

## SECURITIES TRADING POLICY

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### Overview

The Company's securities trading policy regulates trading in the Company's securities (ie, both buying and selling of the Company's securities) by Directors, officers, employees and contractors of the Company, imposing both general and specific trading restrictions. The aim of the policy is to prevent Directors, officers, employees and contractors of the Company, who are in possession of inside information, engaging in trading in the Company's securities.

The securities trading policy also establishes rules to minimise the risk that directors, officers and employees bear when in possession of unpublished price sensitive information and to give confidence to the market and investors that the Company respects the integrity of the market.

### Inside information

Inside information is information that:

- (a) is not generally available; and
- (b) if it were generally available, would cause a reasonable person to expect it to have a material effect on the price or value of securities or would be likely to influence a person in deciding whether to buy or sell securities.

Inside information can include matters relating to the intentions or likely intentions of a person. It does not matter how inside information is obtained.

Information is generally available if:

- (a) it consists of a readily observable matter; or
- (b) both of the following apply:
  - (i) it has been made known in a manner that would, or would be likely to, bring it to the attention of persons who commonly invest in securities of a kind whose price might be affected by the information; and
  - (ii) since it was made known, a reasonable period for it to be disseminated among such persons has elapsed;or
- (c) it consists of deductions, conclusions or inferences made or drawn from either or both of the following:
  - (i) information referred to in paragraph (a);
  - (ii) information made known as mentioned in paragraph (b)(i).

Inside information does not only apply to the Company but also to any related body corporate of the Company or any other company that the Company has a relationship with, including clients and suppliers. It does not matter how or where the person obtains the information (i.e. the information does not have to be obtained from the Company to constitute inside information).

### Insider trading

Insider trading is a criminal offence. A person will be guilty of an offence if that person possesses inside information and knows, or ought reasonably to know, that such information is inside information; and

- (a) applies for, acquires or disposes of securities in the Company, or enters into an agreement to apply for, acquire or dispose of securities in the Company; or
- (b) procures another person to apply for, acquire or dispose of securities in the Company, or to enter into an agreement to apply for, acquire or dispose of securities in the Company; or
- (c) directly or indirectly, communicates information, or causes the information to be communicated, to another person if the person knows, or ought reasonably to know, that the other person would or would be likely to:
  - (i) apply for, acquire or dispose of securities in the Company, or enter into an agreement to buy or sell securities in the Company; or
  - (ii) procure someone else to buy or sell securities in the Company, or procure someone else to enter into an agreement to apply for, acquire or dispose of securities in the Company.

All Directors, officers, employees and contractors of the Company are restricted by law in engaging in insider trading. It is the responsibility of all Directors, officers, employees and contractors of the Company to ensure that they do not engage in insider trading. It must be noted that the requirements imposed by the Company's securities trading policy are separate from and additional to the legal prohibitions on insider trading in the Corporations Act.

#### **Restricted Persons - Requirements before trading in the Company's securities**

Directors, Senior Managers and other specified employees or contractors (as determined from time to time by the Company Secretary), collectively referred to as **Restricted Persons**, are prohibited at all times from trading, or giving instructions for trading, in the Company's securities without first seeking a trading clearance.

Before trading, or giving instructions for trading, in the Company's securities, a Restricted Person must:

- (a) notify the Company Secretary (or the Managing Director in the absence of the Company Secretary) of his or her intention to trade in the Company's securities and request the grant of a trading clearance;
- (b) confirm that he or she does not hold any inside information;
- (c) have been advised by the Company Secretary (or Managing Director) that there is no reason to preclude him or her from trading in the Company's securities as notified;
- (d) have been given a trading clearance by the Company Secretary (or Managing Director); and
- (e) have complied with any conditions on trading imposed by the Company Secretary (or Managing Director) under the trading clearance (including, for example, any time limits applicable to the trading clearance).

In the case of the Company Secretary intending to trade in the Company's securities, he or she must notify and obtain a trading clearance from the Managing Director before trading, or giving instructions for trading.

Permission for trading must be evidenced by prior written communication, whether by letter, facsimile, or e-mail, or other visible form of communication.

