

Terms of Reference for the Disclosure Committee

Document approved at a meeting of the Board of Directors of Sirius Minerals Plc
(the “**Company**”) held on 21 March 2017

1. Purpose

- 1.1 The role of the Disclosure Committee (**Disclosure Committee**) is to advise the board of the Company regarding, and to ensure that the Company makes accurate and timely disclosure of, price sensitive information that is required to be disclosed to meet the legal and regulatory obligations and requirements as a company admitted to the premium listing segment of the Official List maintained by the UK Listing Authority with its shares admitted to trading on the Main Market of the London Stock Exchange.
- 1.2 These terms of reference shall be read together with the Disclosure Policy.
- 1.3 The committee is to be known as the **Disclosure Committee**.

2. Membership

- 2.1 The members of the Disclosure Committee shall comprise the CEO, the Chief Financial Officer, the Company Secretary and the External Affairs Director. Only members of the Disclosure Committee shall have the right to attend meetings of the Disclosure Committee. However, the Disclosure Committee may invite any executive, member of management or employee of the Company or any of its subsidiary undertakings (together the **Group**), or any external professional advisers to attend all or part of any meeting of the Disclosure Committee, as and when it considers that it is appropriate.
- 2.2 The Company Secretary or his or her nominee shall act as the secretary of the Disclosure Committee (the **Secretary**) and shall ensure that where members have concerns on any matters raised or any proposed action, those concerns are recorded in the minutes of the relevant meeting.

3. Quorum

- 3.1 The quorum for a meeting of the Disclosure Committee is three members.
- 3.2 A duly convened meeting of the Disclosure Committee at which a quorum is present shall be competent to exercise all of the authorities, powers and/or discretions vested in or exercisable by the Disclosure Committee.

4. Frequency of Meetings

- 4.1 Meetings shall be held at such times as any member of the Disclosure Committee deems appropriate to enable the Disclosure Committee to identify the existence of inside information and, in particular, to assist the Company, its persons discharging managerial responsibilities (PDMRs) and their persons closely associated (**PCAs**) in ensuring compliance with the EU Market Abuse Regulation (EU 596/2014) (**MAR**) and related rules, including when (without limitation):
 - (a) applying and managing the Company's disclosure procedures as set out in the disclosure policy set out in Part A of Section 1 of this pack (the **Disclosure Policy**) with respect to inside information and non-inside information, including reporting to the Financial Conduct Authority (the **FCA**) about any exercise of the right to delay disclosure of inside information, if required;

- (b) applying and complying with the Company's obligations with respect to periodic financial reporting, under Chapter 4 of the FCA's Disclosure Guidance and Transparency Rules and the FCA's Listing Rules;
- (c) applying the Company's dealing restrictions and clearance process as set out in the Company's share dealing code from time to time for transactions by PDMRs and PCAs;
- (d) determining who should be named on the Company's insider list(s) and how to manage the keeping of insider lists and related reporting to the FCA, if required.

5. Proceedings

- 5.1 There shall be no notice requirement for the convening of meetings of the Disclosure Committee and the members of the Disclosure Committee shall regulate their proceedings as they see fit.
- 5.2 When potential inside information has been notified to any Disclosure Committee member or any Disclosure Committee member considers that information in his/her possession may potentially constitute inside information, he/she will call a meeting of the Disclosure Committee to discuss and form a view on whether the information may potentially constitute inside information.
- 5.3 The Secretary shall attempt to circulate an agenda prior to each meeting, subject to time allowing this. The Secretary shall minute the proceedings and decisions of all meetings of the Disclosure Committee, including recording the names of those present and in attendance, using the pro forma minutes in Appendix 1. The Secretary shall promptly circulate the minutes of each meeting to all members of the Disclosure Committee. The Secretary shall provide a regular update to the board of the Company, setting out the decisions made by the Disclosure Committee.
- 5.4 Members of the Disclosure Committee may participate in, and be included in the quorum in respect of, any meeting of the Disclosure Committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other for so long as the meeting is quorate. Such meetings shall be deemed to take place where the largest group of those participating is physically assembled, of if there is no such group, the location of the Chairman.

