

**HEXIMA**

Hexima Limited ABN 64 079 319 314

Share Trading Policy

This policy is intended to provide guidelines to Directors and employees on the trading of company shares.

Trading Policy

1. Prohibition on insider trading

- (a) The Corporations Act provides for three distinct, but related, offences of insider trading. The offences are:
 - (i) trading in securities;
 - (ii) procuring another person to trade in securities; or
 - (iii) communicating information to another person who is likely to trade in the securities or procure someone else to trade,With the knowledge of price sensitive information that is not generally available but if it was generally available, a reasonable person would expect it to have a material effect on the price or value of the securities.
- (b) The offences are extended to persons who ought to reasonably know that the information is not generally available but if it was generally available, it might have a material effect on the price or value of the securities.
- (c) The term “securities” is defined broadly to include shares, options, debentures, units and prescribed interests.
- (d) The prohibitions apply to Directors and employees of a corporation who deal, directly or indirectly, in the securities of the corporation, either for personal gain or for the gain of any other person.
- (e) Penalties for committing an offence of insider trading are severe and include a fine of up to \$200,000 or imprisonment of up to five years or both. If a corporation commits an offence of insider trading the fine imposed can be up to five times the fine imposed on an individual. In addition, civil liability attaches to a breach of the law relating to insider trading.

2. Trading Policy

- (a) No Director or employee of the Company may deal in, or procure another person to deal in, the securities of the company on the basis of information that is not generally available but if it was generally available, might have a material effect on the price or value of the Company’s securities.
- (b) This policy extends to dealing in the securities of the Company by:
 - (i) any associate or related party of a Director or employee of the Company; and
 - (ii) any company, trust or other entity in which the Director or employee has an interest.
- (c) An associate includes:
 - (i) a Director or Secretary of the Company
 - (ii) a related body corporate; and
 - (iii) a director or secretary of a related body corporate.
- (d) A related party includes:
 - (i) a Director of the Company;
 - (ii) a spouse or de facto spouse of a Director of the Company;
 - (iii) a parent, son or daughter of a Director, spouse or de facto spouse;
 - (iv) an entity over which:
 - (A) A person of a kind referred to above has control; or
 - (B) 2 or more such persons together have control.



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3. Periods during which dealing may take place

- (a) Subject to the provisions of this section 3 and sections 4 and 5 below, dealing in the Company's securities may take place at any time, except during the following periods:
 - (i) the period commencing 6 weeks prior to the release of the Company's half year results to the ASX and ending 24 hours after such release; or
 - (ii) the period commencing 6 weeks prior to the release of the Company's year end results to the ASX and ending 24 hours after such release; or
 - (iii) the period commencing 2 weeks prior to the Company's Annual General Meeting and ending 24 hours after the Annual General Meeting.
- (b) Notwithstanding the above, no dealing will be permitted at any time if the Director or employee possess (or are deemed to possess) any price sensitive information which is not generally available. If they are not sure whether a reasonable person would expect a matter to have a material effect on the price or value of the corporation's securities, then they should seek independent legal advice on the matter.

4. Pre-dealing checklist

For all periods during which dealing is permitted, the following procedure must be complied with before any dealing is undertaken:

- (a) Is the director or employee aware of any information that is not generally available but, if the information was generally available, a reasonable person would expect to have a material effect on the price or value of securities of the Company?
 - (i) NO – they may apply to the Company Secretary for permission to deal in the Company's securities
 - (ii) YES – has the information been disclosed to the ASX?
 - (A) YES – they may apply to the Company Secretary for permission to deal in the Company's securities
 - (B) NO – they may not deal in the Company's securities

5. Pre-dealing procedure

- (a) A Notice of Intention to buy or sell Securities in the attached form must be completed by the person intending to deal in the securities of the Company.
- (b) The Notice must be submitted to the Company Secretary.
- (c) On receipt of such Notice, the Company Secretary shall immediately discuss the Notice with the Chairman to obtain approval to trade.
- (d) No dealing may be undertaken before the application receives the written approval of the Company Secretary.
- (e) The dealing must be completed within 14 days from the date that the application receives written approval and, in any event, no dealing may occur within the periods set out in section 3 above.

6. Time frame

If your application is consented to by the Company, you must buy or sell the securities referred to in this notice within 14 days from the date that this application is granted. If the securities are not bought or sold within 14 days from the date that this application is granted, a new application must be lodged.

If you wish to trade in the Company's shares, please complete the attached application and forward it to the Company Secretary.