



MARKET DISCLOSURE & COMMUNICATIONS POLICY



Mineral Deposits

ABN 19 064 377 420

MARKET DISCLOSURE AND COMMUNICATIONS POLICY

INTRODUCTION

As a publicly listed company with shares listed on the Australian Securities Exchange (“ASX”) and the Toronto Stock Exchange (“TSX”), Mineral Deposits Limited (“MDL” or “Company”) is required to comply with the continuous disclosure obligations contained in the listing rules of the ASX and in the TSX Company Manual. As well, MDL must comply with the requirements under the Corporations Act 2001 (“Corporations Act”) and the securities legislation of each of the Canadian provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador (Applicable Canadian Securities Legislation).

Commitment of MDL

MDL is committed to:

- ▶ the promotion of investor confidence by ensuring that trade in its securities takes place in an efficient, competitive and informed market;
- ▶ ensuring that shareholders and the market are provided with full and timely disclosure of material information about MDL;
- ▶ complying with the general and continuous disclosure principles contained in the ASX Listing Rules, the TSX Company Manual, the Corporations Act and Applicable Canadian Securities Legislation; and
- ▶ preventing the selective or inadvertent disclosure of material price sensitive information.

Purpose of this Policy

The purpose of this Policy is to:

- ▶ record and reinforce MDL’s commitment to the continuous disclosure obligations imposed by law;
- ▶ describe the processes implemented by MDL to ensure compliance with those obligations;
- ▶ ensure that communications to the public regarding MDL are timely, factual, accurate, complete and broadly disseminated and, where necessary, filed with the regulators or disclosed to a stock exchange in accordance with the rules of any stock exchange on which the Company is listed, the Corporations Act and Applicable Canadian Securities Legislation; and
- ▶ outline MDL’s corporate governance standards and related processes aimed at ensuring that timely and accurate information regarding the Company is provided equally to all shareholders and market participants.

Application of this Policy

This Policy applies to all directors, senior executives and other employees of MDL. It covers disclosure documents filed with securities regulators or disclosed to a stock exchange and written statements made in MDL’s annual and interim reports, press releases, letters to shareholders, presentations by senior management and information contained on MDL’s website and other electronic communications. This Policy applies to oral statements made in group and individual meetings and conversations with members of the investment community (which includes analysts, investors, investment dealers, brokers, investment advisers and investment managers) or with employees, interviews with the media as well as speeches, industry conferences, news conferences and conference calls, and dealings with the public generally.

MDL will require any consultant or professional adviser engaged to undertake work on behalf of MDL or any of its subsidiaries to abide by this Policy.

Review of this Policy

The Board will evaluate this Policy on an annual basis to determine whether it remains effective in ensuring accurate and timely disclosure in accordance with MDL’s disclosure obligations.

CONTINUOUS DISCLOSURE

ASX Disclosure Obligation

Under Listing Rule 3.1, MDL is required to notify ASX immediately it becomes aware of any information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company’s securities.

MDL must not release such information to any other person until it has given the information to ASX and ASX has acknowledged to the Company that the information has been released by ASX to the market (Listing Rule 15.7).

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Exception to Disclosure

Under Listing Rule 3.1A, MDL may elect not to disclose information where each of the following conditions exists:

- ▶ a reasonable person would not expect the information to be disclosed;
- ▶ the information is confidential and ASX has not formed the view that the information has ceased to be confidential; and
- ▶ one or more 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 entity; and/or
 - the information is a trade secret.

As soon as one of the conditions is no longer satisfied the information must be disclosed. For example, if information which is confidential is inadvertently released and can no longer be considered confidential, MDL must immediately disclose this information to the ASX.

In addition, under Listing Rule 3.1B, if ASX considers that there is, or is likely to be, a false market in the Company's securities and asks the Company to give it information to correct or prevent a false market, MDL must give ASX the information needed to correct or prevent the false market. The obligation to give information under Rule 3.1B arises even if the exception under Rule 3.1A applies.

When is MDL aware of information?

The continuous disclosure obligation applies not only to information that a director or executive officer of MDL is actually aware of but extends to information which a director or executive officer of MDL ought reasonably to have become aware of in the course of the performance of his duties as a director or executive officer (as the case may be) (see the definition of "aware" in Listing Rule 19.12).

Materiality

The measure used in Listing Rule 3.1 (whether a reasonable person would expect the information to have a material effect on the price or value of the Company's securities) is the subject of a deeming provision in the Corporations Act (Section 677). As a result, a reasonable person is taken to expect particular information to have a material effect on the price or value of any of the Company's securities if the information would, or would be likely to, influence persons who commonly invest in such securities in deciding whether to acquire or dispose of the securities.

