

Boulder Steel Limited ABN 78 009 074 588

Continuous Disclosure Policy

1. Boulder Steel's obligations to disclose information

Boulder Steel Limited (the **Company**) is listed on the Australian Securities Exchange (**ASX**). Under Listing Rule 3.1, once the Company 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, the Company must **immediately** notify the ASX of the information.

2. Purpose

This document sets out the Continuous Disclosure Policy applying to the Officers and employees of Boulder. It is intended to:

- (a) assist the Company to fulfil its reporting obligations for continuous disclosure under ASX Listing Rule 3.1;
- (b) enable the Company to provide investors with information in the manner expected of listed companies to enable investors to make an informed assessment of the value of the Company's shares;
- (c) enable the Company to balance, in a disciplined way and consistent with its legal obligations, the information needs of investors with the Company's need to achieve business goals and protect confidential or commercially sensitive information;
- (d) define the parameters of both formal and informal disclosure such that the Company manages investor expectations and minimises the potential for positive or negative surprises;
- (e) enhance the Company's credibility amongst investors by applying a disciplined approach to disclosure such that it maintains consistent disclosure levels "in good and bad times" and ensures information for investors is easy to understand and accurate at all times.

3. Interpretation

For the purposes of this document, "Officers" shall mean:

- (a) Directors;
- (b) the Company Secretary; and
- (c) senior executives.

4. Why be concerned about continuous disclosure?

Failure to disclose price sensitive information in accordance with the Listing Rules exposes the Company, and the individuals responsible for the breach, to significant fines. Therefore it is essential that all employees understand the Company's legal obligations, and their practical obligations under this Policy.

5. Decision making on disclosure

The continuous disclosure regime involves a high degree of judgement on the part of the Company to determine what has to be disclosed to the market and when disclosure must be made. While there are exceptions from disclosure which recognise that the Company is not required to disclose to the market certain price sensitive information, judgement will often be required to determine whether those exceptions apply in particular circumstances.

The procedures outlined in this policy must be followed so that the Chairman and the Company Secretary can be provided with sufficient information in a timely fashion to enable them to make decisions as to whether disclosure is required and, if so, the nature and timing of that disclosure.

All individuals reporting to the General Manager are to be made aware of the detail of this policy and the importance of compliance.

6. Reporting lines

Officers and employees must immediately notify the Company Secretary of any material information which may need to be disclosed under Listing Rule 3.1. The Company Secretary will then discuss the information with the Chairman and together they will determine whether disclosure to the ASX is required.

The Board has ultimate responsibility to ensure that the Company complies with its disclosure obligations under the Listing Rules. It has delegated the day to day management of that responsibility to the Company Secretary.

The Company Secretary must keep a record of all information disclosed to the ASX, and ensure all releases are placed promptly on the Company's website.

7. What information needs to be disclosed

Listing Rule 3.1 provides:

“Once an entity is or 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 immediately tell ASX that information.”

Examples of matters that may require disclosure are:

- (a) disposal or purchase of a major asset;
- (b) major industrial disputes;
- (c) significant changes in business outlook or a major disruption to business operations;
- (d) substantial litigation commenced or threatened;
- (e) entering into major contracts;
- (f) significant breaches of legislation, particularly corporations law, trade practices, occupational health and safety or environmental.

In some circumstances the Listing Rules may also require the Company to clarify misinformation in the market place.

8. Limited circumstances where disclosure is not required

There is a limited exception set out in Listing Rule 3.1A:

“3.1A *Listing Rule 3.1 does not apply when the following three conditions are satisfied:*

3.1A.1 *A reasonable person would not expect the information to be disclosed;*

3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

3.1A.3 *One or more of the following applies:*

- *It would be a breach of the 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;*
- *The information is a trade secret.”*

According to paragraph 27 of ASX Guidance Note 8, the exception is directed at protecting the legitimate commercial interests of listed entities in the situation where the integrity of the market is not undermined. For example, this exception allows for:

- disclosure of information to an external party with whom the company is in confidential negotiations with respect to, for example, an acquisition or disposal; or
- the process of preparing financial projections and business plans for internal discussion and review.

However, the Company must monitor on an ongoing basis whether **all three** conditions of the exemption continue to be met – as outlined in LR 3.1A.1 – 3.1A.3. As soon as one no longer applies, the Company must disclose. For example:

- if information has been leaked to the media, the information ceases to be confidential and the Company will need to disclose sufficient information to ensure that the market is properly informed;
- where in the course of preparing draft financial statements it becomes apparent that there has been a major change in the Company’s financial circumstances, a reasonable person would expect the Company to give some advance notice to the market before lodging final half-yearly or year-end statements.

9. Selective and differential disclosure

The Company will not practise selective or differential disclosure. That is, information cannot be selectively disclosed (for example to analysts, the media, groups of shareholders or customers) before it is announced to the ASX. Presentations to be made to shareholder meetings or analysts' briefings must be released to the ASX at or before the time of the presentation.

The Company will respond to legitimate requests for information in the same manner, irrespective of whether the request comes from a small investor, a large investor, an analyst or the media. All requests for information from any investor or analyst should be directed to the Company Secretary.

10. Promoting compliance

The Officers are committed to:

- (a) encouraging prompt disclosure of any material information which may need to be disclosed under Listing Rule 3.1; and
- (b) promoting an understanding of the importance of the continuous disclosure regime throughout the Company.

11. Safeguarding information

The Company has implemented the following policies to ensure corporate information is not prematurely disclosed:

- Any material information brought to a Company Secretary's attention is discussed with the Chairman and together they determine whether disclosure to the ASX is required;
- the Company Secretary and the Chairman, or his nominee, are the only Officers who may disclose material information to the ASX; and
- all employment agreements include obligations to protect confidential information obtained about the Company in the course of employment.

12. Media contact

The Company Secretary and the Chairman will determine whether it is necessary to contact the media in respect of any disclosures made to the ASX.

Unless otherwise agreed by the Board, the Chairman will be the only Officer permitted to make comments to the media.

13. External communications

The Board is committed to ensuring that:

- all shareholders have equal and timely access to material information concerning the Company; and
- all Company announcements are factual and presented in a clear and balanced way.

Please refer to the Company's Shareholder Communication Policy for more details.

Adopted by the Board on: 30 September 2009
