



RUNGE LIMITED

ACN 010 672 321

**Continuous Disclosure Policy
and
Market Disclosure Guidelines**

Adopted by the Board on 30 October 2008



Continuous Disclosure Policy

1. INTRODUCTION

1.1 Purpose of this policy

This policy outlines corporate governance measures adopted by Runge Limited ("**Runge**") to further its disclosure and communication commitments. It seeks to incorporate:

- A. Principle 5 (Make timely and balanced disclosure) and Principle 6 (Respect the rights of shareholders) of the ASX Limited ("**ASX**") Corporate Governance Principles and Recommendations;
- B. the principles in ASX's Guidance Note 8 - Continuous Disclosure: Listing Rule 3.1; and
- C. disclosure obligations in the ASX Listing Rules ("**ASX Listing Rules**").

1.2 Application of this policy

This policy applies to all Directors, officers, employees and consultants of Runge and its subsidiaries.

Market Disclosure Guidelines are available to assist officers and employees to understand their obligations under this policy.

2. INTERPRETATION

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

- Directors;
- Company Secretaries; and
- those persons who report directly to the Managing Director or any other executive director.

3. CONTINUOUS DISCLOSURE OBLIGATIONS

3.1 Disclosure obligations

The shares of Runge are listed on the ASX. To maintain this listing, Runge must comply with the requirements of the ASX Listing Rules, in particular the continuous disclosure obligations. These obligations have the force of law under the Corporations Act 2001 (Cwlth) ("**Corporations Act**").

3.2 Immediate notification of information which may have a material effect on price or value

Chapter 3 of the ASX Listing Rules sets out the requirements for Runge to continuously disclose information that can be expected to have a material effect on the price or value of its securities.

Runge must immediately notify the ASX once it is or becomes aware of any information that a reasonable person would expect to have a material effect on the price or value of Runge's securities:

Disclosure is made by making an announcement to ASX.

Information will be taken to have a material effect on the price or value of the Runge's securities if it would be likely to influence investors who commonly invest in securities in deciding whether to buy, hold or sell Runge's securities.

Materiality is assessed using measures appropriate to Runge and having regard to the examples given by ASX in ASX Listing Rule 3.1. Further guidance on materiality is provided in the disclosure and materiality guidelines for officers and employees.



If any material information disclosed to the market becomes incorrect, Runge will release an announcement correcting or updating the information.

3.3 Exceptions to disclosure of information

Listing Rule 3.1A provides an exception to the continuous disclosure requirements of Listing Rule 3 where all of the following apply:

- (a) a reasonable person would not expect the information to be disclosed; and
- (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 apply:
 - (i) it would be a breach of a law to disclose the information;
 - (ii) the information concerns an incomplete proposal or negotiation;
 - (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 Runge; or
 - (v) the information is a trade secret.

Listing Rule 3.1B overrides the exception provided in Listing Rule 3.1A. Listing Rule 3.1B provides that if the ASX considers that there is or is likely to be a false market in Runge's securities and the company to give it information to correct or prevent a false market, Runge must give the ASX the information needed to prevent or correct the false market.

The rule specifically tries to address the issue of specific rumours or media comments that are not confirmed or clarified by the subject companies

4. POLICY

Runge will comply with the continuous disclosure requirements set out in Chapter 3 of the ASX's Listing Rules.

The Board of Directors, employees and consultants of Runge and its subsidiaries are required to adhere to the procedures set out in this Policy to ensure compliance with the ASX Listing Rules.

In addition to this Policy, Runge has formulated Market Disclosure Guidelines and a Securities Trading Policy. These documents should be read in conjunction with this Policy.

Copies of these policies and guidelines are available on Runge's website and intranet.

5. DISCLOSURE MATTERS GENERALLY

5.1 As specified in the Disclosure Guidelines:

- (a) Any Director, employee or consultant of Runge and any of its subsidiary companies must, immediately on becoming aware of any material information concerning Runge or its subsidiaries they believe may require disclosure (even if it appears to fall within the exception categories), inform the Disclosure Officer.

For the purposes of this policy and procedure, the Board has appointed the Group General Counsel as the Disclosure Officer;

- (b) On receipt of this information, the Disclosure Officer must immediately inform the Disclosure Committee;
- (c) The Disclosure Committee will review the information to determine whether it is material and should be notified to the ASX or falls within the exceptions set out in the ASX Listing Rules;
- (d) Where the Disclosure Committee has determined that disclosure is required, the Disclosure Officer will immediately inform the Directors of Runge and release the information to the ASX in the form agreed by the Board and Disclosure Committee;
- (e) A copy of all ASX announcements will be made available on Runge's website after the ASX has provided acknowledgement of receipt.

