

## SHARE TRADING POLICY

### Dealing Rules for Directors and Senior Executives

#### Summary

The Board encourages director and senior executives (collectively “Key Management Personnel” (KMP’s)) to own shares in the Company to further link their interests with the interests of all shareholders.

Directors and Senior Executives:

- Must not engage in short term trading of the Company’s shares;
- Must not trade in the Company’s shares during a Prohibited Period;
- Must not trade in the Company’s shares while that person is in possession of unpublished price-sensitive material (ie. inside information);
- Must not enter into an agreement that would have the effect of limiting their exposure to risk to an element of their remuneration that either has not vested or has vested but remains subject to a holding lock.

“Price-sensitive material is information which a reasonable person would expect to have a material effect on the price or value of the Company’s shares.

Under its share trading policy, KMP’s are permitted to buy and sell shares in the Company during any period which is not regarded as a ‘Prohibited Period’. These KMP’s are not permitted to buy and sell shares in the Company without first obtaining written or email consent from the Chairman, MD/CEO or Company Secretary. That consent will normally be granted provided there is no price sensitive information known to the Company that has not been disclosed in the market in accordance with ASX exemptions from mandatory disclosure.

Prohibited Period means:

1. Any ‘closed period’; and
2. Additional periods when an entity’s KMP’s are prohibited from trading, which are imposed by the entity from time to time when the Company is considering matters which are subject to the Listing Rules continuous disclosure requirements.

Closed Period means:

Fixed periods specified in this Trading Policy when the Company’s KMP’s are prohibited from trading in the Company’s securities.

## Introduction

The Corporations Act 2011 (Cth) prohibits insider trading in relation to financial products. The provisions are wide ranging and breaches are serious offences.

### This document:

1. Provides an outline of the insider trading and other relevant provisions of the Corporations Act; and
2. Sets out the rules relating to dealings by KMP's in shares and other securities issued by the Company ("Company securities").

These Rules are designed to assist in preventing breaches of the insider trading provisions of the Corporations Act. Ultimately it is the responsibility of a KMP to ensure that none of his or her dealings could constitute insider trading.

## Insider Trading Prohibition

### The nature of the Prohibition

Section 1043A (of Part 7.10, Division 3) of the Corporations Act makes it an offence for a person in possession of information that is not generally available but which, if generally available, might materially impact the price or value of Company securities, to:

- Trade in (ie. apply for, acquire or dispose of, or enter into an agreement to do any of these things); or
- Procure another person to trade in Company securities (collectively referred to as deal in Company securities).

It is also an offence to pass the information to another person with the knowledge that the person could deal in Company securities. Accordingly, the effect of this section cannot be avoided by simply getting another person to deal on your behalf.

### How You Become Aware of the Information is Irrelevant

It is irrelevant how or in what capacity the person came into possession of the information.

This means that s1043A will apply to any KMP who acquired inside information in relation to Company securities, no matter in which capacity and is prohibited from dealing in Company securities and any other entity's securities impacted by information acquired through the KPMG's role with the Company.

### Information Which Might Affect Price Value

The prohibition refers to unpublished information which, if generally available, might materially impact the price or value of Company securities.

#### **What Does Information Include?**

Information includes matters of supposition or speculation and matters relating to the intentions or likely intentions of a person or the Company.

#### **What Information Might Materially Affect Price or Value?**

This means information that a reasonable person would expect to have a material effect on the price or value of Company securities. A reasonable person would be taken to expect information to have a material effect on price or value if the information would be likely to influence persons who commonly invest in securities whether to invest or divest the Company's securities. Examples of this type of information which might affect the price or value of Company securities include:

- Proposed changes in the capital structure, capital returns and buy backs of financial products;
- Information relating to financial results;
- A material acquisition, divestment or realisation of assets;
- Proposed dividends and share issues;
- Changes to the Board;
- Possible events which could have a material impact on profits (negatively or positively) e.g. loss of a major customer;
- Proposed changes in the nature of the business of the Company;
- Notification of a substantial shareholding; and

Any information required to be announced to the market pursuant to Listing Rule 3.1. (Continuous Disclosure).

#### **What does Unpublished mean?**

Unpublished for this purpose means that the information is not generally available. Information is generally available if it consists of readily observable matter, or it has been disseminated in a manner likely to bring it to the attention of investors and a reasonable period has elapsed.