6. Authority

- 6.1 The Disclosure Committee is authorised, at the expense of the Company, to carry out any steps within its remit. It is authorised to seek any information it requires from any officer or employee of the Group in order to perform its duties, and all officers and employees are directed to co-operate with any requests made by the Disclosure Committee. It is also authorised to delegate the implementation of its decisions to any relevant officers or employees of the Company or its advisers as it considers necessary or appropriate.
- 6.2 The Disclosure Committee is authorised to obtain external professional advice at the expense of the Company and to secure the attendance of third parties with relevant experience and expertise at meetings of the Disclosure Committee if it considers this necessary or appropriate.
- 6.3 The Disclosure Committee shall be given full access to the Company's books, records and personnel (and the books, records and personnel of each member of the Group) for the purposes of discharging its responsibilities.
- 6.4 The authority of the Disclosure Committee may be amended from time to time by the Board.
- 6.5 The Disclosure Committee shall not be responsible for:

- (a) approval of Major Announcements, which shall be approved by the Board; and
- (b) approval of Routine Announcements, or the release of non-price sensitive information.

6.6 Whether an announcement is a **Major Announcement** or a **Routine Announcement** shall be determined by reference to Appendix 3, which contains a non-exhaustive list of examples of Major Announcements and Routine Announcements.

7. Duties

7.1 The Disclosure Committee's primary duty shall be to procure the disclosure of inside information which directly concerns the Company to a Regulatory Information Service (**RIS**) as soon as possible so as to comply with the Company's regulatory disclosure obligation (including pursuant to MAR). The Disclosure Committee must assess any information disclosed to it or the [Company Secretary]¹ and decide whether such information constitutes inside information or whether such information has become inside information. The committee must also assess the need for the Company to create new insider lists or amend its existing insider lists.

7.2 In its fulfilment of this role, it shall have the following non-exhaustive duties:

- (a) assess whether information is "inside information" as defined in MAR Article 7;
- (b) determine whether the Company is entitled to delay announcement of inside information;
- (c) generally review and advise on the scope and content of any disclosure subject to the remit and responsibilities of the Board (where relevant) in relation to such matters;
- (d) provide support in preparing new releases, communications with shareholders, stakeholders, investors, rating agencies, analysts and the media on communications concerning financial information, earnings guidance or any inside information matters;
- (e) monitor market rumour and press speculation and consider whether an announcement via a RIS is required;
- (f) monitor any changes in the Company's circumstances and assess whether they trigger an obligation to make an announcement via a RIS and, in particular, monitor any variance between the Company's performance and its own forecasts, as well as analysts' expectations as to the Company's performance, assess the materiality of any such variance and whether it constitutes inside information, and recommend any necessary action;
- (g) immediately advise all directors not present at any meeting of the Disclosure Committee of any decision to make an announcement via a RIS;
- (h) apply and manage the Company's disclosure procedures with respect to inside information and non-inside information, including reporting to the FCA about any exercise of the right to delay disclosure, if required;
- (i) prepare and verify announcements for notification of inside information to a RIS (with the exception of any Major Announcement);
- (j) ensure that the Company's procedures and systems relating to inside information are adequate to enable effective dissemination of information to the Disclosure Committee from within the Company and its group;

¹ Company to confirm appropriate person(s).

- (k) assess which officers and employees should be listed on any insider list prepared and maintained by the Company;
- (l) take any other action it sees fit to ensure that the Company complies with its regulatory obligations in relation to disclosure of inside information and insider lists;
- (m) ensure that a record of all decisions of the Disclosure Committee and any procedures put in place to ensure the effective dissemination of information to it is kept; and
- (n) review and, where necessary, propose the amendment of these terms of reference of the Disclosure Committee.

8. Record-Keeping

8.1 The Disclosure Committee shall ensure that a record of any matter considered for disclosure but which is not disclosed is maintained, including a record of whether, in each case, such a matter is not disclosed because:

- (a) it is inside information but there are grounds for delaying its announcement; or
- (b) it is not yet inside information but it has the potential to become inside information; or
- (c) it is not thought to be inside information and is not thought to be capable of becoming inside information.

