

# Continuous Disclosure Policy

## BRAZILIAN RARE EARTHS LIMITED

ACN 649 154 870

(Company)

### 1 Scope

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This Policy applies worldwide to all executive and non-executive directors, officers, employees (whether full-time, part-time, maximum term, casual or temporary), contractors, consultants of the Company and its subsidiaries and any other person representing the Company or any of its subsidiaries from time to time (**Personnel**).

### 2 Purpose

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- (a) The Company has adopted a set of procedures and guidelines in relation to its continuous disclosure obligations under the ASX Listing Rules and the *Corporations Act 2001* (Cth).
- (b) ASX Listing Rule 3.1 details the Company's primary continuous disclosure obligations. The Company must immediately notify ASX of information that a reasonable person would expect to have a material effect on the price or value of the Company's securities when the Company becomes aware of the information (i.e. 'materially price sensitive information'), unless the materially price sensitive information falls within the exemptions in ASX Listing Rule 3.1A. In this context, ASX has confirmed in Guidance Note 8 that 'immediately' means 'promptly and without delay.'
- (c) The Company is committed to taking a proactive approach to continuous disclosure and creating a culture within the Company that promotes and facilitates compliance with the Company's continuous disclosure obligations.

### 3 Responsibilities of the Board

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- (a) The Company's board of directors (**Board**) bears the primary responsibility for the Company's compliance with its continuous disclosure obligations and is therefore responsible for overseeing and implementing this Policy. The Board makes the ultimate decision on whether there is any materially price sensitive information that needs to be disclosed to the ASX. It is a standing agenda item at all Board meetings to consider any information that must be disclosed to the ASX in accordance with the Company's continuous disclosure obligations.
- (b) The Company has appointed the Managing Director and the Company Secretary as the Disclosure Officers in order to streamline the day-to-day compliance with its continuous disclosure obligations. All directors are required to notify a Disclosure Officer if they believe there is materially price sensitive information which requires disclosure to the ASX. All directors are encouraged to approach a Disclosure Officer if they have any queries about what information should be disclosed to the ASX.

### 4 Responsibilities of the Disclosure Officers

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The Company has appointed one of the Disclosure Officers, being the Company Secretary, as the Company's ASX liaison officer, being the person responsible for communicating with ASX with respect to all Listing Rule matters. The Disclosure Officers play an important role in

the Company's continuous disclosure compliance program and are jointly and severally responsible for:

- (a) maintaining, and monitoring compliance with, this Policy;
- (b) liaising between themselves, the Board and the ASX;
- (c) overseeing and coordinating disclosure of information to the ASX, analysts, brokers, shareholders, the media, and the public;
- (d) coordinating education within the Company about its continuous disclosure obligations and disclosure compliance program;
- (e) reviewing information obtained through the Company's reporting systems to determine whether the information is materially price sensitive information and the necessary timing of any disclosure;
- (f) where disclosure is required, coordinating the actual form of disclosure and verifying the accuracy of the information contained within it;
- (g) collecting and recording all potential market sensitive information concerning the Company and making auditable disclosure decisions;
- (h) immediately reporting all potentially materially price sensitive information to the Board, either in writing or verbally, including by:
  - (i) providing sufficient details of all information to allow the Board to form a view as to whether the potentially materially price sensitive information is in fact materially price sensitive and to prepare the appropriate form of disclosure to the ASX, if necessary; and
  - (ii) stating whether the Disclosure Officer considers that the information is exempt from disclosure for the purpose of ASX Listing Rule 3.1A and the reasons for forming that view;
- (i) depending on the circumstances regarding the perceived timing and sensitivity of content of any proposed announcement, consulting with the Chairperson and/or the Directors available at that time.
- (j) where time allows, circulating all market-sensitive ASX announcements to Directors prior to release, to allow Directors who are available at the time an opportunity to comment;
- (k) where possible, obtaining both Disclosure Officers' approval for every announcement (or their delegate);
- (l) notwithstanding the above, should either Disclosure Officer consider that the circumstances require disclosure of information to the ASX without obtaining any of the approvals set out above, approving the disclosure of information to ASX;
- (m) when disclosure of information has been approved, immediately lodging that information with ASX in the manner prescribed by the ASX Listing Rules. Under the Corporations Act and ASX Listing Rules, information lodged with ASX must not be released publicly, or to any person, by the Company until the Company has received formal confirmation from ASX that the information has been released on ASX's Market Announcements Platform;
- (n) once the Company has received formal confirmation from ASX that the information has been released on the ASX Market Announcements Platform, ensuring the information is promptly posted on the Company's website;