If any officer or employee of MDL or any subsidiary of MDL is not sure whether information comes within Listing Rule 3.1, he or she should immediately seek guidance from the Company Secretary or, in his absence, the Executive Chairman.

TSX Requirement to Disclose Material Information

Under the TSX Company Manual rules, MDL is required to disclose material information concerning its business and affairs forthwith in Canada via a national news service. This disclosure must be made upon the information becoming known to management, or in the case of information previously known, forthwith upon it becoming apparent that the information is material.

For the purposes of the TSX rules, "material information" is any development or information relating to the business and affairs of MDL that results in, or would reasonably be expected to result in, a significant change in the market price or value of MDL's securities. Information is also "material" if a reasonable investor would consider the information important to a decision to buy, hold or sell MDL's securities. Either positive or negative information may be material, and unfavourable material information must be disclosed as promptly and completely as favourable material information. The Disclosure Committee will endeavour to ensure that the Company's approach to materiality is consistent. The Disclosure Committee (or a named responsible officer/member of the Disclosure Committee), when assessing the materiality of information, will include consideration of the proximity, probability and significance of the information in the context of the total information generally available about the Company.

When an announcement of "material information" is released, Market Surveillance of the Investment Industry Regulatory Organization of Canada must be advised of its contents and supplied with a copy of the news release.

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Disclosure of Material Changes under Applicable Canadian Securities Legislation

A “material change” in relation to the affairs of any reporting issuer, means a change in the business, operations, assets or ownership of that reporting issuer that would reasonably be expected to have a significant effect on the market price or value of any of the securities of that reporting issuer, or a decision to implement such a change made by senior management of that reporting issuer who believe that confirmation of the decision by the board of directors of that reporting issuer is probable or the board of directors of that reporting issuer.

If a material change occurs, MDL must immediately issue a news release in Canada via a national news service. The news release must be authorised by a senior officer and disclose the nature and substance of the change. As soon as practicable thereafter (but in any event within ten days of the material change) MDL must file a material change report at www.sedar.com.

For material changes initiated by MDL, the change occurs once a decision has been made to implement it. This could occur prior to Board of Directors approval, if the Company anticipates it is probable the change will be approved.

Disclosure Committee

MDL has established a Disclosure Committee comprised of the Executive Chairman, the Managing Director, the Chief Financial Officer and the Company Secretary. The Committee reports to the Board. The Committee’s responsibilities include:

- ▶ managing MDL’s compliance with its continuous disclosure obligations and communications policy;
- ▶ if considered appropriate, appointing disclosure officer(s) with particular responsibility for reporting information relating to different countries and/or sectors where MDL operates;
- ▶ identifying and reviewing information to determine if disclosure is required;
- ▶ implementing reporting processes and controls and determining guidelines for the release of information; and
- ▶ ensuring that the Board is kept fully informed of its determinations and is promptly advised of all information disclosed to the market.

The Company Secretary is the secretary and convenor of the Disclosure Committee.

The Disclosure Committee meets as circumstances require.

Timely Disclosure

In order to ensure MDL meets its obligations of timely disclosure of information that may affect the value of the Company’s securities or influence investment decisions, MDL employs the following practices:

- ▶ All officers and employees of MDL or any subsidiary of MDL, including those (if any) nominated for the time being by the Disclosure Committee, must report to the Company Secretary (or in his absence the Executive Chairman) any information which may be material, including information where the employee or officer is unsure as to the materiality of the information.
- ▶ The information should be immediately brought to the attention of the Disclosure Committee.
- ▶ The Disclosure Committee shall assess the information and determine whether, in its opinion, a reasonable person would expect the information to have a material effect on the price or value of the Company’s securities as prescribed under Listing Rule 3.1.
- ▶ Where the Disclosure Committee determines that the information should be disclosed, the Committee shall to the extent reasonably practicable consult with other members of the Board before disclosing the information. Once approved for release by the Committee, the Company Secretary shall immediately cause ASX and Market Surveillance to be notified of the information and the information shall be issued via a press release.
- ▶ The Company Secretary shall maintain a record of all matters received and assessed by the Disclosure Committee.
- ▶ If at any time any officer or employee of MDL or any subsidiary of MDL has any query in respect to the Company’s continuous disclosure obligations, he or she must contact the Company Secretary (or in his absence the Executive Chairman) for clarification.

