PENSANA PLC
CORPORATE GOVERNANCE POLICES
Disclosure Policy

1 INTRODUCTION

1.1 Overview

Companies with shares admitted to trading on the Main Market of the London Stock Exchange plc must comply with, amongst other things, the rules relating to market abuse and inside information set out in the Market Abuse Regulation (EU) No. 596/2014 ("**MAR**") and the Disclosure Guidance and Transparency Rules sourcebook ("**DTRs**") published by the Financial Conduct Authority ("**FCA**") from time to time. In addition, companies listed on the Australian securities exchange ("**ASX**") have continuous disclosure obligations which are governed by the Corporations Act 2011 (Cth) (the "**Corporations Act**") and the Listing Rules of ASX (the "**ASX Listing Rules**").

To help ensure that Pensana Plc (the **"Company"**) and its subsidiaries (the Company and its subsidiaries together, the **"Group"**) complies with its obligations relating to inside information under MAR, the DTRs the Corporations Act and the ASX Listing Rules, this policy sets out the Company's procedures:

- to restrict access to inside information to those who need to know it;
- for disclosing inside information to the market as and when required; and
- to identify inside information.

This policy applies to all the Company's directors and employees and to all other Group companies, their directors and employees.

It is very important that the rules relating to market abuse and inside information are strictly complied with and the policies and procedures set in this note are designed to achieve that. If the Company or an individual breaches the rules, the FCA may impose sanctions on the Company and its directors. These could include financial penalties or public censure. If you do not follow the procedures you may also commit a criminal offence.

The requirements of both the Australian and UK regimes should be considered separately. If it is considered that information should be disclosed under the requirements of one regime then it should be disclosed to both markets, regardless of whether such disclosure would be required under the other regime.

Regard must also be had to the difference in time zones between the UK and Australia. Generally, announcements can be made in the UK between 0800 and 1630 London time and in Australia between 0830 and 1930 (2030 during daylight savings) Sydney time. This generally allows for simultaneous announcements at market opening in London.

1.2 Queries and more information

If you have any queries on this note or on the policies and procedures, you should contact the Company Secretary.

Part 2 - Continuous Disclosure Obligations

2 CONTINUOUS DISCLOSURE OBLIGATIONS

2.1 The Company's obligations

The Company must:

- inform the public as soon as possible of inside information (explained further below) which directly concerns the Company, except in certain very limited circumstances that justify a delay in making that disclosure;
- not disclose inside information selectively, except in very limited circumstances, or leak inside information; and
- restrict access to inside information to those who need to access it within the Group.

Where the Company has delayed the disclosure of inside information, it must:

- keep an internal record of specified information;
- as soon as it announces the information following the period of delay, inform the FCA that there was a delay in disclosure; and
- if requested by the FCA, provide the FCA with a written explanation of how the conditions for delay were met.

The Group must also have procedures:

- to identify information that may be inside information;
- to report potential inside information promptly so a decision can be taken about whether an announcement is needed; and
- to make sure any announcements are correct and complete.

These requirements come from MAR and the DTRs.

2.2 Identifying inside information

"Inside information" is, in relation to financial instruments or related derivative financial instruments, information of a precise nature which:

(a) has not been made public;

(b) relates directly or indirectly, to the Company or to one or more financial instruments; and

(c) which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments.

Information is precise if it:

(a) indicates a set of circumstances that exist or may reasonably be expected to come into existence or an event that has occurred or may reasonably be expected to occur; and

(b) is specific enough to enable a conclusion to be drawn as to the possible effect on those set of circumstances or that event on the prices of the financial instruments or the related derivative financial instruments.

In determining the likely price significance of information, the Company should assess whether the information in question would be likely to be used by a reasonable investor as part of the basis of his or her investment decisions and would therefore be likely to have a significant effect on the prices of the Company's financial instruments or derivative financial instruments (the "**reasonable investor test**"). There is no figure (percentage change or otherwise) that can be set when determining a "significant effect"; this will depend on the company involved. The Company should have a consistent procedure for determining what information is sufficiently significant for it to be deemed inside information and for the release of that information to the market.

An intermediate step in a protracted process could be inside information if, by itself, it satisfies the criteria of inside information.

There is further guidance relating to the "reasonable investor test" within the DTRs on the type of information which is likely to be considered relevant to a reasonable investor's decision including significant information relating to the Company's assets and liabilities, its financial position or its performance or expectation of the performance.

