

NATIONAL LEISURE & GAMING LIMITED

CONTINUOUS DISCLOSURE POLICY

1. GENERAL

This Policy sets out the standards, protocols and the details requirements expected of all Directors, officers, senior management and employees of National Leisure & Gaming Limited (NLG) for complying with the Australian Securities Exchange (ASX) Listing Rules relating to “Continuous Disclosure”.

This Policy is designed to ensure that NLG complies with the ASX Listing Rules and provides equal access to information and to promote quality communication between NLG and third parties, such as shareholders, the investment community, the media, the ASX and other appropriate stock exchanges.

NLG will ensure that company announcements:

- i. are made in a timely manner;
- ii. are factual and are accurate;
- iii. do not omit material or relevant information; and
- iv. are expressed clearly and objectively to enable investors to assess the impact of the information when making investment decisions.

The Board of Directors of NLG is responsible for approving and monitoring compliance with this Policy. The effectiveness of the policy will also be evaluated regularly.

1.1 Compliance with ASX Listing Rules

NLG is listed on the Australian Securities Exchange (ASX) and must comply with the *Corporations Act* and the ASX Listing Rules (Listing Rules). NLG is committed to best practice in corporate governance standards and so it is appropriate that NLG adheres to the ASX Corporate Governance Council Corporate Governance Principles and Recommendations in relation to Continuous Disclosure and other relevant ASX principles.

1.2 Continuous Disclosure of Material Information

One of the most significant obligations imposed by the *Corporations Act* (s 674) and the Listing Rules is the continuous disclosure of material information to the market via the ASX. This is a mandatory obligation.

1.3 Purpose

The purpose of this Policy is to:

- i. ensure that all Directors, employees contractors and consultants (Employees) are aware of the continuous disclosure obligations of NLG; and
- ii. implement a procedure for the central collection, assessment and if required, release to the ASX, of material information.

2. CONTINUOUS DISCLOSURE

All material (price sensitive) information will be immediately disclosed to the market. That is, once NLG is, or becomes, aware of any information concerning NLG that a reasonable person would expect to have a material effect on the price or value of NLG securities NLG will inform the ASX of the information.

The materiality of a particular matter will be determined in accordance with the ASX Listing Rules and NLG’s corporate governance guidelines and procedures.

Following the announcement to the ASX, the information will be posted on NLG's website and may then be released to the broader investment community and the media.

Major financial results will be communicated to NLG employees following a public announcement.

NLG's obligation to disclose price-sensitive information does not apply if, and only if, each of the following conditions remains satisfied:

- i. a "reasonable person" would not expect the information to be disclosed (because for example, the result of disclosure would be unreasonably prejudicial to NLG;
- ii. the information is confidential, ie, not in the public domain (and ASX has not formed the view that the information has ceased to be confidential); and
- iii. one or more of the following apply:
 - a. it would be a breach of law to disclose the information; or
 - b. the information concerns an incomplete proposal or negotiation (for example, a negotiation to enter into a new contract); or
 - c. the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
 - d. the information is generated for NLG's internal management purposes only; or
 - e. the information is a trade secret.

2.1 Breach – Offences, Infringement Notices and Liabilities

A breach of section 674 of the *Corporations Act* is both a criminal and civil offence.

Furthermore, under section 1317DAC of the *Corporations Act*, the Australian Securities & Investments Commission may issue an Infringement Notice for an alleged contravention of the Act.

A person who is involved in any contravention by NLG of its continuous disclosure obligations also commits a civil offence. However, a person will not be liable if the person can prove that they:

- i. took all steps (if any) that were reasonable in the circumstances to ensure that NLG complied with its continuous disclosure obligations; and
- ii. after doing so, believed on reasonable grounds that NLG was complying with its obligations.

A third party who incurs a loss as a result of a breach of NLG continuous disclosure obligations may commence action against NLG or any Employee who was involved in the breach.

3. FALSE MARKETS

NLG aims to ensure that there is at all times a fair and balanced market in NLG shares and other securities.