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Misrepresentations and False, Misleading or Deceptive Disclosure

If any person to which this Policy applies becomes aware that any information publicly disclosed by MDL contained or may have contained a misrepresentation or is false, misleading or deceptive, or there has been or may have been a failure to make timely disclosure of material information, the Company Secretary should be promptly notified and the Company Secretary, after conducting a reasonable investigation of the information, shall endeavour to ensure that the material information, or correction thereof, as the case may be, is promptly disclosed in accordance with applicable rules of the ASX and TSX and the Corporations Act and Applicable Canadian Securities Legislation.

CORPORATE GOVERNANCE STANDARDS ON COMMUNICATIONS

Key Corporate Governance Standards

MDL has adopted a corporate governance framework which is designed to ensure:

- ▶ timely and accurate information is provided equally to all shareholders and market participants regarding MDL including its financial situation, performance and activities;
- ▶ channels for disseminating information are adopted which are fair, timely and cost-efficient; and
- ▶ it does not communicate material price, or value, sensitive information to any external party prior to that information being disclosed to all shareholders and market participants in compliance with its continuous disclosure obligations.

The specific processes adopted by MDL to implement these corporate governance standards are set out below.

Communication of Disclosable Information on Website

All information released to ASX will be posted on the MDL website as soon as practicable following confirmation of receipt by ASX. MDL's website address is: www.mineraldeposits.com.au.

Authorised Spokespersons

The only MDL officers or employees authorised to make any public statement on behalf of, or attributable to, MDL are the Executive Chairman, the Managing Director, the Company Secretary and any other person who, in a particular case, may have obtained the prior approval of the Executive Chairman.

Inadvertent or Unauthorised Disclosure

If previously undisclosed material information or material effect information has been inadvertently disclosed to any person outside the Company that is not bound by an express confidentiality obligation or disclosed on some other unauthorised basis, the Company shall, as soon as possible after learning of the inadvertent or unauthorised disclosure, cause such information to be disclosed to a stock exchange (as required) and then to be publicly disclosed. In such circumstances, the Company will immediately consider whether to take steps to ensure that disclosure is made to the public via press release. The Company will also assess whether a trading halt of the Company's securities on any exchanges on which securities of the Company are listed should be requested until proper disclosure has been made.

Tipping and Selective Disclosure

Pursuant to securities legislation, MDL and any person in a special relationship with MDL, is prohibited from informing anyone, other than in the necessary course of business, of material information before that material information has been generally disclosed. This prohibited activity is commonly known as tipping.

Disclosure to any person or select group (including investment analysts and the media), of material information that has not been generally disclosed, is considered selective disclosure.

Selective disclosure is a prohibited activity unless such disclosure is made in the necessary course of business. This is a limited exception to the tipping provision and exists so as not to unduly interfere with a company's ordinary business activities. The exception would generally cover communications that are required to be made to further the business purposes of the Company with: vendors, suppliers or strategic partners on issues such as sales and marketing and supply contracts; employees, officers and board members; lenders, legal counsel, auditors and underwriters, and other professional advisors to a company; parties to negotiations; credit rating agencies; labour unions and industry associations; or government agencies.

The necessary course of business exception would not generally permit the Company to make a selective disclosure of material information to an analyst, institutional investor or other market professional.

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Rumours and Market Speculation

Rumours and market speculation, whether substantiated or not, have the potential to adversely impact MDL. MDL's general policy is not to comment on rumours or market speculation.

However, it may be necessary to issue a statement in specific circumstances where:

- ▶ MDL considers it has an obligation to make a statement on a particular matter;
- ▶ the market moves in a way that appears to be referable to the comment or speculation and a statement in response has not previously been made; or
- ▶ in response to a formal request for information by the ASX or TSX.

Forward-Looking Information

Forward-looking information should only be released with caution, and only in circumstances determined by the Disclosure Committee and when approved by the Board of Directors. To the extent any forward-looking information is provided in required disclosure documents under securities legislation, it should be clearly marked as forward-looking and all material assumptions used in the preparation of the forward-looking information should be identified.

Written and oral statements should be accompanied by appropriate contingency and cautionary language or notices, which should identify or refer to the risks and uncertainties that may cause the actual results to differ materially from those projected in the statements. Also included should be a statement that disclaims MDL's intention or obligation to update or revise the forward-looking information, whether the result of new information, future events or otherwise. Notwithstanding this disclaimer, should subsequent events prove past statements to be materially different, MDL may in its discretion choose to issue a news release.