If there is any uncertainty over whether information should be categorised as inside information, the Company is expected to take advice from its financial adviser or other advisers.

2.3 **Control of inside information**

It is vital that inside information is controlled. Accordingly, the Company has adopted the following procedures to control access to inside information:

(a) there should be no discussions of relevant information in public areas (even within the office);

(b) sealed non-transparent envelopes should be used for internal circulation of hard copy documents;

(c) documents containing inside information should not be read or worked on where they can be read by others and should only be taken off site when absolutely necessary;

(d) wherever practical, relevant documents should be kept in locked cabinets and IT access to emails/documents should be restricted only to those to whom access should be granted;

(e) passwords and/or restricted access should be used for key documents where possible;

(f) code names should be used where possible in all documents, correspondence (including emails) and discussions that relate to individual projects that constitute inside information;

(g) access to computers and other electronic devices used by those with access to inside information should be restricted through the use of passwords; and

(h) access to inside information should be limited to those who need to see it, including when sending emails.

The DTRs permit selective disclosure of inside information in limited circumstances to certain categories of persons, outside those in the Company who need to know it. The DTRs suggest that these categories of recipient may include (but are not limited to):

- the Company's advisers and advisers of any other persons involved in the matter in question;
- persons with whom the Company is negotiating, or intends to negotiate, any commercial financial or investment transaction (including prospective underwriters or placees of the financial instruments of the Company);
- employee representatives or trade unions acting on their behalf;
- any government department, the Bank of England, the Competition Commission or any other statutory or regulatory body or authority;
- major shareholders of the Company;
- the Company's lenders; and
- credit-rating agencies.

These persons must be obliged to keep the information confidential. You must consult the Company Secretary before making any such selective disclosure. The Company should bear in mind that the wider the group of recipients of inside information the greater the likelihood of a leak which will trigger full public disclosure of the information under MAR.

If inside information is inadvertently disclosed or leaked (whether by someone in the Group or someone else), the Company Secretary or Disclosure Committee should be informed immediately so that an announcement can be made to the market at once and the Company can conduct an enquiry into the leak.

2.4 **Responsibility for disclosure**

The directors are responsible for carefully and continuously monitoring whether changes in the Company's circumstances are such that there is an announcement obligation. To ensure that decisions can be made quickly, the Board has decided to delegate this responsibility to a committee, the Disclosure Committee. The Disclosure Committee will:

- approve, and monitor compliance with, the Company's disclosure controls and procedures;
- determine whether information is inside information;
- determine whether inside information is to be announced as soon as possible or whether a delay is justified;
- review the scope, content and accuracy of disclosure;
- review and approve any announcements dealing with significant developments in the Company's business; and
- consider if an announcement is needed if there are rumours about the Company or a leak of inside information and if a holding announcement is needed.

2.5 **Operating procedures in relation to disclosure**

Notifying possible inside information

If an event or issue or any other information that may be inside information is identified, it should be notified to a member of the Disclosure Committee or the Company Secretary as soon as possible. The fact that it may not be easy to work out whether the information will have a significant effect on the Company's share price, or that the information is uncertain (e.g. because events are changing or are unclear, such as a fraud is alleged or legal action is threatened but not yet taken), should not delay this notification. The information should then be passed to the other members of the Disclosure Committee promptly and, where appropriate, to the Board.

Any such notification must include sufficient information to enable the Disclosure Committee to determine the significance of the event or issue and whether or not an announcement must be made. Where the information provided is uncertain or unclear, as much information as possible should be provided to help the Disclosure Committee reach a view on it and updates should be provided promptly as more information becomes available.

The ASX Listing Rules require that once a company 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 Company's securities, it must immediately (i.e. promptly and without delay) provide the ASX with that information, subject to certain very limited exceptions set out below.

The ASX also has an 'ASX first' policy – ASX Listing Rule 15.7 requires that a company must not release information that is for release to the ASX to anyone until it has given the information to the ASX, and has received an acknowledgement from the ASX that the information has been released to the market on the ASX Market Announcements Platform.

The Disclosure Committee and, where appropriate, the Board as a whole will decide the appropriate treatment in each case. Each event or issue must be referred to the Disclosure Committee to ensure that it is managed appropriately.

Monitoring the market and rumours

The Company Secretary will monitor the market for views on the Company and its share price and the elements that help to determine whether information is inside information or not. They will also monitor rumours about the Group. If there is doubt about whether a rumour is unfounded or comes from a leak, it should be notified to a member of the Disclosure Committee or the Company Secretary as soon as possible. The Disclosure Committee will decide whether to make an announcement.