- (o) coordinating the timely dispatch to the Board of all material market announcements promptly after they have been made;
- (p) providing reports to the board on the effectiveness of the continuous disclosure program; and
- (b) providing a formal report to the Board at the end of each month which either provides details of unreported potentially materially price sensitive information or states that the Disclosure Officers are unaware of any unreported potentially materially price sensitive information at that time.

## **5 Responsibilities of the Authorised Company Spokesperson(s)**

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- (a) The Company has appointed the Chairperson and Managing Director, or in their absence their delegate, as authorised spokespersons. The above people are authorised to make any public statement on behalf of or in relation to the Company following approval of such statements by the Board. Such public statements extend to all responses by the Company to enquiries by the media, analysts or shareholders. All enquiries by regulators should be passed on to the Chairperson or Managing Director.
- (b) There must be no selective disclosure of materially price sensitive information. The spokesperson must not disclose any materially price sensitive information through public statements which has not already been released to the market through the ASX, but may refer to materially price sensitive information which has already been disclosed to the ASX. Prior to making any public statement, the spokesperson should liaise with the Company Secretary regarding the Company's disclosure history to avoid the inadvertent release of materially price sensitive information.
- (c) The Company may authorise other persons from time to time to make public statements in particular circumstances.
- (d) In the event of inadvertent selective disclosure of previously undisclosed materially price sensitive information, the person or persons involved should immediately contact the Company Secretary. The Board will determine as soon as practicable whether there is a need (based on who received the unintentional selective disclosure and the probability of dissemination) to disclose the materially price sensitive information to ASX, or to require that the party to whom the materially price sensitive information was disclosed enter into a written confidentiality agreement.

## **6 Responsibilities of Personnel**

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- (a) All Personnel are required to comply with this Policy and the Company's continuous disclosure obligations.
- (b) All Personnel must immediately notify a Disclosure Officer if they are in possession of potentially market sensitive information or are aware of any matter they consider may be material for continuous disclosure purposes.
- (c) It is not up to Personnel to determine whether or not an event is market sensitive. Personnel must, and will be directed to, notify a Disclosure Officer of all potentially significant information concerning the Company whether or not the Personnel believe that:
  - (i) it is a material event or agreement; or
  - (ii) an exception to disclosure applies.

## 7 Reporting Obligations

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### 7.1 Information to be reported

- (a) Subject to the exemption in ASX Listing Rule 3.1A, the Company will notify the ASX as soon as it becomes aware of any information that a reasonable person would expect to have a material effect on the price or value of the Company's securities and make all required securities exchange filings. Examples of types of information that could be materially price sensitive information include:
- (i) significant exploration discoveries;
  - (ii) new or material changes to mineral resource or ore reserve estimates;
  - (iii) the results of significant technical studies including, but not limited to, scoping studies and feasibility studies;
  - (iv) major safety or environmental incidents significantly impacting on the business;
  - (v) government decisions or proposed decisions that relate to issues significantly impacting on the business, including but not limited to, decisions that impact the tenure of the Company's tenements;
  - (vi) material acquisitions or divestitures;
  - (vii) transactions that will lead to a significant change in the nature or scale of the Company's activities;
  - (viii) a material change in the Company's financial forecast or expected results;
  - (ix) declaration of a dividend;
  - (x) entry into, variation or termination of material agreements, including financing arrangements;
  - (xi) events triggering material accelerations of, or increases in, financial obligations;
  - (xii) a material change in accounting policy adopted by the Company;
  - (xiii) a rating applied by a rating agency to the Company or its securities, and any change in such a rating; and
  - (xiv) a significant change in market or regulatory conditions which is likely to have a material effect on the Company's results.
- (b) The above examples are indicative only, and are not exhaustive. Where a Disclosure Officer is unsure whether information is materially price sensitive information, he or she should take a conservative view and report it to, or discuss it with, the Board. The Company's legal advisers should be consulted as necessary.
- (c) The Company must not release information that is for release to the market to any person until it has given the information to the ASX and has received acknowledgement that the ASX has released the information to the market.
- (d) The Company must release to the ASX market any investor or analyst presentation ahead of the delivery of the presentation, irrespective of whether the presentation contains material new information required to be disclosed under Listing Rule 3.1.