5.2 Inform ASX first

Runge will not release any information publicly that is required to be disclosed through the ASX until Runge has received formal confirmation of its release to the market by the ASX, unless otherwise permitted by the ASX Listing Rules.

5.3 Breaches

Failure to comply with the disclosure obligations in this policy may lead to a breach of the Corporations Act or ASX Listing Rules and to personal penalties for Directors and officers. Breaches of this policy may lead to disciplinary action being taken.

6. REVIEW AND PUBLICATION OF THIS POLICY

The Disclosure Committee may review this policy from time to time and report to the Board any changes it considers should be made. This policy may be amended by resolution of the Board.

This policy will be made available on Runge's website.

Market Disclosure Guidelines

1. INTRODUCTION AND BACKGROUND

1.1 Commitment to disclosure and communication

Runge Limited (“**Runge**”) is committed to the promotion of investor confidence by ensuring that trading in its securities, which are listed on the Australian Securities Exchange (“ASX”) takes place in an efficient, competitive and informed market, by:

- (a) providing full and timely information to the market about Runge’s activities;
- (b) complying with the continuous disclosure obligations contained in the ASX Listing Rules and the Corporations Act;
- (c) ensuring that company announcements are presented in a factual, clear and balanced way;
- (d) ensuring that all shareholders and the investment community have equal and timely access to material information concerning Runge; and
- (e) communicating effectively with shareholders and making it easy for them to participate in general meetings.

These Market Disclosure Guidelines (“Guidelines”) support Runge’s Continuous Disclosure Policy and provide the company with a framework for:

- (a) ensuring that it immediately discloses all information where disclosure is required to the ASX; and
- (b) dealing with the communication of company information to investors and the market generally.

These Guidelines are aimed at ensuring that a fully informed market exists for Runge securities. Given the wide range of circumstances that exist and with many matters being matters of judgement, Runge will operate flexibly and use appropriate judgement consistent with these Guidelines.

These Guidelines may be reviewed from time to time by Runge’s Disclosure Committee in light of experience in the Australian market and local and international best practice. Based on recommendations from the Disclosure Committee, the Board may amend these Guidelines from time to time as required. The Group General Counsel will be responsible for communicating any amendments.

1.2 Purpose

These Guidelines have been prepared to:

- (a) reinforce Runge’s commitment to the continuous disclosure obligations imposed by law and to describe the processes implemented by it to ensure compliance;
- (b) ensure that officers and employees are aware of Runge’s continuous disclosure obligations;
- (c) maintain best practice with regard to market communications; and
- (d) assist Runge to develop pro-active communications programmes to ensure a fully informed market exists for Runge’s securities.

You must first read Runge’s Continuous Disclosure Policy.

2. GUIDING PRINCIPLE

2.1 Company's obligation to disclose

The ASX Listing Rules require that once Runge becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of its securities, Runge must immediately notify the ASX of that information (ASX Listing Rule 3.1).

Schedule 1 lists examples of types of possible "material".

2.2 When is Runge aware of information?

The ASX Listing Rules provide that Runge becomes aware of information if 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.

This is why the process for identifying and reporting material information is so important.

2.3 What type of information is considered "material"?

Information is material if it would be likely to influence persons who commonly invest in securities in deciding whether to buy, sell or hold Runge's securities.

2.4 What is a material effect on the price or value of Runge's securities?

What is material depends on a company's business activities, size and place in the market. A matter may be material even if there is little impact on the company's financial position. For example, the matter may have a significant impact on Runge's reputation or perception of the company's strategy. Two tests should be used in determining whether a matter is material – a qualitative test (that is, the nature of the matter) and a quantitative test (a monetary amount or percentage variation). See schedule 1 for further guidelines.

2.5 Premature versus timely disclosure

It is important to balance timely disclosure of material information and the prevention of premature disclosure of incomplete or indefinite matters. Premature disclosure may result in a false market and in some cases prejudice Runge's commercial interests.

2.6 Correcting a false market and market speculation

Under the ASX Listing Rules, Runge may be required to disclose information to the market if the ASX considers that there is, or is likely to be, a false market in Runge's securities. This information must be provided by Runge in order to correct or prevent the false market even if an exception from disclosure applies.

