

DISCLOSURE TO SHAREHOLDERS POLICY

POLICY: This policy addresses Far North Queensland Ports Corporation Limited's (Ports North) approach to communicating with its Shareholders and recognises Ports North's obligations to keep Shareholders regularly informed on matters impacting on Ports North's business.

BACKGROUND: The Government Owned Corporations Act 1993 includes obligations on Ports North to:

- provide Quarterly Reports to shareholding Ministers on the operations (Section 119 of the GOC Act); and
- keep shareholding Ministers reasonably informed under Section 122 of the GOC Act.

Section 122 of the GOC Act provides as follows:

1. A GOC's board must –
 - a) keep the shareholding Ministers reasonably informed of the operations, financial performance and financial position of the GOC and its subsidiaries, including the assets and liabilities, profits and losses and prospects of the GOC and its subsidiaries; and
 - b) give to the shareholding Ministers reports and information that they require to enable them to make informed assessments of matters mentioned in paragraph (a); and
 - c) if matters arise that in the board's opinion may prevent, or significantly affect, achievement of the GOC's objectives outlined in its statements of corporate intent or targets under its corporate plan – immediately inform the shareholding Ministers of the matters and its opinion in relation to them.
 2. Subsection (1) does not limit the matters of which the board is required to keep the shareholding Ministers informed, or limit the reports or information that the board is required, or may be required, to give to the shareholding Ministers, by the Corporations Act or another Act.
- Additionally, an interim report, being a summary of performance for the period from July to December, is required to be published and an Annual Report prepared and submitted to shareholding Ministers for tabling in Parliament (refer to Biannual Reporting Guidelines for the preparation of interim reports, 1 July 2009).

PROCEDURES/ GUIDELINES

Ports North acknowledges that communication with the shareholding Ministers is important to enable the shareholding Ministers to meet their obligations and also for Ports North to meet its Corporate Objectives.

Ports North recognises the shareholding Ministers, and acknowledges that communication with them on Ports North matters should go beyond meeting minimal legal requirements.

The Chairman and CEO are responsible for ensuring that all relevant information is supplied and that required approvals are received.

Communication (verbal and written) with the shareholding Ministers is normally undertaken by the Chairman, or in his absence, the Deputy Chairman.

The Chief Executive Officer, and, in certain circumstances, other officers and employees, will maintain communication with representatives of the Office of Government Owned Corporations (OGOC) and other departments of shareholding Ministers.

Ports North will cooperate with OGOC and other departments of shareholding Ministers to ensure that shareholding Ministers can be properly briefed on issues in a timely manner.

RELATED MATTERS

- Government Owned Corporation Act 1993
- Corporate Governance Guidelines for Government Owned Corporations – February 2009.
- Statement of Corporate Intent (Annual)

APPROVED BY:	Board of Directors	DATE:	23 April 2010
APPROVING AUTHORITY	Board of Directors		
DELEGATION INSTRUMENT	Board Resolution – 28 May 2010		
CUSTODIAN:	General Manager Commercial		
COMMENTS:	<ul style="list-style-type: none"> • Reviewed by Chief Financial Officer - 25 November 2008 • Amended to reflect changes in Company name – 16 July 2009 • Corporate Governance Review – February 2010 • Reviewed by Board of Directors – 23 April 2012 • Reviewed by Board of Directors – 24 April 2014 		