



FOLEY WINES LIMITED
(“FWL”, “the Company”)

**DIRECTORS’ POLICY STATEMENT ON CONTINUOUS DISCLOSURE
OF “MATERIAL INFORMATION”**

Purpose

The purpose of this policy is to specify the proper procedures to be followed by directors, senior managers and employees prior to the release of any information about the Company or its activities to the public.

The underlying purpose of the policy is to ensure:

- Adherence to the Company’s and the directors’ obligations under the Companies Act 1993 and the Financial Markets Conduct Act 2013;
- Compliance with the terms of the NZX Limited (“NZX”) Listing Agreement NZX Main Board entered into by the Company on 3 December 2018 (copy attached) as superseded, where relevant, by the NZX Continuous Disclosure requirements prescribed either by securities legislation or the NZX Listing Rules;
- Institute of Directors in New Zealand “Best practice” in the corporate governance of the Company; and
- The Company maintains integrity with its shareholders and the market generally.

Definition

For the purposes of this policy, the phrase “material information” is defined explicitly in the NZX Listing Rules (Glossary) and Financial Markets Conduct Act 2013 and means information that a reasonable person would expect, if it were generally available to the market, to have a material effect on the price of FWL’s shares listed on the NZX Main Board.

Without limiting what information a reasonable person would expect to have a material effect on the price of FWL’s shares, for the purposes of this definition, a reasonable person would expect information to have a material effect on the price of FWL’s shares if the information would, or would be likely to, influence persons who commonly invest in financial products in deciding whether to buy or sell FWL shares.

Principles of Continuous Disclosure

The Continuous Disclosure regime requires that all Material Information (as defined above) be released to the market promptly and without delay through the NZX Market Announcement Platform (MAP) upon the Company becoming aware of that information.

Material information must not be disclosed to a third party until FWL has received confirmation that the material information has been disclosed to the market, unless an exception to disclosure applies.

Exceptions to disclosure:

Disclosure is not required where all of the following conditions are satisfied:

- a reasonable person would not expect the information to be disclosed;
- the information is confidential and its confidentiality is maintained; and
- one or more of the following applies:
 - the release of the information would be a breach of law;
 - 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; or
 - the information is a trade secret.

Accordingly the Company shall:

1. release all Material Information to the market immediately it is required to do so to comply with the Continuous Disclosure obligation, *subject to the proviso exclusions outlined above*. It shall not be a sufficient reason to withhold relevant information that release of it may adversely affect the market price of any of the shares or the ability of the Company to attract and retain debt financing on favourable terms;
2. release all Material Information to the market no later than it is received by:
 - a. any person who is not bound by corresponding obligations of confidence with which that person is likely to comply;
 - b. any person who is likely to use it in deciding whether or not to deal with the Company's shares or to divulge it directly or indirectly to any such person;
3. release Material Information to the market whenever, and to such extent as it is necessary to prevent development or subsistence of a market price for the shares which is materially influenced by false or misleading information emanating from:
 - a. the Company or anyone associated with the Company; or
 - b. other persons in circumstances in each case which would give such information substantial credibility.

Policy

- 1 No director, senior manager or employee of the Company shall communicate any information to any person outside the Company which has not been previously released to the public without first obtaining the approval of the board or a duly delegated subcommittee of the board;
- 2 The board will at all times consider and review all Material Information it has in relation to the Company with a view to determining whether or not that information is subject to the Continuous Disclosure regime;
- 3 If any Director, Senior Manager or Employee becomes aware of information that is based on rumour or speculation that might give rise to a false market in FWL shares he/she should immediately inform the Chairman and/or Executive Director/Chief Executive Officer (CEO) such detail, source and possible impact (if known) on the Company's finances or operations. The Chairman or CEO shall advise the Board as appropriate;
- 4 When the board determines that Material Information should be released it must be entered by the Chief Financial Officer (CFO) on the NZX MAP promptly;
- 5 The manner of release to the public will be at the discretion of the board provided that in all cases the Material Information (including any Investor Presentation) must be released directly to the NZX via its MAP and its receipt acknowledged prior to the time it is released onto the Company's Investor Information website or to any other person;
- 6 The Material Information should also preferably then be released by any or all of the following by:
 - a. a press release to the media;
 - b. a direct communication with all shareholders and other relevant or interested persons e.g. the Company's Auditor and, where appropriate, the Company's Banker.
- 7 The Company requires all its Directors, Senior Managers and Employees to comply with this policy. Any known or suspected instances of non-compliance will be reported to the Chairman and/or CEO for full investigation and appropriate disciplinary action. This may result in summary dismissal; it may also attract civil or criminal legal penalties imposed by law.

Policy Statement Review

This Policy Statement should be read in conjunction with the accompanying "Financial Product Dealing" Policy Statement.

This Policy will be reviewed annually and immediately on any change in legislation or the NZX Listing Rules relating to "Material Information" and/or NZX "Continuous Disclosure" regulations.