



CONTINUOUS DISCLOSURE POLICY

1. INTRODUCTION

As a public listed company, Territory Resources Limited (“**Territory**” or the “**Company**”) has continuous disclosure obligations to ensure trading in its securities is conducted on a fair basis. Territory is committed to:

- ensuring that shareholders and the market are provided with full and timely information about Territory's activities, including the announcement of media releases of important milestones;
- complying with the continuous disclosure principles contained in the ASX Listing Rules and the Corporations Act;
- preventing the selective and inadvertent disclosure of material price sensitive information; and
- ensuring that all shareholders have an equal opportunity to receive externally available information issued by Territory.

This Policy has been adopted by the Board of Territory to assist Directors and staff to comply with the spirit as well as the letter of the continuous disclosure laws.

2. LEGAL FRAMEWORK

Territory must comply with the law regarding continuous disclosure.

The general continuous disclosure rules are contained in ASX Listing Rules 3.1, 3.1A and 3.1B. In effect, Territory is obliged (subject to specific exceptions) to advise the ASX of any information that a reasonable person would expect to have a material effect on the price or value of Territory's securities.

Section 674 of the Corporations Act makes a failure to comply with Listing Rule 3.1 an offence under the Corporations Act.

The ASX has issued a Guidance Note to assist public listed companies in complying with Listing Rule 3.1.

The Australian Securities and Investments Commission has also issued a set of guidance principles to assist companies in complying with continuance disclosure obligations entitled "Better Disclosure for Investors". These guidance principles are incorporated into the ASX Guidance Note.

3. DISCLOSURE PRINCIPLES

Territory must immediately notify the market by announcement to the ASX of any information concerning the business of Territory that a reasonable person would expect to have a material effect on the price or value of Territory's securities.





The only exception to this disclosure principle is that permitted under Listing Rule 3.1A where a company may withhold disclosure if all three of the following criteria are satisfied:

- a reasonable person would not expect the information to be disclosed;
- the information is confidential and the ASX has not formed the view that the information has ceased to be confidential;
- 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 Territory;
 - the information is a trade secret.

In addition, if the ASX considers that there is or is likely to be a false market in Territory's securities, and asks Territory to give it information to correct or prevent a false market, Territory must give ASX the information needed to correct or prevent a false market.

4. PERSONS RESPONSIBLE FOR CONTINUOUS DISCLOSURE

The Company Secretary of Territory shall oversee and administer all continuous disclosure procedures relating to Territory. Accordingly, where an employee considers that a matter may be required to be disclosed to the ASX, that employee must immediately report the matter to the Company Secretary or to the Chairman and advise of the details of the matter.

The Company Secretary must consider each matter raised with him or her as potentially requiring disclosure to the ASX and ensure that all appropriate information is brought before the Board for discussion and, subject to amendment, the Board's approval. The Company Secretary may, where appropriate, seek external legal advice on whether a particular matter requires disclosure to the ASX.

As a general rule, no announcement to the ASX is to be made without the approval of the Chairman. In matters of urgency and where the Chairman is not available, the Company Secretary may make announcements with the Managing Director's approval. In situations where the Chairman and Managing Director are not available the Company Secretary should use reasonable endeavours to contact another Director of the Board prior to any announcement to seek his or her approval to that announcement.

5. SIGNIFICANT ANNOUNCEMENTS

The Board will approve the text of any announcement which contains or relates to financial forecasts or material which is significant as regards Territory policy or strategy.

Where the urgency of the subject matter precludes reference to the full Board, an announcement within this category may be approved by the Directors who are available.





Significant announcements of a recurring nature, such as Territory's half year and end of year results, are as a matter of course presented for consideration by the full Board prior to their release to the market.

6. TRADING HALTS

Territory may request a trading halt to prevent the emergence of a false or uninformed market for Territory's securities and to manage disclosure issues. Any decision to make an application to request a trading halt must be made in consultation with the Chairman and in urgent situations where the Chairman is not available with the Managing Director or other available directors.

7. ANNOUNCEMENT PROCEDURES

All continuous disclosure reporting to the ASX is to be made through the Company Secretary's office and in compliance with the Company Announcements Platform facility under the ASX Listing Rules. In effect, this means all announcements are e-lodged through the ASX Online e-lodgement system. The Company Secretary is responsible for maintaining the security of access to ASX Online for e-lodgement purposes. The Company Secretary shall ensure that processes in this area are documented and that at least one other person is trained to carry out these functions.

The Company Secretary shall report to the Board at its monthly meetings on the status of announcements made to the ASX.

The Managing Director has the responsibility of raising the awareness of and promoting this Policy within the Territory Group.