A false market may arise if:

- (a) Runge has information that has not been released to the market; and
- (b) there is a reasonably specific rumour or media comment in relation to Runge that has not been confirmed or clarified by an announcement from Runge to the market; and
- (c) there is evidence that the rumour or comment is having, or the ASX forms the view that the rumour or comment is likely to have, an impact on the price of Runge's securities.

A false market may arise even if a comment is completely inaccurate and Runge does not clarify the position.

ASX will consider the facts of each case when it reaches a conclusion as to whether there is, or is likely to be, a false market in Runge's securities. The extent of the information that ASX asks for will also depend on the circumstances.

2.7 Continuous disclosure is additional to periodic disclosure

Compliance with periodic disclosure requirements does not extinguish Runge's continuous disclosure obligations. For example, disclosure may be required under ASX Listing Rule 3.1 of information which emerges in the preparation of the half-yearly or preliminary final reports which was previously insufficient to warrant disclosure.

3. EXCEPTIONS TO DISCLOSURE

3.1 ASX Listing Rule 3.1A

Not all material information must be disclosed by Runge. ASX Listing Rule 3.1A provides that disclosure is not required if all of the following apply:

- (a) a reasonable person would not expect the information to be disclosed; and
- (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 law to disclose the information;
 - (ii) the information concerns an incomplete proposal or negotiation;
 - (iii) the information comprises matters of supposition or is insufficiently definite to warrant disclosure. This means it is not factually based or not sufficiently certain;
 - (iv) the information is generated for the internal management purposes of Runge; or
 - (v) the information is a trade secret.

The intention of the exception is to protect the legitimate commercial interests of a listed company so long as market integrity is not affected. Even if an exception applies, the information may still need to be disclosed – for example, to prevent a false market if the information is leaked or reported in the media. If you are not sure whether information is exempt or should be disclosed, contact Runge's Disclosure Officer.

Runge must disclose the information to ASX as soon as one of paragraphs (a), (b) or (c) is not satisfied.

3.2 When would a reasonable person not require disclosure?

A reasonable person would not expect information to be disclosed if the result of the disclosure would be unfairly prejudicial to Runge.

A typical situation in which the disclosure of information may be prejudicial to Runge is if the disclosure relates to sensitive commercial negotiations.

The test of when a reasonable person would not require disclosure is an objective test that will change as market practices and expectations evolve.

3.3 What is confidential information?

To be exempt from disclosure, information must be confidential as a matter of fact and the ASX must not form the view that the information has ceased to be confidential.

Runge may disclose confidential information to third parties in the ordinary course of its business and satisfy the exception, provided that it retains control over the use and disclosure of the information. This may include information given to:

- (a) Runge's advisers for the purpose of obtaining advice;
- (b) other service providers, eg share registries and printers;
- (c) a party with whom Runge is negotiating, for the purposes of the negotiation; and
- (d) a regulatory authority or the ASX in the course of an application or submission.

A confidentiality agreement is not necessarily sufficient to establish retention of control. It is the process surrounding negotiations and discussions and the way in which the transfer of information is handled that is important.

Information may cease to be confidential if:

- (a) the information may have become known selectively or generally; or
- (e) the information may have been disclosed inadvertently or deliberately.

A loss of confidentiality may be indicated by otherwise unexplained significant changes in the price of Runge's securities, or by reference to information in the media or in analysts' reports.

Confidentiality is more likely to have been lost where references to Runge or its proposals are significant and credible and the details are reasonably specific.

3.4 When does a proposal or negotiation cease being incomplete and require disclosure?

Information may concern an incomplete proposal or negotiation if there is a degree of uncertainty as to the detail or key terms of the proposal being made or negotiations taking place.

Disclosure of developments would be premature if it would prejudicially impact on the potential transaction so as to harm the commercial interests of Runge, and therefore its shareholders, or result in a false market.

These are questions of fact and must be closely monitored by the Disclosure Officer and the Disclosure Committee. It is crucial that the Disclosure Officer is kept informed as proposals develop or negotiations progress towards an outcome.

4. THE BOARD

The Board has overall responsibility for the establishment, implementation and supervision of a continuous disclosure system.