8.2 In addition, the Disclosure Committee shall be responsible for monitoring whether there are changes in circumstances that may require an announcement or a change in the designation of information from category (b) to category (a) above.

9. Reporting Requirements

The Disclosure Committee shall ensure that the Secretary minutes the proceedings and resolutions of all Disclosure Committee meetings, including recording the names of those present and in attendance. Draft minutes of any such meeting should be circulated promptly to all members of the Disclosure Committee. Once approved, minutes should be circulated to all other members of the Board unless, in the opinion of the Disclosure Committee, it would be inappropriate to do so.

10. Review

10.1 The Disclosure Committee shall conduct an annual review of its performance and ensure that it is provided with sufficient resources to undertake its duties and that sufficient training is provided to members on appointment and on an ongoing basis and recommend any changes that it considers necessary to the Board for approval.

10.2 The Disclosure Committee shall periodically (at least annually) review the Company's Disclosure Policy and related procedures and recommend changes to the Board for approval.

10.3 The Disclosure Committee shall arrange an annual review of its Terms of Reference and its compliance with them and their effectiveness and shall recommend any changes to the Board for its approval.

APPENDIX 1

PRO FORMA MINUTES

Sirius Minerals Plc (the "Company")

Minutes of a meeting of the Disclosure Committee of the Company (the "Committee") held at [insert address] on [insert date] at [insert time] a.m./p.m.

Present: [] (Chairman of the meeting)
[] [(present by [video conference] [teleconference])]

In attendance: [insert name of any non-committee members present at the meeting]

11. Chairman and quorum

It was noted that _____ be appointed Chairman of the meeting.

The Chairman noted that the meeting had been duly convened and that a quorum was present.

12. Principal business

The Chairman explained that the principal business of the meeting was to consider the information [provided by [insert name, title]] relating to [describe the relevant event/issue] and to consider whether this information constitutes or could constitute inside information.

[Provide background/ relevant details of the event/ issue to be considered.]

[Note whether external advice has been sought, from whom and what the conclusion/ recommendation has been received by the Company.]

Following the discussion of the event/issue described above [and taking into account external advice], the Committee has determined that this information [does not constitute inside information [see option 1 below] / [may potentially constitute inside information [at this time] / [in the future] [see option 2 below] / [constitutes inside information] [see option 3 below].

Option 1: [Record decision with rationale.] [There being no further business the meeting closed.]

Option 2: [The Committee then considered the status of the information and whether inside information existed.] [Record decision and rationale.]]

Option 3: [The Committee then considered whether it was possible to delay the announcement. In particular, the conditions for delaying disclosure of inside information were discussed in detail. [Record decision with rationale by reference to conditions for delay]

The Chairman noted that:

- (i) immediate disclosure is likely to prejudice the legitimate interests of the Company;

- (ii) delay of disclosure is not likely to mislead the public; and
- (iii) the Company is able to ensure the confidentiality of that information.

Each of these matters were considered in detail and it was noted that the conditions for delay were satisfied as follows:

- (i) [record the decision on whether there Company has a legitimate interests and whether and how this is likely to be by prejudice by immediate disclosure (see section [●] of the manual)];
- (ii) [record the rationale for the conclusion that the delay of disclosure is not likely to mislead the public (see subparagraph 1.9 of the Company's Disclosure Policy (located at Part 1 of Section 1 of the MAR Procedures Manual)); and
- (iii) [record how the Company will ensure the confidentiality of the inside information].

13. Next steps/ actions [for options 2 and 3]

[Select from the following list of actions, as appropriate]

[For projects or events which are at the stage where there is inside information, that is there is a realistic prospect they may come about] The Committee instructed the Company Secretary to request that [●] starts an insider list and/or initiates all other relevant confidentiality arrangements and prepares a leak announcement.] [Prohibited period for dealing purposes to commence [●].]

[The Committee shall monitor the project / issue / developments and meet periodically [the next meeting being scheduled for [insert date/time], and ad hoc, as required, to consider whether a change in circumstances / any developments and / or whether the Company may continue to delay the disclosure of inside information.]

[The Committee will recommend that the Board seek external advice on the issue.]

