

Disclosure and Communication Committee Charter

Piston Machinery Ltd.
ACN 618 786 333

Version 1
Adopted 4 September 2017

DISCLOSURE AND COMMUNICATION COMMITTEE CHARTER

This Charter outlines the roles and responsibilities of the Disclosure and Communication Committee established by the Board of Piston Machinery Ltd. The Company is committed to complying with its continuous disclosure obligations and to ensuring that trading in its securities takes place in a market which is orderly and informed and is not, or is not likely to be, false.

It reflects the Board's endorsement of the recommendations contained in the ASX Corporate Governance Council's Principles and Recommendations, 3rd edition, 2014.

1. Role

- (a) The Disclosure and Communication Committee (**Committee**) is a standing sub-committee of the Board and management established to assist the Board discharge its responsibilities in meeting its disclosure obligations to the ASX promptly and without delay. The Committee provides assurance to the Board that all potentially market sensitive information has been considered for compliance with the Company's continuous disclosure obligations.
- (b) The Committee will assist the Board by its oversight and review of:
 - (i) compliance with the Continuous Disclosure Policy;
 - (ii) compliance with the Shareholder Communication Policy; and
 - (iii) compliance with applicable laws and regulations.

2. Membership

- (a) Membership will consist of at least three persons, and will be selected from the following people:
 - (i) a Chairperson who is either a non-executive director (Chairman of the Disclosure and Communication Committee);
 - (ii) the CEO/Managing Director;
 - (iii) the Company Secretary (the Disclosure Officer); and
 - (iv) the Company's Communication Manager.
- (b) The Board will review membership annually at the start of each year or following the termination or resignation of a member. Members should be rotated on a staggered basis to facilitate input of new ideas, while still retaining a degree of continuity.
- (c) In performing its duties, the Committee will maintain effective working relationships with the Board and management.
- (d) Members of the Committee will abide by the Code of Conduct.

3. Meetings

- (a) The Committee Chairman will convene meetings as required.
- (b) The Company Secretary will be responsible for preparation and circulation of meeting agendas, and the preparation and distribution of formal minutes of proceedings and recommendations. Agendas will be prepared following input from

Committee members, and after confirmation by the Committee Chairman, will be distributed prior to each meeting (if reasonably possible). Minutes will be distributed to Committee members as soon as possible after the meeting, and must be confirmed as an accurate record of the meeting at the next subsequent meeting of the Committee.

- (c) Any Director who is not a member of the Committee will have the right to attend meetings of the Committee.
- (d) A quorum to transact the affairs of the Committee is two persons or a majority of the Committee, whichever is greater. Prior to each meeting, the Committee may convene privately (without management in attendance).

4. Scope and authorization

The Committee is authorised, within the scope of its responsibilities, to:

- (a) Seek information it requires from any employee and/or any external party, and all employees are required to cooperate with any lawful request made by the Committee;
- (b) To investigate any activity that is covered by the terms of this Charter; and
- (c) Obtain outside legal or other professional advice at the Company's expense, and initiate special investigations as deemed necessary.

5. Committee Responsibilities

The Committee will:

- (a) recommend amendments to the Board;
- (b) oversee the effective disclosure of information subject to this policy;
- (c) promote the practices and procedures contained in this policy by raising awareness of the Company's continuous disclosure obligations;
- (d) ensure that the Company complies with its continuous disclosure obligations;
- (e) ensure that full consideration is given to the appropriateness, quality and adequacy of material information that is proposed to be released to ASX by the Company;
- (f) appoint a Disclosure Officer who is responsible for communicating information to the ASX;
- (g) create and maintain a disclosure register of relevant information that will be considered by the committee; and
- (h) make recommendations to the board regarding the disclosure of information to ASX in relation to matters of significance to the Company.

6. REPORTING PROCEDURES

- (a) The Committee Chairman will report the findings and recommendations of the Committee as soon as possible to the Chairman of the Board and at the next subsequent Board meeting, and a copy of the report will be provided to each Board member. Alternatively, the report of recommendations to the Board may be circulated prior to the next Board meeting by a Circular Resolution.

- (b) At the end of each reporting period, the Committee Chairman shall report the number of times the Committee met throughout the period and the individual attendances of the members at those meetings.

7. EVALUATION OF COMMITTEE ACTIVITIES

At the end of each reporting period, the Board will review the Committee Charter, assess the performance of the Committee, and implement any changes deemed necessary to enhance its function.

The Disclosure and ASX Communication Committee will review the policy annually to ensure it reflects changes in the Company's business operations, the Corporations Act or the Listing Rules, and is effective in ensuring that the Company meets its disclosure obligations.