4. TYPES OF INFORMATION THAT MAY REQUIRE DISCLOSURE

4.1 Notification

NLG employees are required to inform the Company Secretary immediately if they become aware of any price sensitive information relating to NLG. The Chief Executive

Officer, Chief Financial Officer and Company Secretary will consider whether disclosure to ASX is required, in consultation with the Chairman as necessary.

4.2 Types of Information

For assistance in determining if information is Material Information, the following types of information may be material and therefore may be required to be disclosed:

- i. the financial results of NLG and its subsidiaries;
- ii. projections of future earnings or losses;
- iii. material changes in NLG's financial forecasts or expectations;
- iv. a declaration of a dividend or a decision that a dividend not be declared;
- v. the making of a share, option or debt issue and the under or over subscription of that issue;
- vi. proposed acquisitions, mergers, sales, joint ventures or takeovers;
- vii. information about NLG's business plans, investment proposals or asset purchases or sales;
- viii. regulatory decisions or industrial actions that may affect NLG's operations;
- ix. the threat, commencement or settlement of any material litigation or claim;
- x. an agreement between NLG (or a related party or subsidiary) and a Director (or related party of the Director);
- xi. a change in accounting policy adopted by NLG;
- xii. a proposal to change NLG auditors;
- xiii. changes in senior management; and
- xiv. the health or capacity of any Director

4.2 Other Matters

Clearly, there are many other matters which may give rise to Material Information. Employees with any questions on whether particular information is material must contact the Company Secretary.

4.3 Providing Public Information

The Directors, the Chief Executive Officer and the Chief Financial Officer are the only authorised persons within NLG to comment publicly on the affairs of NLG. All communications publicly will be accordance with the ASX Listing Rules and NLG's corporate governance policies and processes.

As a listed company, Employees must ensure that only public information is provided when answering questions asked by third parties, including the media and analysts. Media statements or draft analyst reports will only be commented on or corrected by a Director of NLG and should only be commented on or corrected if doing so involves the provision of publicly available information.

4.4 Receipt of information to be equitable

No party external to NLG, apart from those who have signed a confidentiality agreement and are providing specific services to NLG, will receive information on the affairs of NLG that will provide them with a beneficial insight into the current and future financial affairs of NLG beyond the information that is publicly available.

5. RUMOURS AND MARKET SPECULATION

NLG will not generally or specifically comment on market speculation or rumour unless:

- i. there are factual errors contained in the speculation or rumour that could materially affect NLG; or
- ii. there is a move in the price of NLG's securities which is reasonably referable to the speculation or rumour; or

- iii. NLG receive a formal request from the ASX or a relevant regulator.

6. INVESTOR RELATIONS

6.1 General

Periodically NLG may conduct investment community briefings. These briefings will be carried out in accordance with NLG's corporate governance framework and, in particular, the following principles will apply:

- i. No materially sensitive information will be disclosed at these briefings unless it has been previously or is simultaneously disclosed to the ASX;
- ii. If any materially sensitive information is inadvertently disclosed then NLG will immediately disclose the information to the ASX;
- iii. a minimum of two NLG representatives will attend all briefings and a record of the briefing will be maintained; and
- iv. NLG will place a copy of any significant presentation material on the NLG website.

6.2 Analyst Reports and Estimates

NLG may review analyst's draft reports and models where requested. However comments will be restricted to the public information contained in a report or model and no comment will be made on the conclusions or assumptions.

Where appropriate NLG may acknowledge the current range of analyst's estimates, question an analyst's assumption where their estimate varies significantly from the current market range of estimates and correct factual errors.

7. DETERMINATION OF WHEN TO DISCLOSE

6.1 Obligations

The Board has ultimate responsibility to ensure that NLG complies with its continuous disclosure obligations. It has delegated the day to day management of the responsibility of the Chief Executive Officer, Chief Financial Officer and Company Secretary.

NLG employees are required to inform the Chief Executive Officer immediately if they become aware of any actual or possible price sensitive information relating to NLG. The Company Secretary, Chief Executive Officer and Chief Financial Officer will consider whether disclosure to ASX is required, in consultation with the Chairman as necessary.

