

Continuous Disclosure Policy

POLICY:

The Group aims to maintain open, timely and full communication with its shareholders, the investment community and its stakeholders in accordance with the Continuous Disclosure regime under ASX Listing Rule 3.1. The rule states that once an entity is or becomes aware of any information concerning the entity, that a reasonable person would expect to have a material effect on the price or value of the entity's securities, the entity must immediately release that information to the ASX.

The Company is also required to disclose information if asked to do so by the ASX, to correct or prevent a false market.

All employees are responsible for alerting their manager, the Company Secretary &/or the Managing Director &/or the Head of Investor Relations to any potentially disclosable or disclosable matter or event as soon as they become aware of it.

AUTHORISED PERSONNEL:

This Policy will be administered by Managing Director and Company Secretary. However employees at every level have a role to play to ensure that Petsec Energy achieves the objectives of this Policy.

The responsibilities under this Policy are divided as follows:

1. Board of Directors – the Board will be responsible for signing off on any subsequent amendments recommended by management. The Board will be involved in the review of significant ASX announcements;
2. Managing Director and Company Secretary – responsible for the overall administration of this Policy and all communications with ASX;
3. Other employees – report any materially price sensitive information to the Managing Director or Company Secretary or Head of Investor Relations.

Managing Director and Company Secretary

The Managing Director and Company Secretary are responsible for the overall administration of this Policy, and in particular, are responsible for:

- Ensuring that Petsec is in compliance with its continuous disclosure obligations;
- All communications with ASX;
- Reviewing proposed external announcements, and consulting with appropriate members of the Board, senior executives or external advisers as necessary;
- Implementing reporting processes and determining guidelines for materiality of information;
- Reporting to the Board on continuous disclosure issues;
- Keeping a record of all ASX and other announcements made by Petsec;
- Monitoring the effectiveness of this Policy, including the understanding by employees of the principles and spirit of continuous disclosure; and
- Regularly reviewing this Policy for legislative changes or development of best practice, and communicating any amendments to employees.

The Compliance Officer is the Company Secretary who should be kept informed of all material, potentially disclosable or disclosable matters, and is responsible for the release of such information to the market, following authorisation from the Managing Director &/or the Board.

In the absence of the Company Secretary, the Managing Director or Head of Investor Relations or Group CFO should be advised of potentially disclosable or disclosable matters.

PROCEDURES:

1. COMPANY ANNOUNCEMENTS

The management of Petsec Energy's external announcements depends largely on an effective system of internal reporting and preparation of announcements. In light of Petsec Energy's obligation to disclose any price sensitive information "as soon as it becomes aware" of this information, the following procedures, where required should be followed:

- All public releases are to be made under the direction of the Company Secretary following sign-off by the Managing Director.
- All material releases are to be circulated by the Company Secretary prior to release to all members of the Board and Executive Management for comment to ensure announcements are factual, balanced and do not omit any material information, having regard to the time necessary for each to respond and the urgency of the release to ensure prompt disclosure.

- All releases or reports containing statements of reserves or resources are to be in accordance with ASX listing rules requiring sign-off for content and context by an appropriately qualified person and in accordance with Petsec's Reserves and Potential Resources Policy.
- The Company Secretary will electronically lodge all releases with the ASX.
- All releases will be posted to the Company's website - upon receiving acknowledgement from ASX that the announcement has been released to the market, post the announcement onto the Petsec Energy website as soon as possible after receiving the ASX acknowledgement. The Company Secretary has the responsibility to monitor the posting of releases on the Company website and to ensure the 'Announcements' section of the website is kept up to date.
- All material releases are to be emailed to the Petsec contact list by the Assistant Accountant immediately upon receipt of confirmation from the ASX that the release is public. The contact list is to be maintained and kept up-to-date by the Assistant Accountant, to whom all employees are responsible for providing up-to-date contact info. The contact list shall be reviewed for currency by all members of Executive Management on a quarterly basis prior to release of the quarterly report.
- All presentation material to be used externally must be reviewed by the Company Secretary prior to external use to ensure the information is in the public domain or to allow time for disclosure to the ASX if required.
- All presentation material should be reviewed by the relevant members of the Executive Management team to verify its accuracy and conformity with other public information prior to external presentation.
- At the conclusion of each Board meeting, the Board and Executive Management will consider whether any additional disclosures are required to ensure the market remains fully informed.
- The Company endeavours to ensure that markets in the Company's securities are fully informed. Where necessary, the Company will request a trading halt from the ASX to prevent trading in the Company's securities by an inefficient and uninformed market until the Company can make an announcement to the market. The Chairman of the Audit Committee in conjunction with the Managing Director will make all decisions in relation to trading halts. The Managing Director or Company Secretary are the only personnel authorised to request a trading halt on behalf of Petsec Energy.

Joint Announcements

When a joint announcement with a joint venture partner is required, Petsec Energy will seek to give the partner sufficient time to review the announcement prior to its release, provided that it does not compromise Petsec Energy's ability to comply with its disclosure obligations.

2. COMMUNICATING WITH ANALYSTS, INVESTORS AND SHAREHOLDERS

All media enquiries are to be referred to the Managing Director or his nominated delegate.

Company personnel will have due regard for confidential and market sensitive information. Members of Executive Management (Managing Director, Company Secretary, Chief Executive Officers of each of the geographic regions, President PEI, Group CFO, Head of Investor Relations, and other personnel as specifically authorised) charged with responsibility for communicating with shareholders, investors and analysts will not disclose or comment on price sensitive information that has not been previously disclosed to the ASX.

Stockbroking analysts frequently prepare reports on listed entities, including Petsec Energy, which contain performance and financial forecasts. Petsec Energy acknowledges the importance of analyst reports in facilitating the operation of an efficient and informed market.

However, Petsec Energy is independent, and will do all things necessary to be seen as independent, from analysts. Petsec will not endorse any such reports, and will restrict its comments to matters of fact and information previously disclosed to the ASX.

3. INADVERTENT DISCLOSURE OF INFORMATION

Disclosure of materially price sensitive information to an external party prior to disclosure to ASX constitutes a breach of Listing Rule 15.7. To prevent a breach of Listing Rule 15.7 and to minimise the consequences should such a breach occur, the following procedures apply.

A review should be carried out following any communication with an external party. If a Petsec employee becomes aware that:

1. there has been inadvertent disclosure of materially price sensitive information (that has not been disclosed to the ASX) during any communication with external parties; or
2. confidential Petsec information has been leaked (whatever its source),

he or she should immediately notify the Managing Director or Company Secretary or Head of Investor Relations. In such a situation the Managing Director, Company Secretary, and Head of Investor Relations will assess whether the information is price sensitive and if so will need to immediately release the information to the ASX or if it is not price sensitive they will ensure equal access to that information by posting it on the website.

4. MARKET SPECULATION AND RUMOURS

The Company has a “no comment” policy on market speculation and rumours, which must be observed by all employees and consultants, however the Company must comply with any request by ASX to comment on a market report or rumour.

5. BREACH OF POLICY

Non-compliance with continuous disclosure obligations may constitute a breach of the Corporations Act or the Listing Rules. This may result in fines for Petsec Energy, personal liabilities for Directors and other officers, and damage to the company's reputation.

Breaches of this Policy by an employee may result in disciplinary action against the employee including dismissal in serious cases.