The Board's responsibilities are to:

- (a) ensure ongoing compliance with Runge's continuous disclosure obligations;
- (b) monitor regulatory requirements in order to ensure that these Guidelines continue to conform to those requirements and do not become out of date; and
- (c) establish a system for monitoring compliance with Runge's disclosure obligations and these Guidelines.

5. DISCLOSURE COMMITTEE

5.1 Background

The Board has established a Disclosure Committee as a management committee to be responsible for Runge's compliance with its continuous disclosure obligations.

The members of the Disclosure Committee are:

- (a) Chairman (CM)
- (b) Managing Director (MD);
- (c) Either Joint Company Secretary (JCS); and
- (d) Global Communications Manager (and Investor Relations Consultant if applicable).

The members of the Disclosure Committee may vary from time to time, but will consist of at least two members of the senior executive and the Chariman.

5.2 Role and responsibilities of the Disclosure Committee

In connection with these Guidelines, the role of the Disclosure Committee is to:

- (a) make recommendations to the Board about what information will be disclosed to the market via the ASX; and
- (b) monitor compliance with Runge's Continuous Disclosure Policy and these Guidelines.

Subject to any directions given by the Board (either generally or in a particular instance), its responsibilities include:

- (a) seeking to ensure that Runge complies with its disclosure obligations;
- (b) assessing the possible materiality of information which is potentially price sensitive;
- (c) making decisions on information to be disclosed to the market;
- (d) seeking to ensure that announcements are made in a timely manner, are not misleading, do not omit material information and are presented in a clear, balanced and objective way;
- (e) referring any announcement which the Disclosure Committee considers to be a matter of key significance to the Board for consideration;
- (f) reviewing the Company's periodic disclosure documents and media announcements before release to the market; and
- (g) periodically monitoring disclosure processes and reporting and periodically reviewing the effectiveness of the disclosure and materiality guidelines.

5.3 Disclosure Officer

The Board has appointed the Group General Counsel to act as the Disclosure Officer to:

- (a) be responsible (at the direction of the Board and/or Disclosure Committee) for disclosures to the ASX;
- (b) seeking to ensure that ASX is immediately notified of any information which needs to be disclosed;
- (c) reviewing board papers and other information referred to the Group General Counsel for events that the Group General Counsel considers may give rise to disclosure obligations;
- (d) convening meetings of the Disclosure Committee;
- (e) maintaining a record of discussions and decisions made about disclosure issues by the Disclosure Committee and a register of announcements made to ASX; and
- (f) take such action as the Disclosure Officer considers necessary or appropriate to ensure that the Reporting Officers and their subordinates are aware of and understand the nature of Runge's continuous disclosure obligations and the requirements of Runge's Continuous Disclosure Policy and these Guidelines.

5.4 Reporting Officers

The Disclosure Committee has responsibility for ensuring that Reporting Officers be appointed within Runge. The MD may remove or appoint additional Reporting Officers.

Each Reporting Officer must:

- (a) ensure that colleagues and subordinates are aware of the responsibilities of Runge and its officers under Runge's Continuous Disclosure Policy and these Guidelines;
- (b) implement and supervise reporting procedures for subordinate staff in relation to disclosure to that Reporting Officer of potentially price or value sensitive information; and
- (c) immediately disclose to the Disclosure Officer all potentially price sensitive information that comes to their attention, having regard to the underlying principle outlined in paragraph 2 above, and the disclosure requirements of the Listing Rules (see Appendices A and B).

6. CONTACT WITH THE INVESTMENT COMMUNITY

Runge follows a calendar of regular disclosures to the market on its financial and operational results. Regular statutory and stock exchange listing rule requirements include:

- (a) lodgement of half-yearly and annual financial statements;
- (b) production of an annual report; and
- (c) conducting an Annual General Meeting.

Runge's financial calendar can be accessed on its website at:

<http://www.runge.com.au>

Runge is also required to immediately release all other material information to the market outside the scheduled reporting events.

Runge's senior management interacts regularly with the investment community in a variety of ways, including results briefings, market announcements, one-on-one meetings with analysts and investors, group briefings with analysts and investors, and other educational sessions.

At all times when interacting with external individuals, investors, analysts and investment market participants, Runge adheres to the underlying principles set out in these Guidelines.

6.1 Guiding principle

Runge and its executives must ensure they do not communicate material information to an external party except where that information is also disclosed to the market generally.

Runge will immediately notify the ASX of any information a reasonable person would consider to materially affect the share price of, or influence an investment decision in its securities.

