



## EXTERNAL COMMUNICATION POLICY

### 6.1 DEFINITIONS

For the purposes of this Policy:

- **ASX** means the Australian Securities Exchange.
- **Board** means Heron's Board of Directors.
- **Corporations Act** means the *Corporations Act 2001* (Cth).
- **Designated Spokesperson** has the meaning given under cl 6.2.
- **TSX** means the Toronto Stock Exchange.

### 6.2 DESIGNATED SPOKESPERSON

Heron designates a limited number of spokespersons to be responsible for communication with the investment community, regulators or the media (**Designated Spokesperson**). The matrix below specifies which authorised spokespersons may discuss material information with the institutional and individual investment community:

#### MATRIX OF DELEGATED AUTHORITIES

	Communicate on behalf of Heron to:		
	Media	Analysts	Shareholders
Directors	No	Yes (2)	Yes (1)
Chairman	No	Yes (2)	Yes (1)
CEO	Yes (1)	Yes (2)	Yes (1)
Executive Staff:			
CFO & Co Secretary	No	No	No
General Manager	No	No	No
Executive PA	No	No	No

#### Notes:

1. ASX/TSX announcements to be reviewed by Chairman and CEO and if thought appropriate, the Board, before being released to ASX/TSX.
2. Comments or feedback on analyst reports to be reviewed by the Chairman and the CEO before being provided

#### 6.2.1 DELEGATED AUTHORITY

Individuals holding offices with delegated authority may, from time to time, designate others within Heron to speak on behalf of Heron as back-ups or to respond to specific inquiries, including but not limited to an investor conference, a group meeting or a one-on-one meeting. Following the occurrence of the limited, specific communication, the employee's authorisation shall expire.

#### 6.2.2 WHAT IF I AM NOT AUTHORISED?



Employees who are not authorised spokespersons must not respond under any circumstances to enquiries from the investment community, the media or others, unless specifically asked to do so by an authorised spokesperson. Employees and company representatives (other than the above authorised spokespersons) receiving any enquiries from the investment community shall not respond to such inquiries other than to refer the enquirer to the CEO.

## **6.3 NEWS RELEASES**

Annual and interim financial results will be publicly released following Board approval of the financial statements. The default method of receiving Heron's annual report is electronically (on the ASX/TSX's website or by email). A printed copy of the annual report is sent to shareholders who elect to receive one by contacting Heron's share registry.

News releases may be disseminated through an approved news service that provides simultaneous national and/or international distribution. News releases will also be posted on Heron's website and are to be made subject to the general legal disclaimer provisions posted on the website.

## **6.4 ASX/TSX ANNOUNCEMENTS**

Heron makes announcements to the ASX and TSX in accordance with the Listing Rules and the Corporations Act.

Announcements made by Heron to the ASX and TSX are, subject to applicable securities laws, available to shareholders:

- (a) on the 'Investor' section of Heron's website;
- (b) under the 'Company Announcements' section of the ASX website;
- (c) under the 'Search Database' sections of the SEDAR website; and
- (d) by email notification (when shareholders provide Heron with their email address and elect to be notified of all Heron's announcements by email).

## **6.5 ANNUAL GENERAL MEETINGS**

- (a) The notice of meeting will be distributed to all shareholders prior to Heron's annual general meetings within the timeframe set by the Corporations Act and the Heron's constitution;
- (b) Shareholders at the annual general meeting are encouraged to ask both Heron and its auditor questions regarding the Heron's governance and business. Shareholders may attend the meeting in person (including by any relevant technological means made available by Heron) or by proxy, representative or attorney;
- (c) In addition, the chairman's address to the annual general meeting and presentations used will be made available on Heron website and with ASX and TSX immediately before the annual general meeting.

## **6.6 ANNUAL REPORT**

Heron's annual report contains key financial information about Heron, as well as important operating and corporate information. The default method of receiving Heron's annual report is electronically (on Heron's website or by email). A printed copy of the annual report is sent to shareholders who elect to receive one by contacting Heron's share registry.

## **6.7 CORPORATE GOVERNANCE**

- (a) In accordance with Recommendation 6.1 of the ASX Corporate Governance Council Principles and Recommendations (3rd ed), Heron has a 'Corporate Governance' section on its website;
- (b) Heron's annual corporate governance statement is prepared in accordance with the Listing Rules. It is contained in or accompanies the annual report each year and also is or will be available under the 'Corporate Governance' section of Heron's website.



## **6.8 ELECTRONIC COMMUNICATION**

Shareholders may opt to receive communications from, and send communications to Heron and its security registry electronically, by contacting the Company Secretary or Heron's share registry as applicable.

## **6.9 CONTACT WITH ANALYSTS, INVESTORS AND THE MEDIA**

### **6.9.1 DISCLOSURE TO ANALYSTS, INVESTORS AND THE MEDIA**

Disclosure in individual or group meetings does not constitute adequate disclosure of information that is considered material non-public information. If Heron intends to announce material information at an analyst or shareholder meeting or a press conference or conference call, the announcement must be preceded by a news release.