[The Company/Committee Secretary] has been instructed to prepare a draft Record of Decision to Delay for review by the Committee at [insert date/time], in the form set out at the foot of these pro forma minutes.

[The Committee instructed the Company Secretary to update the Record of Decision to Delay to reflect the developments discussed and the decisions made during the meeting.]

[The Committee instructed the [Company/ Company Secretary] to prepare a draft holding announcement.]

[The Committee instructed the [Company/ Company Secretary] to prepare a draft Notification of Delay.]

[The Company Secretary] has been instructed to prepare a draft announcement as soon as possible for review by the Committee at [insert date/time].]

[The Chairman instructed [the Company Secretary] to:

- (A) [arrange for the approved announcement to be published [insert date/time] and for a copy of it to be included in the relevant section of the Company's website by no later than [insert date/time];]

- (B) [arrange for the approved Notification of Delay to be filed with the FCA at the same time/ shortly after the announcement is published;]
- (C) [arrange for the final, approved version of the Record of Decision to Delay (and all related records/documents to be filed in the Company's records and kept for the minimum of [five] years;]
- (D) [arrange for the approved version of the Record of Decision to Delay to be filed with the FCA by [insert date/time]].]

[Add any further actions agreed at the meeting.]

There being no further business the meeting closed.

.....

Chairman of the meeting

APPENDIX 2

RECORD OF DECISION TO DELAY

The form below is intended to be a living document. The Disclosure Committee will need to ensure that this form is populated at or shortly after the initial meeting relating to any delay of public disclosure at which the Disclosure Committee considers the Company's ability to delay disclosure. The form will then need to be updated to reflect any changes in circumstances and landmarks. The final version of the form will need to be signed off by the Disclosure Committee for submission to the FCA (if requested).

All records of the delay procedure, including copies of the relevant minutes and all versions of the Record of Decision to Delay shall be kept by the Company for a minimum of [five] years from the date of the announcement of the relevant Inside Information.

Sirius Minerals Plc

(the "Company")

RECORD OF DECISION TO DELAY THE DISCLOSURE OF INSIDE INFORMATION

1. Details of the person(s) responsible for the decision that inside information exists
 - a) Name(s): [Include first name(s) and last name(s)]
 - b) Position/status: [Job title (i.e. Chief Executive Officer)]
2. Details of the person(s) responsible for the decision to delay the public disclosure of the inside information and the likely end of the delay
 - a) Name(s): [Include first name(s) and last name(s)]
 - b) Position/status: [Job title (i.e. Chief Executive Officer)]
3. Details of the person(s) responsible for the ongoing monitoring of the conditions of delay during the delay period
 - a) Name(s): [Include first name(s) and last name(s)]
 - b) Position/status: [Job title (i.e. Company Secretary)]
4. Details of the inside information
 - a) Description of the inside information to which this record relates:
 - b) Date and time when the inside information first existed within the Company: [Please insert date in following format for purposes of each entry in this record: DD/MM/YYYY]

[Please indicate the relevant time zone]

[Note: this should be the date and time when information was or may have been inside information.]
 - c) Whether specialist broker advice was sought when determining the existence of inside information: [Yes/No]

- d) Please confirm that instructions were given to create an insider list to reflect the existence of the inside information: [Yes/No]

5. Details of the decision taken to delay the inside information

- a) Date and time when the decision to delay the public disclosure of the inside information was made: [Date in following format: DD/MM/YYYY]

[Please indicate the relevant time zone]

[Note: this is likely to be the same as the date and time when the inside information first existed within the Company]

- b) Explanation of how immediate disclosure of the inside information is likely to prejudice the legitimate interests of the Company: [Please provide evidence of the initial fulfilment of this condition and details of any subsequent changes to this fulfilment during the delay period]

- c) Explanation of how delay of disclosure is not likely to mislead the public: [Please provide evidence of the initial fulfilment of this condition and details of any subsequent changes to this fulfilment during the delay period]

- d) Explanation of how the Company is able to ensure the confidentiality of the information: [Please provide evidence of the initial fulfilment of this condition and details of any subsequent changes to arrangements during the delay period]

[To include: (i) information about the information barriers which have been put in place (a) internally to prevent access to inside information other than to those who require it for the normal exercise of their employment, profession or duties within [the Company] and (b) with regard to third parties; and (ii) the arrangements put in place in cases where confidentiality is no longer ensured (e.g. drafting a holding announcement to deal with rumours/ leaks).]