Receiving a trading clearance from the Company Secretary (or the Managing Director) does not provide any guarantee that the proposed trade in securities does not constitute insider trading - the onus remains on the Restricted Person to ensure that they do not engage in insider trading.

Each has a personal responsibility to ensure that his or her "associated parties" (being immediate family (including a spouse (or the equivalent) or dependent), family company or trust) complies with the same respective restrictions as apply to Restricted Persons of the Company.

#### **Restricted Persons - notification of trading**

Having received a trading clearance, Restricted Persons must immediately notify the Company Secretary of a completed trade in the Company's securities.

#### **Closed periods**

In addition to the trading restrictions imposed on Restricted Persons, additional restrictions on trading, or giving instructions for trading, in the Company's securities are applicable to all Directors, officers, employees and contractors of the Company for certain periods as determined from time to time by the Company Secretary (or the Managing Director in the absence of the Company Secretary) (**Closed Periods**). The Closed Periods are:

- the period of four weeks leading up to, and two days after, the release of the Company's full year results;
- the period of four weeks leading up to, and two days after, the release of the Company's half year results;
- the period of four weeks leading up to, and two days after, the Company's annual general meeting; and
- specified periods leading up to, and two days after, the release of a price sensitive announcement.

## Exceptions

Directors and all employees may at any time:

- acquire ordinary shares in the Company by conversion of securities giving a right of conversion to ordinary shares;
- acquire Company securities under a bonus issue made to all holders of securities of the same class;
- acquire Company securities under a dividend reinvestment, or top-up plan that is available to all holders or securities of the same class;
- acquire, or agree to acquire or exercise options under a Company Share Option Plan;
- withdraw ordinary shares in the Company held on behalf of the employee in an employee share plan where the withdrawal is permitted by the rules of that plan;
- acquire ordinary shares in the Company as a result of the exercise of options held under an employee option scheme;
- acquisitions of shares and other securities by a trustee under an employee incentive scheme or employee share trust;
- transfer securities of the Company already held into a superannuation fund or other saving scheme in which the restricted person is a beneficiary;
- make an investment in, or trade in units of, a fund or other scheme (other than a scheme only investing in the securities of the Company) where the assets of the fund or other scheme are invested at the discretion of a third party;
- where a restricted person is a trustee, trade in the securities of the Company by that trust provided the restricted person is not a beneficiary of the trust and any decision to trade during a prohibited period is taken by the other trustees or by the investment managers independently of the restricted person;
- undertake to accept, or accept, a takeover offer, scheme of arrangement or equal access buy-back;
- trade under an offer or invitation made to all or most of the security holders, such as, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the board. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;
- dispose of securities of the Company resulting from a secured lender exercising their rights, for example, under a margin lending arrangement;
- exercise (but not sell securities following exercise) an option or a right under an employee incentive scheme, or convert a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a prohibited period and the Company has been in an exceptionally long prohibited period or the Company has had a number of consecutive prohibited periods and the restricted person could not reasonably have been expected to exercise it at a time when free to do so; or
- trade under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this Policy.

In respect to any share or option plans:

- (a) it is not permissible to provide the exercise price of options by selling the shares acquired on the exercise of these options unless the sale of those shares occurs during one of the 4 week periods specified in the Black Out Periods; and
- (b) where the exercise price of options is being provided by a margin loan or other form of lending arrangement then there may be a risk that the employee or Director may need to sell shares to avoid providing additional capital or security to the lender in the event of a decrease in the value of the shares.

Were this to occur at a time when the person possessed inside information then the sale of Company securities would be a breach of insider trading laws, even though the person's decision to sell was not influenced by the inside information that the person possessed and the person may not have made a profit on the sale. Where Company securities are provided to a lender as security by way of mortgage or charge a sale that occurs under that mortgage or charge as a consequence of default would not breach insider trading laws.

The Company Secretary (or the Managing Director) will provide email notification of the commencement and completion of each Blackout Period. No trading may be undertaken during the Blackout Period by Restricted Persons and all other employees and contractors of the Company. The Company Secretary (or the Managing Director) will not grant a trading clearance to a Restricted Person during a Blackout Period.