Heron recognises that meetings with analysts and significant investors are an important element of investor relations. Heron will meet with analysts and investors on an individual or small group basis as needed from time to time to discuss matters concerning Heron that have been released to the market. Heron will initiate contact or respond to analyst and investor calls in a timely, consistent and accurate fashion in accordance with this disclosure policy. Heron's policy at these meetings is that:

- (a) any material information being presented to analysts or investors must first be provided to the relevant Designated Spokesperson for approval;
- (b) all investors are to be treated in a balanced and fair fashion and one-on-one and group briefings between Heron and analysts or investors must be restricted to discussions of previously disclosed information;
- (c) in responding to an analyst or investor query, only previously disclosed information may be discussed and all responses must be factual and balanced;
- (d) any questions raised in relation to price sensitive issues not already disclosed to the market will not be answered or will be taken on notice; and
- (e) if a question is taken on notice and the answer would involve the release of price sensitive information, the information must be released through the ASX and TSX before responding.

Heron will provide only non-material information through individual and group meetings, in addition to regular publicly disclosed information, recognizing that an analyst or investor may construct this information into a mosaic that could result in material information. Heron cannot alter the materiality of information by breaking down the information into smaller, non-material components.

The relevant Designated Spokesperson will keep a record of meetings with analysts and investors. At or after meetings, the relevant Designated Spokesperson must consider the matters discussed at the meetings to ascertain whether any price sensitive information was inadvertently disclosed and notify the Company Secretary accordingly.

### **6.9.2 REVIEWING ANALYSTS REPORTS AND MODELS**

It is Heron's policy to review, upon request, analysts' draft research reports or models. Draft analyst reports and financial models may be reviewed and commented upon only by the authorised spokespersons for disclosures to the investment community. Heron comments on these drafts will be limited to the following:

- Corrections of inaccurate historical public information;
- Deviations from information and projections Heron has publicly issued, specifying, without reaffirming, the date and/or occasion of such issuance;
- Non-material information, whether in the public domain or not; and
- Industry-related information

It is Heron's policy, when an analyst enquires with respect to his/her estimates, to question an analyst's assumptions if the estimate is a significant outlier among the range of estimates and/or Heron's published financial guidance.

Heron will limit its comments in responding to such inquiries to non material information. Heron will not confirm, or attempt to influence, an analyst's opinions or conclusions. It should specifically be noted that Heron has not



undertaken the obligation to update any forward-looking statement that it makes or has made, and that Heron, as a matter of policy, does not “embrace,” “endorse” or state that it “is comfortable with” any analyst’s report and/or financial model as a result of Heron’s review process. In order to avoid appearing to endorse an analyst’s report or model, Heron will provide its comments orally or will attach a disclaimer to written comments to indicate the report was reviewed only for factual accuracy.

### **6.9.3 DISTRIBUTING ANALYSTS REPORTS**

Analyst reports are proprietary products of the analyst’s firm. Heron may post on its website a complete list, regardless of the recommendation, of all the investment firms and analysts who provide research coverage on Heron. If provided, such list will not include links to the analysts’ or any other third party web sites or publications. Re-circulating a report by an analyst may be viewed as an endorsement of the report by Heron. For these reasons, Heron will not provide analyst reports through any means to persons outside Heron, including posting such information on its website.

Notwithstanding the foregoing, Heron will distribute analyst’s reports to its Directors and senior officers to monitor communications regarding Heron, and to assist them in determining how the marketplace values Heron.

### **6.10 FORWARD-LOOKING INFORMATION**

All public disclosures of forward-looking information, including projections of future earnings or operational performance, shall be accompanied by appropriate cautionary language.

Subsequent disclosures of forward-looking information may only be based upon information Heron has publicly disclosed, non-material information, whether in the public domain or not, and/or industry-related information, and each case in compliance with the following sentence.

Except to the extent imposed by law, Heron shall not undertake any obligation to update any forward looking information, and Heron will not respond, except by means of an appropriate public disclosure (as provided for in this Policy), to any inquiries or rumours seeking reaffirmation of such information at any date subsequent to the date that such information was originally provided.

Should Heron elect to disclose forward-looking information in continuous disclosure documents, speeches, conference calls, etc.; the following guidelines will be observed:

- The information, if deemed material, will be broadly disseminated in accordance with this disclosure Policy.
- The information will be clearly identified as forward looking.
- Heron will identify all material assumptions used in the preparation of the forward-looking information.
- The information will be accompanied by a statement that identifies, in very specific terms, the risks and uncertainties that may cause the actual results to differ materially from those projected in the statement, including a sensitivity analysis to indicate the extent to which different business conditions from the underlying assumptions may affect the actual outcome.
- The information will be accompanied by a statement that disclaims Heron’s intention or obligation to update or revise the forward-looking information, whether as a result of new information, future events or otherwise. Notwithstanding this disclaimer, should subsequent events prove past statements about current trends to be materially off target, Heron may choose to issue a news release explaining the reasons for the difference. In this case, Heron will update its guidance on the anticipated impact on revenue and earnings (or other key metrics).

If Heron has issued a forecast or projection in connection with an offering document covered by applicable securities laws, Heron will update that forecast or projection periodically, as required by applicable securities laws.



**6.11 MANAGING EXPECTATIONS**

Heron will try to ensure, through its regular public dissemination of quantitative and qualitative information that analysts' estimates are in line with its own expectations. Heron will not confirm, or attempt to influence, an analyst's opinions or conclusions and will not express comfort with analysts' models and earnings estimates. If Heron has determined that it will be reporting results materially below or above publicly held expectations, it will disclose this information in accordance with this disclosure Policy in order to enable discussion without risk of selective disclosure.

**POLICY REVIEW**

The Board will annually review and reassess the adequacy of this policy and submit any recommended changes to the Board for approval.

**ADOPTION**

This Policy was adopted by the Board in August 2015.