



Human Resources Policy

MARKET DISCLOSURE

Document Number: HRD026

Version: 3.0

Owner: Company Secretary

Issued: 01 January 2011

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1 Document Summary

1.1. Scope

Hyro Limited (Hyro) acknowledges that the provision of accurate and timely information relating to its material activities and performance is fundamental for investors. Hyro is committed to complying with its continuous disclosure obligations under the ASX Listing Rules and the Corporations Act. This document sets out the policies and procedures adopted by the Hyro Board for ensuring compliance with those obligations. It also sets out Hyro's policy in relation to periodic disclosures to the ASX and communications with the financial market, stakeholders and the public generally.

1.2. Responsibility

This Policy is the responsibility of the Company Secretary.

1.3. Review

The Board must review this Market Disclosure Policy and Procedure at appropriate times to ensure that it is effective and remains consistent with the ASX Listing Rules and the Corporations Act.

This policy will be reviewed annually and as necessary to ensure continual compliance.

1.4. References

ASX Listing Rules

Corporations Act 2001 (Cth)

1.5. Definitions

Members

All people employed by, or contracted to, the company

Disclosure Personnel

The CEO, Chairman and Company Secretary

Price Sensitive Information

Information which may have a material effect on the price of securities

2 Continuous Disclosure Obligations

Hyro is listed on the ASX and is therefore required to comply with the continuous disclosure obligations imposed by the ASX Listing Rules. These obligations have the force of law under the Corporations Act.

- 2.1. Hyro must immediately inform the ASX once it becomes aware of any information concerning Hyro that a reasonable person would expect to have a material effect on the price or value of Hyro's securities.
- 2.2. A reasonable person is taken to expect information to have a material effect on the price or value of securities if that information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell the securities.
- 2.3. Hyro is not required to give the ASX information if:
 - 2.3.1. a reasonable person would not expect the information to be disclosed; and
 - 2.3.2. the information is confidential and the ASX has not formed the view that the information has ceased to be confidential; and
 - 2.3.3. one or more of the following conditions applies:
 - 2.3.4. it would be a breach of the law to disclose the information; the information concerns an incomplete proposal or negotiation;
 - 2.3.5. the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
 - 2.3.6. the information is generated for internal management purposes; or
 - 2.3.7. the information is a trade secret.
- 2.4. Any information relating to market rumours or leaks relating to the Company must be advised to the Chief Executive Officer (CEO) and Company Secretary as soon as possible. The CEO and Company Secretary will then take steps 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.
- 2.5. As a guiding principle, Hyro does not respond to speculation and market rumours unless required to do so by law. Employees must observe this at all times. Notwithstanding this, the Company may issue a statement where:
 - 2.5.1. the Company considers it has an obligation to make a statement particularly where the speculation or rumour is having, or is likely to have, an impact on the price Hyro's securities; or
 - 2.5.2. the Company is required to respond to a formal request from the ASX.
- 2.6. If the ASX considers that there is, or is likely to be, a false market in Hyro's securities and asks Hyro to give it information to correct or prevent a false market, Hyro must give the ASX the information needed to correct or prevent the false market. The CEO and Chairman in consultation with the Company Secretary and where appropriate other directors will oversee the response to an ASX enquiry.
- 2.7. Information which Hyro must disclose to the ASX under its continuous disclosure obligations is referred to in this document as price sensitive information.