## 7.2 Confidential information

- (a) Certain materially price sensitive information generally does not need to be disclosed if it falls within the scope of the confidentiality exemption in ASX Listing Rule 3.1A. To fall within the exemption, all of the following conditions must be satisfied:
- (i) the information falls within one or more the following categories:
    - (A) it would be a breach of the law to disclose the information;
    - (B) the information concerns an incomplete proposal or negotiation;
    - (C) the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
    - (D) the information is generated for internal management purposes of the Company; or
    - (E) the information is a trade secret; and
  - (ii) the information is confidential and ASX has not formed the view that the information has ceased to be confidential; and
  - (iii) a reasonable person would not expect the information to be disclosed.
- (b) Once a Disclosure Officer determines that information is materially price sensitive information, the Board (or, if there is insufficient time, that Disclosure Officer) will consider the confidentiality of the matter and bears the authority to determine whether a matter should not be disclosed to the ASX on the basis of the Listing Rule 3.1A exemption. Legal advice should be sought as to circumstances in which the Company cannot rely on the Listing Rule 3.1A exemption.
- (c) Each Disclosure Officer should disclose all materially price sensitive information to the Board and should not (unless there is insufficient time to obtain the Board's assessment) make a final assessment whether materially price sensitive information should not be disclosed on the basis of the exemption in ASX Listing Rule 3.1A. However, to assist the Board in making these decisions, the Disclosure Officer should provide details as to why they consider the information may be exempt from disclosure for the purpose of ASX Listing Rule 3.1A.
- (d) The Disclosure Officers must take all necessary steps to maintain the confidentiality of all potentially confidential information. For example, potentially confidential information should not be disclosed to external parties except on the basis of a written confidentiality undertaking.
- (e) The Company has also put in place a review process which includes verification testing of content and a review and sign-off by management prior to the approval and release of any public information.
- (f) ASX Listing Rule 3.1B provides that if the ASX considers that there is, or is likely to be a false market in the Company's securities, and requests information from the Company to correct or prevent the false market, the Company must give the ASX that information (i.e., a false market may cause the exemption to be lost).

## 7.3 Dealing with analysts

- (a) The Company must not give analysts or other select groups of market participants any non-public materially price sensitive information at any time, such as during analyst briefings, when responding to analysts' questions or when reviewing draft analyst research reports. The Company may clarify or correct any errors of interpretation that analysts make concerning already publicly available information announced to the ASX by the Company, but only to the extent that the clarification or

correction does not itself amount to giving the analyst non-public materially price sensitive information (such as correcting market expectations about profit forecasts). Any non-public materially price sensitive information that may be inadvertently disclosed during dealings with analysts should be immediately disclosed to the ASX.

- (b) All information given to analysts at a briefing, such as presentation slides, and any presentation material from public speeches given by Board members or members of management that relate to the Company or its business should also be given to the Company Secretary for immediate release to the ASX (prior to the briefing or speech) and subsequently posted on the Company's website. The information must always be released to the ASX before it is presented at an analyst or investor briefing or public speech.
- (c) Any planned presentation to external parties, including presentations to shareholders, potential investors, analysts, brokers and conferences must be approved at least by a Disclosure Officer, prior to its presentation.