6.2 Chief Executive Officer's Responsibilities

The Chief Executive Officer has overall administrative responsibility for reviewing all information forwarded pursuant to this Policy and where necessary, for making a recommendation to the Chairman on whether it is Material Information that must be disclosed to the ASX and/or falls within the exemption referred to in Section 2.

6.3 Procedures

The Chief Executive Officer, in conjunction with the Company Secretary and Chief Financial Officer, must:

- i. review all information forwarded pursuant to this Policy and decide what information may be Material Information which must be disclosed to the ASX.
- ii. provide advice to the Chairman, where necessary;

- iii. following approval of disclosure by the Chairman, if required, release the information to the ASX; and
- v. maintain a record of all Material Information disclosed to the ASX.

6.4 Determining Material and Non-Material Information

Upon notification of any Material Information, the Chief Executive Officer will immediately review the information and form an opinion on whether the information must be disclosed to the ASX. There are three alternatives:

1. The Chief Executive Officer believes the information is material and must be disclosed to the ASX. The Chief Executive Officer must immediately discuss the matter with the Chairman. Following approval by the Chairman, the Chief Executive Officer must arrange for a letter to be sent to the ASX disclosing the information. A copy of the letter is to be immediately distributed to Directors.
2. The Chief Executive Officer believes the information is either not material or does not have to be disclosed because it is covered by the exemption in Listing Rule 3.1A.

If this is possibly contentious, the Chief Executive Officer must discuss the decision with the Chairman and then prepare a file note containing the reasons for the decision which must be placed on the ASX File.

3. The Chief Executive Officer is not certain whether the information is material or falls within the exemption. The Chief Executive Officer must immediately discuss the matter with the Chairman. If no decision on disclosure can be made with certainty, the matter must be immediately referred to external counsel for advice.

The Company Secretary is responsible for facilitating all communications between NLG and ASX. The Company Secretary is responsible for ensuring timely disclosure to the ASX in accordance with the Listing Rules and Online Lodgement requirements and ensuring the timely posting on all ASX announcements on the NLG website.

7. CLOSED PERIOD

NLG adopts a six week “closed period” prior to the half and full year financial results. During closed periods, NLG will not normally allow one-on-one meetings between NLG’s senior management and investment community representatives or the media.

Where appropriate, and provided that the restriction on any discussion of financial or operational performance, is made explicit, permission may be granted for investment community or media briefings to discuss NLG’s previously disclosed strategy. Particular attention will be paid to a detailed record of any such meeting.

8. TRADING HALTS

In order to maintain a fully informed, fair and transparent market in respect of NLG securities, NLG may request a trading halt from the ASX where:

- i. confidential information about NLG is inadvertently made public and further time is required to enable NLG to prepare an appropriate public announcement; or
- ii. NLG is preparing to make a major announcement and is concerned to prevent speculative or insider trading.

The Board has agreed that a trading halt will only be called by:

- i. In the first instance, jointly by the Chairman and Chief Executive Officer;

- ii. In the absence of either the Chairman or the Chief Executive Officer, jointly by any one Director and the one person available under paragraph (i);
- iii. In the absence of the both the Chairman and the Chief Executive Officer, jointly by any two Directors;
- iv. In the absence of any two Directors, any one Director; and
- v. In the absence of any Director, by the Company Secretary.

9. ADMINISTRATION

9.1 Publication of the Code

This Policy will be available at all venues and places of employment by NLG. It will also be provided to all employees on appointment.

9.2 Continual Improvement

NLG will continue to monitor the appropriateness and effectiveness of this Policy and adopt appropriate agreed improvements and reporting procedures.

9.3 Amendments and Updates

This Policy may be updated from time to time. Employees will be required to comply with the Policy as updated.

Amendments to this Policy must be approved by the Board of NLG.

9.4 Questions About this Policy

Any questions about this Policy and its application should be directed to the Company Secretary.