7. AUTHORISED SPOKESPERSONS WITH REGARD TO MATERIAL INFORMATION

The number of executives that are authorised spokespersons has been restricted to minimise inconsistent communications and reduce the risk of inadvertent material disclosures.

The only Runge officers / employees authorised to speak on behalf of Runge to investors and analysts are:

- (a) Chairman;
- (b) MD;
- (c) Executive Director;
- (d) CFO;
- (e) Global Communications Manager; and
- (f) Senior managers specifically authorised by the MD or CFO.

The only Runge officers / employees authorised to speak on behalf of the company to the media are:

- (a) Chairman;
- (b) MD;
- (c) Executive Director;
- (d) CFO;
- (e) Global Communications Manager; and
- (f) Senior managers specifically authorised by the MD or Global Communications Manager.

Authorised employees may become spokespersons for specific areas under their control (as required), although any comments made should be limited to their area of expertise. They must not comment on material price sensitive issues that have not been disclosed to the investment community generally.

No employee or associated party (such as consultants, advisers, lawyers, accountants, auditors, investment bankers, etc) can comment publicly on matters that are confidential.

If any other employee receives a request for comment from an external investor, analyst or the media in relation to any matter concerning Runge they must advise that person that they are not authorised to speak on behalf of the company and must refer all enquiries (investors, analysts or media) to the Global Communications Manager.

Runge will post on its website relevant announcements made to the market and related information after they have been released to ASX following receipt of confirmation from the ASX.

8. MARKET COMMUNICATION

8.1 One-on-one meetings

Runge recognises the importance of the relationship between the company and its analysts and investors.

From time to time, Runge participates in one-on-one discussions and meetings with analysts and investors. These are an important part of the company's investor relations programme.

The key principle behind any such meetings is that no previously undisclosed material price or value sensitive information will be disclosed in any meeting with individual analysts or investors. These meetings will be considered only as opportunities to provide background to previously disclosed information, as well as to engage in more detailed discussion on:

- (a) Long term strategy;
- (b) Runge's history, vision and goals;
- (c) Management philosophy and the strength and depth of management;
- (d) Competitive advantages and risks;
- (e) Previously disclosed material information and risks;
- (f) Non-material information;
- (g) Industry trends and issues; and
- (h) Assumptions underlying market earnings forecasts, but not the forecasts themselves.

For the purpose of these Guidelines, a one-on-one meeting includes any communication between Runge and an analyst or investor including, for example, phone calls made to Runge's global communications department.

If any Runge employee participating in a meeting considers that a matter has been discussed that might constitute inadvertent disclosure of material information, they must immediately refer the matter to the Disclosure Officer.

Earnings forecasts will only be discussed if previously issued by Runge by way of announcement. Runge does not generally issue earnings forecasts to the investment market, unless required to do so.

The Global Communications Manager, or an authorised representative, should, if possible, be involved in all meetings with analysts and investors, or be fully briefed about those meetings.

For any series of one-on-one meetings arranged by Runge, any presentation materials (previously not disclosed) will be placed on Runge's website and if the presentation contains material price or value sensitive information, be first disclosed to the market via the ASX.

The policy for arranging one-on-one meetings is outlined in Schedule 2.

8.2 Group briefings / investment conferences

Runge may hold group briefings with analysts and/or investors, or present at broker sponsored investment conferences, to discuss information that has been released to the market.

Runge's policy for conducting group briefings is to ensure that material information previously not disclosed to the market that is discussed at group briefings / broker sponsored investment conferences, will be announced to the market generally prior to the presentation being made on the same day.

Where a question raised in a group briefing / broker sponsored investor conference can only be answered by disclosing material price sensitive information, employees must decline to answer the question or take the question on notice and wait until Runge announces the information publicly through the ASX before responding.

If any Runge employee participating in a group briefing / broker sponsored investment conference considers that a matter has been discussed that may constitute inadvertent disclosure of material information, they must immediately refer the matter to the Disclosure Officer.

The CFO and/or Global Communications Manager, should, if possible, be involved in all group briefings / broker sponsored investment conferences, or be fully briefed about those briefings.

Runge will make available on its website any relevant information (not previously disclosed) made available at group briefings / broker sponsored investment conferences including:

- (a) Copies of slides from analyst presentations; and
- (b) Slides/speeches made at investment conferences.