If it appears that there has been a leak of inside information, the Company will decide whether to take the lead role in an enquiry into the leak and request all persons and firms working with it who had access to inside information before the leak to undertake a leak enquiry, monitor the progress of the leak enquiry and consider a report of findings.

Use of external advisers

Where the Disclosure Committee or the Board is uncertain about the need for an announcement or its timing, the Disclosure Committee or the Board should seek advice from the Company's financial adviser and, where appropriate, its external legal advisers. A record should be kept of the advice and reasons for the conclusion.

Drafting the announcement

The Company Secretary will co-ordinate the drafting of any relevant announcement as soon as practicable. The FCA expects there to be minimal delay between inside information being identified and an announcement being made (unless a delay is permissible). In addition, the ASX expects inside information to be disclosed immediately, i.e. promptly and without delay, unless a delay is permissible under the ASX Listing

Rules. Any announcement should be correct and complete. It should give the full story and not omit any material fact or anything likely to affect what is said. A draft of the announcement must be circulated to the Disclosure Committee and others involved with the issue or event. This is so that those close to the issue or event can ensure that the announcement is verified to be accurate and not misleading. The Disclosure Committee is responsible for ensuring that this verification process is followed.

Holding announcements

If the Disclosure Committee has decided it can delay disclosure (e.g. where it is negotiating a transaction), it will arrange for the preparation of a holding announcement that can be published at short notice if there is a breach of confidentiality, or a breach is likely. It will also consider arrangements to monitor the market for rumours or leaks and maintain all necessary internal records.

The Disclosure Committee will also consider publishing a holding announcement if an event has occurred which is unclear or uncertain (eg where a fraud is alleged or legal action against the Company is threatened) and the Committee decides more time is needed to consider the situation before putting out a further announcement at a later time.

Any holding announcement should detail as much of the subject matter as possible, set out the reasons why a fuller announcement cannot be made and include an undertaking to announce further details as soon as possible.

Approval and release of the announcement

The Disclosure Committee (or, where appropriate, the Board) will decide upon the final form and release time for all announcements.

United Kingdom

If the announcement is made when an RIS is open for business, it must be released through an RNS. The Company Secretary will be responsible for issuing releases. All announcements containing inside information must clearly identify this fact.

If the announcement has to be made outside these hours, it must be distributed as soon as possible to: (i) not less than two national newspapers in the United Kingdom; (ii) two newswire services operating in the United Kingdom; and (iii) an RNS for release as soon as it opens. The Company Secretary will be responsible for this process.

If the Company's shares or other instruments are traded on another regulated market, information should be released as far as possible at the same time on all markets.

The approved text will be posted on the Company's website (allowing access free of charge on a non-discriminatory basis) no later than close of the business day following the day of release and will be retained for five years. The inside information must be kept in an easily identifiable section of the website, organised in chronological order with the date and time of disclosure clearly indicated.

Australia

In Australia, announcements are released through the ASX Market Announcements Platform. Generally, announcements can be made in Australia, between 0830 and 1930 (2030 during daylight savings) Sydney time. Outside of these hours, announcements can be submitted to the ASX Market Announcements Platform and are embargoed until the market opens.

Ideally, the Company should aim to release announcements to both markets simultaneously. This may not always be possible where a material event occurs outside

of ASX market hours but within London Stock Exchange plc ("**LSE**") market hours. In such a case, although the Company has an obligation under the ASX Listing Rules to release material price sensitive information through the ASX Market Announcements Platform before it is released to anyone else, the ASX recognises that sometimes events will occur outside of the hours of operation of the ASX Market Announcements office which require an immediate public announcement. It is understood that if a company has a pressing commercial or legal need to make a market sensitive announcement outside of the hours of operation of the ASX Market Announcements office, for example because of a regulatory obligation to announce to the LSE, provided the Company gives a copy of the announcement to the ASX Market Announcements office at the same time as it makes the announcement, so that it is queued for processing by the ASX Market Announcements office before the ASX next opens for trading, the ASX will generally not take any action against the entity for infringing ASX Listing Rule 15.7.

The overarching requirement is therefore that inside information must be disclosed to the relevant stock exchanges first. The Company should establish effective arrangements to deny access to inside information to persons other than those who require it for the exercise of their functions within the Company

Insider list process

MAR requires the Company to maintain "insider lists" and to ensure that persons acting on its behalf or for its account (for example advisers) also maintain such lists of people working for them, under a contract of employment or otherwise, who have access to inside information relating to the Company, whether on a regular or occasional basis.