#### **7.4 Review of analyst reports**

- (a) If requested, the Company may review analyst reports. The Company's policy is that it only reviews these reports to clarify historical information and correct factual inaccuracies (provided this can be achieved using information that has been previously announced to the ASX by the Company).
- (b) No comment or feedback will be provided on financial forecasts, including profit forecasts prepared by the analyst, or on conclusions or recommendations detailed in the report. The Company communicates this policy whenever asked to review an analyst report.
- (c) Any requests for the Company to review an analyst's financial model or draft research report should be directed to a Disclosure Officer.

#### **7.5 One-on-one meetings**

- (a) Only the Chairperson or the Managing Director (or other people specifically authorised by the Board) may hold one-on-one meetings with journalists or analysts.
- (b) In any one-on-one meetings (whether with journalists, analysts or otherwise), the Company will only discuss information that has been previously announced to the ASX by the Company or information which may not be in the public domain but which is not price sensitive (i.e., where subsequent formal disclosure is not required).
- (a) Any media enquiries should be dealt with in accordance with the requirements of the External Communications Policy.
- (b) All guidelines in this policy related to communication with analysts also apply to communication with media on any matter which may be considered to be material information.

#### **7.6 Market speculation and rumours**

- (a) In general, the Company does not respond to market speculation and rumours except where:
  - (i) the speculation or rumours indicate that the subject matter is no longer confidential and therefore the exception to disclosure in the ASX Listing Rules no longer applies;
  - (ii) the ASX formally requests disclosure by the Company on the matter (under ASX Listing Rule 3.1B); or

- (iii) the Board (or a Disclosure Officer) considers that it is appropriate to make a disclosure in the circumstances.
- (b) Only authorised spokespersons may make statements on behalf of the Company in relation to market rumours or speculation. Any person within the Company should report market speculation or rumours to a Disclosure Officer immediately.

#### **7.7 Duty to correct / update information**

- (a) If the Company discovers that a statement it has made is materially incorrect, or subsequent information renders it incorrect, the Company will issue an announcement via the ASX to correct the statement.
- (b) The Company will maintain the accuracy of information that is generally made available to the market. This includes, for example, forward-looking statements. Accuracy will be maintained on a regular cycle consistent with the regularity with which the information is distributed (e.g., annually, half yearly, quarterly), or more frequently as required by the ASX Listing Rules, the Corporations Act or other applicable laws.

#### **7.8 Trading halts**

It may be necessary to request a trading halt or suspension from the ASX to maintain orderly trading in the Company's securities and to manage disclosure issues. Only a Disclosure Officer or the Board is authorised to make decisions in relation to trading halts or suspensions. No Personnel are authorised to seek a trading halt or suspension except with the approval of the Board or a Disclosure Officer.

#### **7.9 Website**

All Company announcements will be posted on the Company's website immediately after they are released to the ASX to provide accessibility to the widest audience.

### **8 Compliance**

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Breaches of this Policy will be viewed seriously and may lead to disciplinary action being taken against the relevant Personnel. In serious cases, such action may include dismissal or termination of employment or engagement with the Company. Personnel should report all breaches of this Policy by any person to the Company Secretary.

### **9 Review of the Policy**

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This Policy will be reviewed regularly by the Board having regard to the changing circumstances of the Company and any changes to this Policy will be notified to affected persons in writing. Personnel should communicate all comments and concerns about this Policy to the Company Secretary.

### **10 Questions**

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For questions about the operation of this Policy, please contact the Company Secretary.

### **11 Definitions**

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In this Policy, the following definitions apply:

**ASX** means ASX Limited or the Australian Securities Exchange as the context requires.

**Disclosure Officer** means the Managing Director, the Company Secretary or other person appointed to this role by the Company from time to time.

**shareholder** includes holders of shares, options or other securities of the Company.