8.3 Analyst reports and forecasts

Runge recognises the important role performed by broker analysts in assisting the establishment of an efficient market with respect to its securities. However, Runge is not responsible for, does not endorse nor will be seen to endorse, analyst earnings forecasts on Runge. Accordingly Runge will not:

- (a) Externally distribute analyst projections or reports (unless there is a cover note attached stating that Runge does not endorse the earnings forecasts contained within the respective reports), but may do so for internal Board or management purposes; or
- (b) Post analyst research on its website, or refer to analyst recommendations on its website.

Where analysts send draft reports to Runge for comment, they must be immediately referred to the CFO and Global Communications Manager. To avoid inadvertent disclosure, comment on analyst reports will be restricted to:

- (a) comments with regards to factual accuracy;
- (b) information Runge has publicly released; and
- (c) information that is in the public domain.

Given the level of price sensitivity to earnings projections, Runge will not comment on analyst forecasts or disclose its own earnings projections (unless required). However, Runge may consider it appropriate to comment on (or correct) an analyst report or earnings projections where:

- (a) A proposed projection differs significantly from Runge's published earnings projections (if one has been made);
- (b) The analyst has overlooked certain previously disclosed facts, factors or trends relating to Runge's historical performance or publicly available information;
- (c) The analyst appears to be miscalculating their earnings forecasts using publicly available information; and/or

(d) Changes have occurred in the assumptions underlying Runge's earnings forecasts.

If Runge becomes aware that in general the market's earnings projections materially differ from Runge's own estimates, Runge may consider it appropriate to issue earnings guidance to the market.

Investment markets are inherently volatile and Runge's earnings are affected by the performance of global and domestic economic conditions. Runge's policy is to provide the market with sufficient information to allow analysts and the investment community to forecast the company's earnings. However, at any given point in time, there could be differences between Runge's own internal estimates and consensus market forecasts given analysts tend to mark-to-market their earnings forecasts twice a year.

In the circumstances where there are material differences between the market's earnings projections and Runge's own internal estimates, Runge does not believe it is appropriate to issue earnings guidance where all relevant material information is publicly available.

The Global Communications Manager will keep a record of analyst earnings projections and be aware of Runge's own earnings estimates. The Board will be informed of analyst earnings projections at each Board meeting.

8.4 Media relations and public statements

No media release should be issued without first:

- (a) Being reviewed by the Global Communications Manager; and
- (b) Following review by the Global Communications Manager, being reviewed by the Group General Counsel.

In addition, no media release (other than non-material releases, product releases or other similar releases) should be issued without first being disclosed to the ASX and receiving acknowledgement that the ASX has released the information to the market.

Any inquiry that refers to market share, financials or any matter which the recipient considers may have a material effect on the price of Runge's securities must be referred to the CFO and Global Communications Manager.

No information is to be given to the media on matters which are of general public interest or which may materially affect the price of the Company's securities without the approval of the MD (or an authorised representative of the MD).

The guidelines outlined above are subject to any directions given by the Board, either generally or in a particular instance.

9. SHAREHOLDER COMMUNICATION

9.1 Reports to shareholders

Runge produces half yearly and yearly financial reports, and an annual report, in accordance with the Corporations Act, the ASX Listing Rules and applicable Accounting Standards. It seeks to give balanced and understandable information about Runge and its proposals in its reports to shareholders.

9.2 Runge’s website

Runge’s website contains information about the company including shareholder communications, announcements made to the market and related information. Investor information will be posted in a separate section on the website from other material about the Company.

Relevant press releases, financial announcements and financial data, and Runge’s Charters and Policies will also be available on the website. The website also provides information for shareholders to direct inquiries to Runge.

9.3 Use of electronic communication and other technology

Shareholders may elect to receive information electronically as it is posted on Runge’s website. Runge may consider the use of other reliable technologies as they become widely available.

9.4 Notices of meetings

Runge seeks to ensure that the form, content and delivery of notices of general meetings will comply with Runge’s constitution, the Corporations Act and ASX Listing Rules. Notices of meeting and accompanying explanatory notes aim to clearly, concisely and accurately set out the nature of the business to be considered at the meeting. Runge will place notices of general meetings and accompanying explanatory material on its website.

10. RUMOURS AND MARKET SPECULATION

Subject to its continuous disclosure obligations, Runge will not generally comment on rumours or market speculation.

11. PRELIMINARY ANNOUNCEMENTS AND TRADING HALTS

In order to facilitate an orderly, fair and informed market it may be necessary for Runge to provide a preliminary announcement or trading halt. The Disclosure Committee, in consultation with the Board, will make all decisions relating to preliminary announcements or trading halts.

