



Continuous Disclosure Policy

INTRODUCTION

The Board of Mackay Sugar Limited (the Company) recognises the importance of timely communications to its shareholders and stakeholders and is committed to ensuring they are provided with full and timely disclosure about Mackay Sugar's activities. The Board is responsible for adopting and monitoring Mackay Sugar Limited's Continuous Disclosure Policy.

PURPOSE AND SCOPE

Mackay Sugar recognises that timely, accurate and consistent disclosure of public information regarding its operations and financial position will have a beneficial impact on the Company's public profile and credibility. As well, the Company recognises its obligations under the Australian Securities and Investments Commission (ASIC) Rules which provide a legal framework for disseminating information to investors and the financial marketplace.

The purpose of this policy is to: -

- Record and communicate Mackay Sugar's commitment to continuous disclosure; and
- To provide general guidelines to Mackay Sugar Directors and management in disclosing company-related information to external parties.

Disclosure Objectives

Mackay Sugar's objectives in its disclosure practices are as follows:

- To ensure compliance with the ASIC Rules and the Corporations Act;
- To ensure that material public information is distributed based on the principle of continuous disclosure, that is: the timely advising of information to keep the market informed of events and developments as they occur;
- To maintain credible and consistent communications with outside audiences;
- To ensure employees are aware of Mackay Sugar's continuous disclosure obligations.

Contravention of Continuous Disclosure obligations

Failure to comply with the Continuous Disclosure Policy may lead to a breach of the Corporations Act, for which Directors or other Officers of the Company may be held personally liable.

For this reason, compliance with the Continuous Disclosure Policy is taken very seriously by the Company.

GENERAL REQUIREMENTS

Nature of information which must be disclosed

- Any information of which Mackay Sugar becomes aware concerning the Company which is not generally available and which a reasonable person would expect to have a material effect on the price or value of securities of Mackay Sugar.

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- The attached Appendix lists examples of developments which depending on the circumstances may be construed as material.

Timing of announcements

The principle underlying continuous disclosure is that timely disclosure must be made of information which a reasonable person may expect to have a material effect on security values or influence investment decisions in which security holders, investors and ASIC have a legitimate interest.

- Unlisted disclosing entities are required to disclose promptly and without delay to ASIC any information that might affect the price of their securities.
- The Board of Directors will approve all announcements issued to ASIC, investors and the media prior to release.

Exceptions to disclosure policy

- A reasonable person would not expect the information to be disclosed;
- The information is confidential; and
- At least one of the following applies: -
 - It would be a breach of the law to disclose the information;
 - The information concerns an incomplete proposal or negotiation including where discussions or negotiations with respect to a potential material development or transaction are at a preliminary stage, or where premature release would be unduly detrimental to the interests of the Company;
 - The information is generated for the internal management purposes of Mackay Sugar Limited;
 - The information is about a matter of supposition;
 - Where the information is a trade secret.

Non selective disclosure

Material information must not be disclosed in one-on-one discussions or meetings with outsiders or in group meetings, unless an appropriate public disclosure is made simultaneously.

There is a very limited exception to the above restriction: material information which is not public may be provided by the Company prior to general publication to its bankers, lawyers and other persons having a necessary and confidential business association. This exemption includes key support staff. All parties that receive this information will be insiders, bound by non-disclosure obligations and also will be prevented by law from trading in the Company's securities.

Maintaining confidentiality

A leak of undisclosed material information could require general disclosure of the information at an inopportune time and thereby jeopardise a Company strategy or destroy an important opportunity as well as incur a liability under ASIC Rules and securities law.

All Directors and employees must make every effort to maintain the confidentiality of Mackay Sugar's internal information, including obtaining signed confidentiality undertakings from any external parties, and utilising practical processes including the secure handling

and storing of sensitive documents. Access to information regarding sensitive projects should be restricted to individuals whose role provides them with a “need to know.”

TYPES OF DISCLOSURE

Formal releases of material information

Formal release of information includes annual and half-yearly reports and press releases. The Directors through the Chairman approve all media releases for the Company. Compliance with the disclosure rules will be continuously monitored by Mackay Sugar’s Company Secretary, Chief Financial Officer and Chief Executive Officer. In the event staff members become aware of the possibility of material information needing disclosure, they must notify one of these executives immediately. Proposed disclosures will normally require the involvement of the Company Secretary, Chief Financial Officer and Chief Executive Officer.