8. COMPANY SPOKESPERSONS AND MEDIA ENQUIRIES

Territory spokespersons must not disclose the subject matter of an ASX announcement to the media or any other members of the public until Territory has received an acknowledgment from the ASX of receipt of the announcement.

The Chairman is the primary spokesperson for responding to enquiries from media relating to the governance of the organisation, and the Managing Director is the primary spokesperson for general corporate matters, assisted where appropriate by the Chief Financial Officer and the Company Secretary.

The Chairman is the primary spokesperson for responding to enquiries from institutional and other large shareholders.

The Managing Director is the primary spokesperson for responding to enquiries from stockbrokers, analysts and specialist financial and banking publishers.

The Company Secretary is the primary spokesperson in responding to enquiries from small shareholders.

If any other employee receives a request for comment from an investor, analyst or the media in relation to any matter concerning Territory, they must advise that person that they are not authorised to speak on behalf of Territory and must refer enquiries:





- Chairman;
- Managing Director; or
- Company Secretary

Employees should seek to identify the information required before referring the enquiry to ensure the coordination of Territory's response.

9. BRIEFINGS/ROADSHOWS

Briefings to analysts/institutions/stockbrokers and roadshows are encouraged to enhance a greater understanding of Territory. However, any written materials containing new price sensitive information to be used in briefing the media, institutional investors and analysts must be lodged with ASX prior to the briefing commencing. To assist in this process, all information to be presented at briefings/roadshows must first be forwarded to the Company Secretary for vetting. In addition, Territory's general policy is to give ASX copies of slides and presentations used in briefings or roadshows for release to the market prior to the briefing.

To protect against inadvertent disclosure of price sensitive information, Territory imposes communication blackout periods for financial information between the end of financial reporting periods (31 December and 30 June) and the announcement of results to the market. Any briefings or media contact in this period will not include discussion of the pending financial results of Territory.

If price-sensitive information is inadvertently disclosed at a briefing or roadshow, then the information must be immediately announced to the ASX.

If an analyst asks a question at a briefing or roadshow which touches on a price sensitive area, then the Territory spokesperson can only use publicly available information in the answer. Where this is not possible, then the Territory spokesperson should decline to answer the question or take it on notice and answer it after a general disclosure to the ASX has been made.

Those presenting material should conduct a de-brief at the conclusion of each presentation to determine whether any price sensitive material has been inadvertently disclosed.

10. REVIEW OF DRAFT ANALYSTS' REPORTS

Territory may sometimes be requested to review draft analysts' reports, on Territory, prior to publication. These draft reports may contain financial projections.

Any review of such draft reports by officers of Territory will be administered by the Chief Financial Officer and the Company Secretary and will be restricted to material previously disclosed or material in the public domain with regard to:

- amending factual errors;
- reviewing underlying assumptions.

Territory must not be responsible for and must not endorse analysts' research reports on the Company.





Under no circumstances should a Territory officer expressly or impliedly approve or disapprove the financial projections outside the information that is publicly available.

11. COMMUNICATION OF ASX ANNOUNCEMENTS

All information disclosed to ASX in compliance with this Policy will be posted promptly on Territory's website, following receipt of confirmation from ASX. The Territory Board will also be provided with copies of all information disclosed to the ASX. The Managing Director and Company Secretary will liaise to ensure that no inappropriate information is placed on the website. The Managing Director and Company Secretary are responsible for contents of the website.

12. ASX QUERIES/MARKET RUMOURS

Any information relating to market rumours or leaks relating to Territory must be advised to the Chairman, Managing Director or Company Secretary immediately. An assessment will be made to ascertain as far as practicable the veracity of the leak or rumour and the degree that the leak or rumour exists in the market place. If considered appropriate, the leak or rumour will be responded to by Territory through an announcement to the ASX. However, Territory's general policy, which must be observed by all employees, is not to comment on market speculation or rumours.

If the ASX verbally queries Territory on a leak or rumour, the Company Secretary must immediately advise the Chairman and Managing Director of the query. If the ASX sends a formal written request to explain a leak or rumour, then the Company Secretary will copy that request to all Directors.

The Chairman and Managing Director, in consultation with the Company Secretary, Chief Financial Officer and, where appropriate, other Directors will oversee the response of any ASX enquiry. Given that such enquiries usually require a quick response, some flexibility is needed in this Policy to ensure a timely response is provided to the ASX.

13. POLICY BREACHES

Breaches by employees of Territory's Continuous Disclosure Policy may lead to disciplinary action including dismissal in serious instances.

Adopted: 17 October 2008

Reviewed: 30 November 2009