In some circumstances, Runge may seek to delay announcing the full details of a matter where further work is being done, by giving a preliminary announcement, provided that the information does not mislead the market. A preliminary announcement may help to ensure that a false market does not arise in relation to Runge’s securities.

In other situations it may be necessary to request a trading halt. Runge may request a trading halt of its securities. A trading halt can be used to protect Runge if it possesses potentially disclosable information and it cannot make:

- (a) detailed disclosure of that information (for example, because it is confidential); or
- (b) a preliminary announcement (for example, because it would be insufficient to inform the market).

12. COMMUNICATION “BLACK OUT” PERIODS

Runge observes a series of “black out” periods throughout the year to protect against inadvertent disclosure of material price or value sensitive information. These periods are imposed between the end of Runge’s reporting periods (31 December and 30 June) and announcement of results to the market.

In the “black out” periods:

- (a) Discussions with analysts should be kept to a minimum. If a meeting cannot be avoided there will be no discussion of material matters other than those previously disclosed to the market;
- (b) No comments will be made regarding broker research, particularly pre-results analyses; and
- (c) Discussions with institutional investors and individual investors should be kept to a minimum. If a meeting cannot be avoided there will be no discussion of material matters other than those previously disclosed to the market.

This paragraph would not apply in the event that Runge announces a material event during a “black out” period (relating to, for example, an acquisition, divestment, capital raising, or profit warning) and is required to brief analysts and investors with regards to the announcement.

13. LIABILITY FOR BREACH

13.1 Liability of Runge

If Runge contravenes its continuous disclosure obligations under the ASX Listing Rules and Corporations Act:

- (a) it may incur criminal liability, civil liability or a civil penalty under the Corporations Act;
- (b) ASIC may issue an infringement notice to Runge if it has reasonable grounds to believe that Runge has contravened its continuous disclosure obligations; and
- (c) The ASX may suspend Runge’s securities from quotation if, in its opinion, Runge is unable or unwilling to comply with, or breaches, its continuous disclosure obligations.

13.2 Liability of others

Any officer, employee or other person may face criminal liability, civil liability and civil penalties as an accessory if involved in a breach of the continuous disclosure obligations.

You could be liable if you participate in the decision-making process or have the capacity to affect disclosure or knowingly withhold relevant information from your superiors that leads to a contravention of the continuous disclosure obligations.

Breaches of Runge’s Continuous Disclosure Policy and/or these Guidelines may lead to disciplinary action being taken against the employee in breach, including dismissal in serious cases. For certain liabilities, defences may be available if all reasonable steps were taken to ensure compliance with the disclosure obligations.

14. INFORMING EMPLOYEES

To assist employees to understand Runge’s continuous disclosure obligations, and their individual reporting responsibilities, a copy of Runge’s Continuous Disclosure Policy and these Guidelines are posted on Runge’s intranet.

15. REPORTING ON GUIDELINES

These Guidelines will be made publicly available by posting them to the Runge website in a clearly marked corporate governance section.

The corporate governance section of Runge's annual report will include an explanation of any departure from the ASX Corporate Governance best practice recommendations dealing with disclosure of material information.

16. QUESTIONS

Any questions about Runge's continuous disclosure obligations, or Guidelines that have been put in place, should be referred to the Disclosure Officer.

SCHEDULE 1 – MATERIALITY GUIDELINES

1. Examples of information to be disclosed if material

The notes to ASX Listing Rule 3.1 list the following examples of information which, if material, must be disclosed to ASX:

- (a) **Forecasts** – a change in Runge’s financial forecast or expectation. ASX Guidance Note 8 suggests that a variation in excess of 10 to 15% may be considered material;
- (b) **Insolvency** – the appointment of a receiver, manager, liquidator or administrator in respect of any loan, trade credit, trade debt, borrowing or securities held by Runge or any of its subsidiaries;
- (c) **Transactions** – a transaction for which the consideration payable or receivable is a significant proportion of the written down value of Runge’s consolidated assets. Normally, an amount of 5% or more would be significant, but a smaller amount may be significant in a particular case;
- (d) **Dividends declared** – a recommendation or declaration of a dividend or distribution;
- (e) **Dividends not declared** – a recommendation or decision that a dividend or distribution will not be declared;
- (f) **Issue of securities** – under subscription or over subscription to an issue of securities by Runge;
- (g) **Information disclosed overseas** – a copy of a document containing market sensitive information that Runge lodges with an overseas stock exchange or other regulator which is available to the public;
- (h) **Tracing beneficial ownership of shares** – information about the beneficial ownership of securities obtained under Part 6C.2 of the Corporations Act;
- (i) **Takeovers** – giving or receiving a notice of intention to make a takeover;
- (j) **Related party transactions** – an agreement between Runge (or a related party or subsidiary) and a Director (or a related party of the Director);
- (k) **Financial documents** – a copy of any financial document that Runge lodges with an overseas stock exchange or other regulator which is available to the public;
- (l) **Accounting policies** – a change in accounting policy adopted by Runge;
- (m) **Credit ratings** – any rating applied by a rating agency to Runge, or securities of Runge, and any change to such a rating; and
- (n) **Auditor** – a proposal to change Runge’s auditor.

2. Other information

By way of further guidance, other matters which may potentially be material depending on the relevant facts and circumstances include:

- (a) **Ability to carry on business** – anything that might affect Runge’s ability to carry on business;
- (b) **Future activity** – anything having a material effect on future activity including a new proposal or development;

- (c) **Joint venture** – entering into or exiting an alliance or joint venture;
- (d) **Funding** – a significant funding arrangement;
- (e) **Foreign activities** – significant foreign activities or proposed foreign activities;
- (f) **Technology** – a significant change in technology or the application of technology which could affect Runge’s business;
- (g) **Change in law** – any proposed change in regulation or law that could affect Runge’s business;
- (h) **Breach of law** – a significant allegation of any breach of the law, whether civil or criminal, by Runge or any of its employees;
- (i) **Reputation** – a matter having an adverse effect on the Company’s reputation;
- (j) **Market changes** – significant changes in the market that may affect the business of the Company;
- (k) **Directors and senior management** – a change in the directors or a significant change in senior management;
- (l) **Structure** – a significant change in corporate or capital structure including a buy-back of shares; and
- (m) **Onerous or unusual matters** – anything that is onerous, unusual or outside the ordinary course of Runge’s business including a significant bad debt, credit loss, material litigation or profit downgrade.

The Disclosure Committee may set monetary amounts or percentages for a quantitative test to assist in assessing whether information is material.

SCHEDULE 2 – REQUESTS FOR ANALYST / INSTITUTIONAL FUND MANAGER MEETINGS

Runge's Global Communications department is responsible for making appointments for analysts/institutional fund managers on an ongoing basis.

All requests to the organisation should be routed through the Global Communications Manager. After ascertaining the nature of the meeting requested, a meeting may be scheduled with:

- MD;
- Executive Director;
- CFO;
- Executive Team members and/or senior management (only after approval from the MD or CFO).

The process for screening meetings is as follows:

1. Upon request for a meeting, the following information will be obtained:
 - analyst/broker details
 - client company name
 - client name
 - position within the Company
 - requested dates for Meeting (obtain more than one date)
 - level of knowledge of Runge and areas of interest to be covered in the meeting.
2. The Global Communications department will then determine the appropriate member of Runge management to meet with the analyst/investor, based generally on the analyst's/investor's level of knowledge of Runge.

The criteria used are as follows:

- where the investor is a shareholder or a potential shareholder with in-depth knowledge of the company – the appropriate person will depend on the area of particular interest the investor has and/or the person they request to meet
- where the investor is not a shareholder and/or has limited knowledge of the sector or the company – a meeting will be arranged with the Global Communications Manager and an appropriate company representative for general background, with a follow up meeting to be set up later if further interest is expressed.

Where possible, meeting requests will require at least two weeks' notice, and in the case of more general meetings, Global Communications will attempt to hold the meeting during one of the formal investor relations periods (e.g. around half and full year results announcements).

3. Once the appropriate internal person to conduct the meeting is decided, the Global Communications department will then forward information and request availability.

Note that at all times, meetings will be conducted with at least two members of Runge management present and preferably with one of those present from Global Communications.

4. Prior to any meeting taking place the Global Communications Manager will contact the analyst/investor and request the client send through a comprehensive list of topics / questions they would like to see addressed. An email will be sent back to the analyst confirming details of the meeting.

5. On conclusion of the meeting a note of the meeting will be drafted and internally circulated. A copy will be kept on file for future reference (if required).