- e) Date and time when the Company is likely to disclose the inside information:

[Please indicate the relevant time zone]

[Note: if the date and time is not certain, a best estimate should be provided]

[The form should capture the date initially estimated for disclosure at the point in time when the decision to delay disclosure was first made. If this date was subsequently revised, then revised dates and a brief explanation of changes should be provided in addition to the initial estimate.]

6. Details of the person(s) responsible for deciding about the public disclosure of the inside information

- a) Name(s): [Include first name(s) and last name(s)]

- b) Position/status: [Job title (i.e. Company Secretary)]

- c) Contact details: [Include professional email address and telephone number]

7. Details of person(s) responsible for providing the notification of delay and (if requested by the FCA) written explanation of the delay to the FCA

[Note: this is the person submitting the records to the FCA]

- a) Name(s): [Include first name(s) and last name(s)]
- b) Position/status: [Job title (i.e. Company Secretary)]
- c) Contact details: [Include professional email address and telephone number]

8. Details of the public disclosure of the inside information

- a) Title of the announcement disclosing the inside information (and RNS reference number, if available):
- b) Date and time of the announcement:

9. Details of the provision of the notification of delay and (if requested by the FCA) written explanation of the delay to the FCA

- (a) Date of notification of delay to the FCA
- (b) Date on which request for written explanation of delay received from the FCA
- (c) Date on which written explanation of delay was provided to the FCA

APPENDIX 3

EXAMPLES OF MAJOR ANNOUNCEMENTS AND ROUTINE ANNOUNCEMENTS

1. MAJOR ANNOUNCEMENTS

1.1 Major Announcements require Board approval. A Major Announcement is a material statement in relation to a matter of high significance to the Group.

(a) As a guide, announcements in respect of the following matters are likely to be Major Announcements:

- (a) financial announcements (ie year-end results, half-yearly results, quarterly results, interim management statements) or any other financial announcements required by law or regulation to be approved by the Board;
- (b) a material change (whether positive or negative) to the performance of the Group against previous forecasts or estimates (meaning a change of more than [10%]), or any matter which is likely result in a material change;
- (c) an acquisition or divestment of any member(s) of the Group or which represents (or will likely represent) at least [10%] of the Group's gross assets, gross liabilities, cash earnings or net profit, or any acquisition or disposal of a major business unit;
- (d) a major corporate restructuring of the Group;
- (e) a major regulatory action or investigation that has the potential to require the Group to pay a large monetary sum or have a major impact on the reputation of the Group or its ability to undertake its business;
- (f) a capital raising or other funding initiative valued at over [10%] of the Company's [cash earnings or net profit] (a **Major Capital Raising**); and
- (g) any other matter that, in the view of the Disclosure Committee, represents a highly significant development for the Group or has the potential to have a highly significant impact on the reputation of the Group.

2. ROUTINE ANNOUNCEMENTS

As a guide, announcements in respect of the following matters are generally regarded as routine announcements and will not require referral to the Disclosure Committee or the Board for approval:

- (a) changes in respect of any director of the Company (both executive and non-executive) or any senior Company executives;
- (b) a change of the Company's auditors;
- (c) any capital raising or other funding initiative contemplated by the Group's annual funding plan (unless it constitutes a Major Capital Raising);
- (d) announcements relating to changes in the shareholdings of directors', PDMRs' or PCA's;

- (e) announcements relating to a change (whether an increase or decrease) in a major shareholder's (who holds more than 3% of the Company's existing shares on issue) shareholding or voting rights by more on 1%;
- (f) monthly "total voting rights" announcements under the Rules setting out, amongst other things, the total number of Company shares in respect of each class of shares and total treasury shares held by the Company; and
- (g) any statutory or other mandatory announcements under any law or regulation (unless such an announcement would otherwise be a Major Announcement).