The insider list may include a supplementary section for 'permanent insiders' ie those people who, due to the nature of their position, have access at all times to all inside information within the Company. The Company has created insider lists and The Company Secretary will be responsible for administering the Company's insider lists following any decision of the Disclosure Committee or the Board in accordance with the relevant procedures.

2.6 **Delaying disclosure**

Under MAR, the Company may delay the public disclosure of inside information, provided that:

- immediate disclosure is likely to prejudice the legitimate interests of the Company;
- delay of disclosure is not likely to mislead the public; and
- the Company is able to ensure the confidentiality of that information.

Under the ASX Listing Rules immediate disclosure may only be delayed if all of the following are satisfied:

- a reasonable person would not expect the information to be disclosed;
- the information is confidential and ASX has not formed the view that the information has ceased to be confidential; and
- one or more of the following applies:
    - it would be a breach of a 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 internal management purposes of the Company; or

- the information is a 'trade secret.'

As the Company is listed in both London and Australia, to delay disclosure the Company would need to satisfy the requirements of both regimes – it could not, for example, delay disclosure to the ASX but release it to the London market.

Non-exhaustive guidance has been published on legitimate situations where disclosure may be delayed under MAR, and in most circumstances it is likely that these situations would also satisfy the ASX Listing Rules requirements for delayed disclosure:

(a) incomplete and confidential negotiations are being conducted which would likely be jeopardised by immediate disclosure – e.g. in relation to a potential acquisition or fundraising; or

(b) the company's financial viability is in grave and imminent danger, although not yet within the scope of insolvency law, and immediate disclosure would seriously prejudice the conclusion of rescue operations.

Conversely, delayed disclosure is considered likely to mislead the public, and therefore not be permitted in either jurisdiction, where the relevant inside information:

(a) is materially different to a previous announcement on the subject;

(b) regards the fact that the issuer's previously announced financial objectives are not likely to be met; or

(c) is in contrast to market expectations based on previous communications.

The guidance in DTR 2 and ESMA's guidelines on "legitimate interests for delaying disclosure of inside information" reflect current practice and cite the following as legitimate interests that are likely to be prejudiced by immediate public disclosure of inside information:

(a) the Company is conducting negotiations and these negotiations would be likely to be affected by public disclosure;

(b) the Company has developed a product or an invention and disclosure of this information may prejudice the ability to patent the product or invention or otherwise protect the issuer's rights; and

(c) the Company is planning to buy or sell a major holding in another entity but negotiations have not started yet and the conclusion of the deal is very likely to fail with immediate disclosure.

Negotiations intended to deal with a company's financial viability could normally be delayed if immediate public disclosure of the inside information would seriously prejudice the interests of existing and potential shareholders and could jeopardise the negotiations. However, any deterioration of the company's financial position that has led to the current situation would not fall within the exemption and, to the extent that this is inside information, should already have been the subject of a previous announcement.

Justifying non-disclosure of information by offsetting negative and positive news is not acceptable either. A dishonest delay of disclosure of information may give rights to

claims for compensation against the Company. **If there is any doubt as to whether information is inside information or an announcement should be made the matter MUST be referred to the Disclosure Committee or the Company Secretary.**

Where a decision to delay disclosure is made the Company is required to keep a detailed record of this decision, including the date and time when the information became inside information and when the decision to delay was made. The information that must be recorded is set out in the Appendix. When the information is published, the Company must notify the FCA that there was a delay in disclosure using the form available on the FCA's website and, if requested by the FCA, the Company must also provide a written explanation of how the relevant conditions allowing delay were satisfied.

Under the ASX Listing Rules, as the requirement is to make an announcement to the ASX 'immediately' (i.e. promptly and without delay), if the information in the draft holding announcement is not sufficient to inform the market adequately, or where insufficient information is available to prevent securities trading on an uninformed basis, the Company may need to request a trading halt in its securities to allow sufficient time to prepare the appropriate form of announcement.