At the beginning of any conference call or presentation, an MDL spokesperson should make a statement that forward-looking information may be discussed. This will include appropriate cautionary language or references to cautionary statements contained in publicly available documents containing the assumptions, sensitivities and a full discussion of the risks and uncertainties.

If MDL has issued a forecast or projection in connection with an offering document pursuant to securities legislation, the Company will update that forecast or projection periodically, as required by securities legislation.

Responsibility for Electronic Communications

This Policy also applies to electronic communications. Accordingly, officers and employees responsible for written and oral public disclosures, including spokespersons, shall also be responsible for electronic communications. The Company Secretary is responsible for updating the Investor Centre section of the Company's website and is responsible for monitoring all Company information placed on the website to ensure that it is accurate and complete.

All information posted to the website, including text and audiovisual material, shall show the date such information was posted. The minimum retention period for material corporate information on the website shall be two years after the date of its posting. Links from the Company's website to a third party website must be approved by the Company Secretary. Any such links should include a notice that advises the reader that they are leaving the Company's website and that the Company is not responsible for the contents of the other site.

Trading Halts

In order to facilitate an orderly, fair and informed market, it may be necessary to request a trading halt from ASX and TSX. The Executive Chairman, in consultation with the other members of the Disclosure Committee, will make all decisions relating to a trading halt.

Close Periods

MDL observes a series of "close" periods throughout the year to protect against inadvertent disclosure of material information.

The close periods operate in the periods 30 days before the preliminary announcement of the half yearly and annual results.

During these periods, MDL will not comment on analysts' estimates other than to acknowledge the range and average estimates in the market and will make no comment on the financial performance of MDL unless the information has already been released to the market.

For the avoidance of doubt, MDL's continuous disclosure obligation continues to apply during these close periods.

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Financial Calendar

MDL follows a calendar of regular disclosure to the market of its financial and operational results. The calendar includes dates for the release of quarterly reports, half year and full year results, other financial information, shareholder meetings and business briefings.

At these meetings and briefings:

- ▶ no information of the kind outlined under ASX Disclosure Obligations above will be disclosed unless it has been previously released to the market; and
- ▶ if material information of that kind is inadvertently released, it will immediately be released to ASX and placed on MDL's website.

Analyst and Investor Briefings

MDL recognises the importance of the relationship between the Company and investors and analysts.

From time to time, MDL conducts analyst and investor briefings. In these cases, the following protocols will apply:

- ▶ No information of the kind outlined under ASX Disclosure Obligations above will be disclosed at these briefings unless it has been previously or is simultaneously released to the market.
- ▶ If material information of that kind is inadvertently released, it will immediately be released to the market via ASX and placed on MDL's website.
- ▶ Questions at briefings that deal with material information not previously disclosed will not be answered.
- ▶ The Company Secretary will either attend the briefing or be provided with a report thereof including all material information provided thereat as soon as practicable after the briefing.
- ▶ MDL will place a copy of the presentation material on the MDL website.

Analysts' Reports and Estimates

MDL acknowledges the important role performed by analysts in disseminating information on the Company's prospects and business to the financial markets.

Where requested to do so, MDL may review analysts' research reports but will confine its comments to factual matters and material previously disclosed by it.

MDL may comment on analysts' estimates to the extent of:

- ▶ acknowledging the current range of estimates;
- ▶ questioning an analyst's assumptions or sensitivities if the analyst's estimate is significantly at variance from current market range estimates;
- ▶ advising factual errors where the data is already in the public domain.

Forecast information will not be provided by MDL unless it has already been provided to the market.

OTHER PROVISIONS

Breaches and Liability

If MDL fails to notify ASX of information required to be disclosed in accordance with Listing Rule 3.1, it may be guilty of an offence under section 674 of the Corporations Act. MDL may face civil and criminal liability for the contravention of the Corporations Act.

Any person involved in the contravention of the Corporations Act by MDL may face personal liability including pecuniary penalty orders.

Under the infringement notice regime for less serious breaches of the continuous disclosure provisions, ASIC could impose a financial penalty of up to \$66,000 for any breach.

Contraventions of the requirements of the TSX Companies Manual or Applicable Canadian Securities Legislation may also result in liability and penalties.



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Accountabilities and Responsibilities

Each member of the Disclosure Committee is responsible for applying this Policy and ensuring that it is communicated throughout the Company.

The Company Secretary is responsible for all communications with ASX, monitoring compliance with the Company's disclosure obligations and managing and administering this Policy.

Internal Communication of Policy and Practices

A copy of this document has been provided to all directors and senior employees within MDL.