3 Disclosure Guidelines

- 3.1. The fundamental principle of this Market Disclosure Policy and Procedure is that price sensitive information must be immediately disclosed to the ASX.
- 3.2. Examples of the type of information that would require disclosure to the ASX if price sensitive include but are not limited to:
 - 3.2.1. a significant change in the Hyro Group's financial forecasts;
 - 3.2.2. the awarding of a significant new contract to the Group;
 - 3.2.3. the acquisition or disposal of significant assets or investments;
 - 3.2.4. a significant event affecting or relating to the operations of Hyro, changes to the company's operations or changes in senior executive personnel;
 - 3.2.5. an event or transaction which potentially has a greater than 5% impact (positively or negatively) on the company's net profit; and
 - 3.2.6. an event or transaction which potentially has a greater than 5% impact (positively or negatively) on the value of the company's net assets.
- 3.3. As part of the induction process all new Directors and senior executives of the Company are to be made aware of the following issues:
 - 3.3.1. the type of information that needs to be disclosed to the ASX;
 - 3.3.2. the roles and responsibilities of Directors, officers and employees of Hyro in the disclosure context, in particular, who has the primary responsibility for ensuring that the company complies with its disclosure obligations and who is primarily responsible for deciding what information is disclosed;
 - 3.3.3. safeguarding confidentiality of corporate information to avoid premature disclosure;
 - 3.3.4. media contact and comment;
 - 3.3.5. measures for seeking to avoid the emergence of a false market in Hyro's securities.Inductees will be provided with a copy of this Market Disclosure Policy and the Shareholder Communication Policy.
- 3.4. All Directors are required to enter into a Director Disclosure Agreement with the company (as set out in Guidance Note 22 of the ASX Listing Rules). The Company Secretary is to maintain records of signed copies of these agreements.
- 3.5. Continuous disclosure will be an agenda item of all Board Meetings.

4 Responsibilities for Disclosure

- 4.1. The Board has ultimate responsibility for ensuring Hyro complies with its continuous disclosure obligations.
- 4.2. The CEO, Chief Operations Officer, Chief Financial Officer and the Company Secretary are responsible for:
 - 4.2.1. reporting immediately to the Board all price sensitive information reported to them;
 - 4.2.2. monitoring the media and movements in the price or trading of Hyro's securities to identify any issues that may require disclosure to the ASX or other actions to be taken under the ASX Listing Rules to prevent a false market; and
 - 4.2.3. preparing ASX announcements for the Board's approval with the aim of ensuring the announcements are factual, do not omit material information and are expressed in a clear and objective manner, that allows investors to assess the impact of the information when making investment decisions.
- 4.3. Decisions regarding whether something is either price sensitive or of strategic or operational importance which should be released to the market shall be made after consultation with the CEO, Chairman and Company Secretary (Disclosure Officers).

5 Disclosure process

In accordance with the ASX Listing Rules, all disclosures of price sensitive information will be made by way of formal announcement to the ASX.

The Company Secretary will arrange for disclosures to be lodged electronically.

6 Release of information to the media and the public

- 6.1. As soon as possible after receiving formal confirmation from the ASX that information disclosed to the ASX has been released to the market, Hyro will:
 - 6.1.1. release the information to news services and media outlets if appropriate;
 - 6.1.2. make the information available on its website (www.hyro.com); and
 - 6.1.3. send the information by email to key stakeholders and other subscribers to Hyro's email notification service.
- 6.2. Hyro must not publicly release information (even on an embargoed basis) that is required to be disclosed through the ASX until it has received formal confirmation of its release to the market by the ASX.

7 Trading halts

- 7.1. The ASX Listing Rules permit a listed company to request the ASX to halt trading in the company's securities to maintain orderly trading in its securities or generally to manage disclosure issues.

Situations where a listed company may request a trading halt include:

- 7.1.1. where media have made comments about the company sufficiently specific and detailed to warrant a response, but the company is not able to make the response immediately; or
- 7.1.2. where the ASX queries a change in the price or trading pattern of the company's securities and the company cannot reply in the time required.

- 7.2. The Disclosure Officers, in consultation with the Board, will make all decisions regarding trading halts.

