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ASX release

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Share Trading Policy

Beach has amended its Share Trading Policy effective 26 March 2018 and provides the amended policy as required under Listing Rule 12.10.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Cathy Oster".

Cathy Oster
Company Secretary

Policies and Procedures

Share Trading Policy



Beach is committed to ensuring that insider trading by its directors, executives, employees and contractors does not occur and to avoid the appearance of insider trading and the reputational damage that may cause.

To meet this commitment Beach will:

- Prepare, periodically review and enforce this policy;
- Make clear in this policy that insider trading is a breach of the law as well as Beach's policy, with serious consequences such as disciplinary action (up to and including dismissal) and civil fines and criminal liability and imprisonment;
- Specify periods when no dealing in Beach securities is permitted;
- Impose dealing restrictions on Designated Persons which includes directors and senior employees;
- Prohibit short term dealing;
- Prohibit hedging arrangements in relation to unvested or restricted Beach securities;
- Ensure that all directors, executives, employees and contractors are aware of and comply with the insider trading laws and this policy.

Further details of the requirements of this policy are set out in the attachment.

1. Policy introduction

This policy applies to all directors, officers, employees and people working as contractors or consultants of Beach and the companies in the group (individually called a Beach Person and collectively called Beach People).

This policy:

- Includes a brief summary of the laws that govern dealings in Beach's securities when Beach People have inside information about Beach (called insider trading);
- Gives guidance to Beach People who may contemplate dealing in Beach's securities; and
- States Beach's position on Beach People dealing in the securities of other companies where they are in possession of inside information because of their position in Beach.

It is important that public confidence in Beach is maintained. It would be damaging to Beach's reputation if the market or the general public perceived that Beach People might take advantage of their position in Beach to make financial gains (by dealing in securities while having confidential information). A Beach Person should before engaging in any dealing of securities ask themselves, if the public was aware of all of the circumstances, could it appear as though they are taking advantage of their position in a way that is inappropriate. If the answer is yes, then a Beach Person should not be dealing in securities.

If a Beach Person is unsure about dealing in securities they should consult their manager or the Company Secretary.

This policy should be read together with the Continuous Disclosure Policy which details Beach's obligations to disclose material information to ASX.

This policy applies to:

- Beach securities; and
- Securities of any other company or entity that may be affected by inside information, such as a Beach joint venture participant.

2. Insider trading prohibited for dealings in Beach securities

Beach People who are in possession of inside information about Beach's securities must not, irrespective of whether this policy would otherwise allow dealings outside of a prohibited period or if a dealing is excluded from the operation of this policy:

- Deal in those securities;
- Procure another person such as a family member, friend or associate to deal in those securities; or
- Communicate the inside information to another person who is likely to deal in Beach's securities or procure another person to do so.

There may be significant criminal and civil liability and penalties (including imprisonment) imposed on those who breach the law concerning insider trading.

3. When dealings in Beach Securities are prohibited

In addition to the specific prohibition on insider trading described in section 2, Beach People are prohibited from dealing in Beach's securities in the following circumstances, each called a Closed Period:

- In the period commencing immediately after the end of Beach's half financial year and ending on the day after the lodgement of Beach's half year financial results with the ASX;

- In the period commencing immediately after the end of Beach's full financial year and ending on the day after the lodgement of Beach's full year financial results with ASX;
- In the period commencing one week period prior to the lodgement of Beach's quarterly reports with the ASX and ending on the day after each lodgement with ASX;
- Where the dealing would be regarded as 'short term dealing';
- Where the Chief Executive Officer in consultation with the Company Secretary has imposed a prohibition on dealing in Beach securities on Beach People (or a group of them) due to certain activity or knowledge within Beach at a certain time. The lifting of the prohibition will also be determined by the Chief Executive Office in consultation with the Company Secretary. The prohibition may not be generally advised to Beach People to protect confidentiality so a Beach Person wanting to deal in Beach securities may not be told why or for how long the prohibition will last;
- Entering into transactions which limit the economic risk of participating in unvested entitlements, such as unvested options or vested entitlements that remain subject to a holding lock, under a Beach equity based executive or employee incentive plan.

4. When dealings in Beach securities are permitted

Beach People, other than Designated Persons may deal in Beach securities:

- If the prohibitions in sections 2 and 3 above do not apply to them at the time of dealing;
- They have notified their manager in writing of the type of dealing they intend undertaking; and
- Confirmed that there is no prohibition that applies to them, before the dealing takes place.