Examples of formal releases of material information include announcements concerning significant contracts or major projects which will have a material effect on the price or value of Mackay Sugar’s securities, joint ventures or changes in joint ventures, key management or Board changes, and acquisitions (see Appendix 1). Formal releases should contain all needed material information. If “Questions and Answers” are prepared, these should contain only clarifications and supporting details to the formal release but not any new or additional material information.

Speeches and public presentations

All speeches and public presentations that contain references to any possible price sensitive matters including those contained in Appendix A should be cleared with one or more of the Chairman, Chief Executive Officer, the Chief Financial Officer or the Company Secretary. In particular, presentations that contain references to operating performance should be cleared by the Chief Executive Officer, and references to financial performance should be cleared with the Chief Financial Officer. Those referring to corporate policies should be reviewed by the Company Secretary. It is critical that all staff who are presenters guard against unintended disclosure of material information.

Responses to public comment

A company is not normally obliged to correct or comment on every inaccurate statement made by a third party or to respond to every rumour in the marketplace. It is usually sufficient to state that it is Mackay Sugar’s policy not to comment on rumours. However if in doubt, these matters should be raised with one of the Chief Executive Officer, the Chief Financial Officer or the Company Secretary.

Authorised Company Representatives

The following persons are authorised to make public comment on behalf of the Company: -

- Chairman
- Chief Executive Officer

The following Executive Team members are authorised to be spokesman for the Company for the areas within their Business Units: -

- Chief Financial Officer
- General Manager Commercial and Legal
- General Manager Operations
- General Manager Cane Supply and Logistics
- General Manager Mossman Mill
- Manager, Human Resources, Safety and Environment

The following officers are authorised to be spokespersons for the Company with specific approval of the Chief Executive Officer: -

- Business Development Manager
- Factory Managers
- Transport Operations Manager

Making and disseminating announcements

All material information will promptly and without delay, be disclosed by being placed on the Mackay Sugar Website. The Mackay Sugar Website is the key information dissemination point to the broader market. All ASIC announcements, media releases and presentations must be placed on the site as soon as possible.

The Company Secretary is responsible for the content of the site. Mackay Sugar has elected to follow ASIC's good practice guidance for website disclosure as set out in section C of Regulatory Guide 198 – Unlisted disclosing entities: continuous disclosure obligations (Good Practice Guidance)

POLICY REVIEW

The Board will review this Policy annually to assess whether it is effective in ensuring accurate and timely disclosure.

27 July 2017

MATERIAL INFORMATION EXAMPLES

While it is impractical to establish an absolute rule in determining what constitutes "*material information*" and whether or when disclosure is required, public disclosure should be considered in the following events (this list is not exhaustive):

1. Material changes in revenue, or profit or loss forecasts. As a general guideline, any financial impact which affects group revenue by 5% or profit by \$5m may be considered;
2. Material changes in asset values or the amount of liabilities;
3. Material changes in taxation or accounting policy;
4. Relationships with new or existing significant customers or suppliers;
5. The formation or termination of a joint venture;
6. Changes in corporate structure, such as reorganisations, amalgamations, mergers, etc;
7. Changes in share ownership that may affect control of the company;
8. Changes in capital structure;
9. Borrowing of a significant amount of funds;
10. Public or private sale of additional securities;
11. Calling of securities for redemption;
12. Declarations or failure to declare dividends;
13. Increases or decreases in regular dividends;
14. Events of default under financing or other agreements;
15. Significant developments affecting the company's resources (e.g. technology, production levels, products or markets, IP, downsizing);
16. Corporate acquisitions or significant disposals (shares or assets);
17. Gaining or losing of significant contracts;
18. Significant disputes with labour/unions, contractors or suppliers that would disrupt normal operating processes and procedures and will have a material financial impact;
19. Significant developments in litigation or regulatory proceedings;
20. Firm evidence of significant increases or decreases in near-term earnings prospects;
21. Significant changes in capital investment plans or corporate objectives;
22. Significant changes in management, specifically the resignation or retirement of the Chief Executive Officer, Chief Financial Officer or Company Secretary;
23. Changes in the Board of Directors; specifically the resignation or retirement of two or more Directors simultaneously outside of their three year rotation; and
24. Any other development relating to the business and affairs of the Company that would reasonably be expected to significantly affect the market price or value of any of the Company's securities or that would reasonably be expected to have a significant influence on a reasonable investor's investment decision.

Any questions relating to what constitutes 'material information' should be referred to the Chief Financial Officer or Company Secretary.