8 Authorised spokespersons

- 8.1. Only the following persons (Authorised Spokespersons) may speak to investors, analysts and the media on behalf of the Company:
- 8.1.1. the Chairman, the Chief Executive Officer and the Company Secretary; and
- 8.1.2. any person authorised by any of them.
- 8.2. In relation to queries from the media, the primary spokespersons for the Company are the CEO and Chairman.
- 8.3. The CEO and Chairman are the primary spokespersons in responding to queries from institutional and other large shareholders, and from stockbrokers and analysts. The Company Secretary is the primary spokesperson for responding to enquires from retail shareholders.
- 8.4. Other Hyro employees who are asked by an investor, analyst or the media to provide or comment on any information relating to Hyro must:
- 8.4.1. say that they are not authorised to speak on behalf of the Company; and
- 8.4.2. refer the investor, analyst or media to the CEO or Chairman.
- 8.5. Authorised Spokespersons may clarify information that Hyro has publicly released but, in doing so, must not provide any price sensitive information that has not already been released to the market.
- 8.6. Questions will invariably be asked by investors, analysts or the media which can only be answered by disclosing price sensitive or potentially price sensitive information which has not been released to the market. In such circumstances, the response should be to decline to answer the question or to take the question on notice. This will permit in appropriate circumstances the information to be released to the ASX before the question is answered.
- 8.7. Authorised Spokespersons and other Hyro employees should immediately inform the Disclosure Officers if they have any concern that price sensitive information may have been inadvertently disclosed at a briefing or in response to questions from investors, analysts or the media.

9 Periodic market disclosures

During the course of the year Hyro will make the following scheduled disclosures to the market:

- in January, cashflow for 4th quarter announced;
- in February, preliminary final results announced;
- in March, annual report sent to shareholders;
- in April, cashflow for 1st quarter announced;
- in July, cashflow for 2nd quarter announced;
- in August half yearly results announced; and
- in October, cashflow for 3rd quarter announced.

10 Periods prior to release of financial results

- 10.1. During the period between the end of the financial year or half year and the release of actual results, Hyro will not discuss financial performance, broker estimates and forecasts and

particularly, any pre-result analysis with stockbroking analysts, investors or the media, unless that information has already been disclosed to the ASX.

- 10.2. If during the preparation of the financial statements, it appears that price sensitive information has not previously been disclosed, that information will be disclosed immediately and will not be held back for disclosure in the financial statements.

11 Private briefings and roadshows

- 11.1. Private briefings and investor roadshows to analysts, institutions and stockbrokers are encouraged by the Company to enhance a greater understanding of the Company and are considered an important part of pro-active investor relations.
- 11.2. If Hyro holds briefings or investor roadshows there will not be any price sensitive information disclosed unless, and until, the information has been publicly released to the ASX.
- 11.3. Any price sensitive information to be provided at a briefing will be lodged with the ASX prior to the briefing and will be made available on Hyro's website (www.hyro.com) as soon as the ASX has confirmed the release of the information to the market.
- 11.4. The Company Secretary will keep a record of persons attending each briefing and the subjects discussed.
- 11.5. Only Authorised Spokespersons may provide information or answer queries at a briefing.

12 Review of analysts' reports and forecasts

- 12.1. If provided with an analyst's report, Hyro accepts no obligation to comment on the report.
- 12.2. Hyro will not provide to analysts any price sensitive information unless, and until, it has been publicly released through the ASX.
- 12.3. Hyro will not endorse, or be seen to endorse, analysts' reports or any information contained in their reports. This means Hyro will not:
- 12.3.1. distribute publicly an individual analyst's projections or reports; or
 - 12.3.2. publicly comment on an individual analyst's recommendation or proprietary research.

13 Dissemination of information on website

The following information will be made available from Hyro's website (www.hyro.com) for access by all interested stakeholders:

- Hyro's annual and half yearly reports;
- full year, half yearly and quarterly results announcements;
- ASX releases;
- notices of meeting and explanatory material for shareholder meetings; and
- corporate information about Hyro (including profiles of all directors and Hyro principal corporate governance practices).

14 Policy breaches

A breach of this Market Disclosure Policy and Procedure may lead to disciplinary action being taken, which may include termination of employment in serious cases.

15 Review of policy

The Board must review this Market Disclosure Policy and Procedure at appropriate times to ensure that it is effective and remains consistent with the ASX Listing Rules and the Corporations Act.

16 Publication

This Market Disclosure Policy and Procedure will be made available to:

- Directors, executives and employees on Hyro's intranet site; and
- the public in the corporate governance section of Hyro's website (www.hyro.com).