Designated Persons may deal in Beach securities:

- If the prohibitions in sections 2 and 3 above do not apply to them at the time of dealing;
- Where they are a director, they have requested in writing prior approval (which may be by email) of an intention to deal from the Chairman and Company Secretary or if the director is the Chairman, then to the Chief Executive Officer and Company Secretary and have confirmed that no prohibition in dealing applies to them before the dealing takes place;
- Where the Designated Person is not a director, they have requested in writing prior approval (which may be by email or using another method of notice on Beach's intranet specifically designed for this purpose) of an intention to deal from the Chairman, the Chief Executive Officer or the Company Secretary and have confirmed that there is no prohibition that applies to them before the dealing takes place;
- Beach has given permission for the dealing.

If the Designated Person is a director and subsequently deals in Beach's securities, they must confirm the dealing and relevant details of the dealing in writing to the Company Secretary within 2 business days after the dealing to ensure compliance with the notification obligations under the law and the ASX Listing Rules.

Any dealing in Beach securities must occur within five business days after notification (or permission being granted for a Designated Person) and must be consistent with the notification. If the dealing does not occur within this time frame a further notification or request for permission (as the case may be) to deal must be given.

5. Dealings in exceptional circumstances

A Beach Person, who is not in possession of inside information in relation to Beach may be given prior written permission to deal in Beach securities during a Closed Period or a prohibited period under this policy where:

- A person is experiencing severe financial hardship or other exceptional circumstances; and
- Prior written permission (with such conditions as are relevant) is obtained from the Chairman, if the applicant is a director, or the Company Secretary (in consultation with the Chief Executive Officer) for any other request.

6. Exclusions

The following dealings are not subject to this policy so long as the Beach Person does not possess inside information at the time of dealing:

- An undertaking to accept, or the acceptance of a takeover offer;
- Dealings under an offer or invitation made to all or most of the shareholders of Beach, such as a rights issue, a security purchase plan or a dividend or distribution reinvestment plan or an equal access buyback;
- Decisions to take up or not to take up the entitlements or to allow them to lapse, and the sale of sufficient entitlements to take up the balance of entitlements under a rights issue;
- A dealing where the beneficial interest in the security does not change;
- An investment in, or a trading in units of a fund or arrangement, other than a fund only investing in securities in Beach, where the assets of the fund are invested at the discretion of a third party;
- The cancellation, lapsing or surrender of an option or right under an equity based executive or employee incentive plan;
- The exercise (but not the sale on exercise) of an option or a right under an equity based executive or employee incentive plan, or the conversion of a convertible security, where the final date for exercise or conversion of the security, falls during a prohibited period and Beach has been in an exceptionally long prohibited period and the person could not reasonably have been expected to exercise it at time when he or she is free to do so.

7. Insider trading prohibited for dealings in securities of other companies

Beach People, in the course of performing their duties for Beach, may come into possession of inside information about other companies. The insider trading rules outlined above in section 2 also apply to dealings in securities in other companies. Beach People are also bound by duties of confidentiality in relation to the inside information obtained about third parties in the course of performing their duties in or their position in Beach.

8. Definitions

- “Designated Person” means a Beach Person who is a director, the Chief Executive Officer, each executive, all direct reports to a director, Chief Executive Officer and each executive (including executive assistants) and any other employee whom the Chief Executive Officer deems in writing to be a Designated Person (on the grounds that they are likely to receive inside information by reason of their role).
- “dealing” in securities means buying or selling securities or any other form of dealing or arrangement including subscribing for securities, creating a derivative over securities.

- “inside information” is information that is not generally available, but if it were a reasonable person would expect it to have a material effect on the price or value of the particular security. Information that would have a material effect on the price or value of a particular security is determined if and only if it would or would be likely to influence persons who usually acquire such securities in deciding whether to sell or buy those securities.
- “securities” include any type of shares (including ordinary and preference), options, debentures and notes and financial products relating to a company’s securities such as derivatives, exchange traded options and warrants issued or created by the company or third parties.

9. Compliance with this policy

Any Beach Person may be asked to confirm their compliance with this policy or to provide confirmation of their dealings in Beach securities. Any request must be responded to promptly.

This policy must be strictly complied with and any breach will be regarded seriously. A breach of this policy may result in serious consequences such as disciplinary action being taken which may include dismissal from employment with Beach and significant criminal and civil liability and penalties (including imprisonment).