Upon a Blackout Period being put in place by the Company Secretary (or the Managing Director), any unfilled buy or sell orders placed by, or instructed to be placed by, a Director, officer, employee or contractor of the Company must immediately be cancelled. In the event that part or all of a buy or sell order is filled after a Blackout Period is put in place but before the Director, officer, employee or contractor of the Company is able to cancel the order, the Company Secretary (or the Managing Director) must be immediately advised.

#### **Exemption from trading window restriction due to exceptional circumstance**

A Director, employee or contractor who is not in possession of inside information in relation to the Company, may be given prior written clearance by the Managing Director (or in the case of a Director the Chairman, or in the case of the Chairman all of the other members of the board) to sell or otherwise dispose of Company securities in a Closed Period where the person is in severe financial hardship or where there are exceptional circumstances as set out in this policy.

#### **Severe financial hardship or exceptional circumstances**

The determination of whether a Director, employee or contractor is in severe financial hardship will be made by the Managing Director in the case of employees, the Chairman in the case of a Director, and all of the board in the case of the Chairman.

A financial hardship or exceptional circumstances determination can only be made by examining all of the facts and if necessary obtaining independent verification of the facts from banks, accountants or other like institutions.

#### **Financial hardship**

A Director, employee or contractor may be in severe financial hardship if they have a pressing financial commitment that cannot be satisfied other than by selling the securities of the Company.

In the interests of an expedient and informed determination by the Managing Director, Chairman or board of Directors, any application for an exemption allowing the sale of Company securities outside of the Trading Window based on financial hardship must be made in writing, be accompanied by a statutory declaration stating all of the facts and be accompanied by copies of relevant supporting documentation, including contact details of the persons accountant, bank and other such independent institutions.

Any exemption, if issued, will be in writing and shall contain a specified time period during which the sale of securities can be made.

#### **Exceptional circumstances**

Exceptional circumstances may apply to the disposal of Company securities by a Director, employee or contractor if the person is required by a court order, a court enforceable undertaking for example in a bona fide family settlement, to transfer or sell securities of the Company or there is some other overriding legal or regulatory requirement to do so.

Any application for an exemption allowing the sale of Company securities outside of the Trading Window based on exceptional circumstances must be made in writing and be accompanied by relevant court and/or supporting legal documentation.

Any exemption, if issued, will be in writing and shall contain a specified time period during which the sale of securities can be made.

#### **Short term trading**

This trading policy encourages directors and employees to be long-term holders of the Company's securities and discourages short-term trading.

In order to prevent the unfair use of information, Restricted Persons are generally prohibited from short-term trading at all times. Short-term trading is a purchase and sale of the same securities within a period between one to six months.

In addition, the Board has an absolute discretion to place an embargo on Restricted Persons and/or employees and/or their respective associated parties trading in Company securities at any time.

**ASX notification for directors**

The ASX Listing Rules require the Company to notify the ASX within 5 business days after any dealing in securities of the Company (either personally or through an Associate) which results in a change in the relevant interests of a Director in the securities of the Company. The Company has made arrangements with each Director to ensure that the Director promptly discloses to the Company Secretary all the information required by the ASX.

**Securities issued under equity-based remuneration scheme**

Directors, officers and employees of the Company are prohibited from entering into arrangements for the hedging, or otherwise limiting their exposure to risk in relation to unvested shares, options or rights issued or acquired under the Company's employee equity scheme.

Where a director or senior executive enters into arrangements for the hedging of vested options granted under the Company's employee equity scheme, details of the hedging arrangements must be immediately notified to the Chairman or Company Secretary.

**Effect of compliance with this policy**

Compliance with these Guidelines for trading in the Company's securities does not absolve that individual from complying with the law, which must be the overriding consideration when trading in the Company's securities.

**Breaches of the Securities Trading Policy**

Breaches of the Company's securities trading policy are viewed as gross misconduct and significant consequences may apply as a result, which may include a written warning or immediate termination of employment.

The Chairman of the Audit and Corporate Governance Committee is notified of any breaches of the Company's securities trading policy and is required to notify the Board of a breach and put a recommendation to the Board for ratification on the consequence to be applied.