2.7 **Dealing with the press, and investors and analysts**

Any enquiry from the press or from any analyst or investor seeking disclosure of any information about the Company or the Group should be directed to the Company Secretary. Insiders who confirm information put to them by a journalist may commit market abuse by disclosing inside information – even if the information was sourced from somewhere else first. If it seems that inside information has been leaked to a journalist (whether from the Group or elsewhere), the Company Secretary should be informed immediately. The Company needs to be careful in dealing with enquiries in respect of market rumours. Although there is no regulatory obligation to deny a false rumour, if the Company wants to make a denial it should make an announcement via an RIS, not through any other route. The Company can provide unpublished information to third parties only if it is not inside information. If the information is inside information, it can only be provided if this is permitted by the rules (see 'Control of inside information' above).

Dealing with the press

Only [*Pensana to confirm named person*] is authorised to have any communications with the press during any project or transaction involving inside information and must keep a contemporaneous note of any such communication with details of the time, date and length of the communication, those involved and what was discussed. Copies of any emails should also be kept.

Dealing with analysts

When dealing with analysts, the Company:

- should be careful to avoid inadvertently divulging any inside information, including where cumulative disclosure could amount to inside information;
- may, in addition to providing non-public information that is not inside information, draw public information to analysts' attention, explain information that is in the public domain and discuss markets in which the Company operates, but should avoid correcting the analysts' conclusions;
- generally need not correct errors in analysts' published reports, although if, as a result of serious and significant error, there is a widespread and serious misapprehension in the market, the Disclosure Committee should consider whether the Company should publish inside information to correct the error; and

- should keep a contemporaneous note of meetings with analysts and, as far as reasonably practicable, ensure that at least two Company representatives are present.

If inside information is inadvertently disclosed, the Company Secretary or Disclosure Committee should be informed immediately so that an announcement can be made to the market, generally at once.

2.8 **False market**

If the ASX considers that there is, or is likely to be, a false market in a company's securities, and requests information from the Company to correct or prevent the false market, the company must give ASX the information needed to correct or prevent the false market.

2.9 **Compliance**

Compliance with this policy is important. All directors and employees are therefore required to assist the Company by complying with the procedures set out in this document as relevant and by advising the Company Secretary immediately of any breaches of this policy. If you have any concerns that something may be inside information you should not hesitate to contact the Company Secretary immediately but do not tell him what the potential piece of inside information is until asked by him.

APPENDIX

INFORMATION THAT MUST BE RECORDED BY THE COMPANY WHEN IT DECIDES TO DELAY ANNOUNCING INSIDE INFORMATION

	Nature of information that must be recorded	**Details (to be completed by the Company Secretary)**
1.	Date and time when:	
	(a) the inside information first existed within the Company	Date: Time:
	(b) the decision was made to delay announcing the inside information	Date: Time:
	(c) the Company is likely to announce the inside information (if this date and time is uncertain, consider including details of events that it is anticipated should occur before an announcement is made – e.g. the current timetable for the transaction)	Date: Time:
2.	Identity of the persons within the Group responsible for:	
	(a) deciding when the delay should begin and end	Name: Position:
	(b) ensuring that the Group continues to meet the conditions for delaying an announcement	Name: Position:
	(c) deciding when and how the inside information should be announced	Name: Position:

	(d) notifying the FCA of the fact that the announcement was delayed and, if requested, providing the FCA with a written explanation of why a delay was permitted	Name: Position:
3.	Evidence of how the conditions for delaying an announcement were initially satisfied, and any subsequent changes (give the date and time of the change):	
	(a) Description of legitimate interest of the Company likely to be prejudiced if the information were announced	e.g. "*The Company is conducting negotiations with [counterparty] in relation to [matter], the outcome of which would likely be jeopardised by immediate public disclosure of that information" OR "The Company is planning to [buy][sell] a [major holding] in [entity] and the disclosure of such information would jeopardise the conclusion of the transaction"*
	(b) Description of how delay is not likely to mislead the public	e.g. "*It is generally understood in the market that information such as the [information] must be kept confidential until developments are at a stage when an announcement can be made without prejudicing the legitimate interests of the Company*"
	(c) Description of how the Company can ensure the information is kept confidential, including the information barriers which have been put in place to prevent anyone, either within or outside the Company, accessing the inside information other than persons who require it for the normal exercise of their employment, profession or duties	e.g. "*The Company has obtained contractual undertakings to keep the information confidential from [counterparty] [each potential bidder]. Each adviser who is acting on the [matter] owes [professional] duties of confidence to the Company*"

	(d) Description of arrangements put in place to deal with circumstances where there is a leak or the inside information otherwise ceases to be confidential	e.g. "*[●] has put in place arrangements to monitor the market for rumours or leaks. A draft holding announcement has also been prepared*"