### **Closed Periods**

Directors and senior executives may not trade in the Company's securities during the financial closed periods which are:

- The period between 30 June and 12pm on the day after the release of the Company's annual report;
- The period between 31 December and 12pm on the day after the release of the Company's half year report; and
- The period between the end of the September and March quarters and 12pm on the day after the release of the Company's Appendix 5B and Activities Report.

The Company can also impose a restriction on trading during any period when it is considering a matter subject to Continuous Disclosure under Listing Rule 3.1A

### **No Improper Use of Inside Information (s183 and 184)**

An officer or employee, a former officer or employee must not make improper use of information acquired by virtue of his or her position as such an officer or employee to gain, directly or indirectly, an advantage for himself or herself or for any other person, or to cause detriment to the Company.

### **No Gain by Improper Use of Position (s182 and 184)**

An officer or employee must not make improper use of his or her position as such an officer or employee to gain, directly or indirectly, an advantage for himself or herself or for any other person, or to cause detriment to the Company.

### **Prohibition in Dealing While in Possession of Relevant Information**

Dealing in shares is subject to the prohibition that a KMP must not deal in shares:

- At any time when he or she is in possession of unpublished, information which, if generally available, might materially affect the price or value of those shares; and
- On the day that the public announcement is made in relation to that matter.

### **Prohibition on Active Dealing**

Dealing during a Trading Period is subject to the prohibition that a KMP must not actively deal in shares with a view to deriving profit related income from that activity. "Actively Deal" for this purpose means to deal in shares in a manner which involves frequent and regular trading activity.

### **Confirmation of Dealing that has Occurred**

The Company may require an employee to provide confirmation of dealing in Company securities by an employee or his/her associate.

### **Notice of Change to Trading Period or Closed Trading Period**

The Closed Trading Period may be extended or shortened or another Closed Trading Period may be introduced at any time by direction of the Board. Notice of such changes will be specified to employees by mail and to directors by email. Changes to the Closed Trading Period or Trading Period are effective immediately upon the giving of such notice. Where an employee does not have email access it is the manager's responsibility to inform the employee.

### **Director Requirement to Report to the Market (Listing Rule 3.19A)**

In accordance with the Agreement between directors and the Company, directors are required to provide details of all changes to their interest in Company shares registered in the name of a director or held on behalf of the director, directly or indirectly. The details must be provided as soon as reasonably possible after the date of the change and in any event no later than three business days after the change or another time frame which allows for compliance with the listing rule obligations.

### **Waiving Rules**

If there are exceptional circumstances, the Chairman, or if absent, the MD/CEO, in their discretion, may waive parts of the Dealing Rules, to allow for a KMP to deal.

If there are exceptional circumstances, the Chairman, in consultation with the MD/Chief Executive Officer and the Chairman of the Audit and Risk Committee, in their discretion may waive parts of the Dealing Rules, to allow directors to deal.

Exceptional circumstances may include the following:

- A representative in severe financial hardship where the representative has a pressing financial commitment which cannot be satisfied otherwise than by selling the relevant securities of the Company.
- A representative is the subject of a court order, or there are enforceable undertakings to transfer or sell the securities of the Company or there is some other overriding legal or regulatory requirement for them to do so.

The Board recognised that by nature of exceptional circumstances, it is envisaged that there may be other circumstances which have not been identified in this policy which may be deemed exceptional by the Board.

This discretion will be applied, taking into account the hardship of the employee or director and weighing this against any perceived detriment to the Company's reputation.

Other trading that is specifically excluded from the operation of this trading policy includes the following:

- Transfers of securities of the Company already held, into or out of a superannuation fund or other saving scheme in which the representative is a beneficiary or to someone closely related to the KMP.
- An investment in, or trading 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 representative is a trustee, trading in securities of the Company by that trust provided the representative is not a beneficiary of the trust and any decision to trade during a prohibited period is taken by other trustees or by the investment managers independently of the representative.
- Undertakings to accept, or the acceptance of a takeover offer.
- Trading 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.

- The exercise (but not the sale of securities following exercise) of an option or a right under an employee incentive scheme, or the conversion of a convertible security, where the final date for the exercise if the option or right, or the conversion of the security, falls during a prohibited period and the representative could not reasonably have been expected to exercise it at a time when free to do so.

Employees who apply for a waiver under exceptional circumstances must obtain written or email consent from the Chairman and/or MD/CEO prior to trading in the Company's securities.

### **Related Parties and Relevant Interests**

The restrictions on dealings by a KMP are equally applicable to any dealings:

- a) by their spouses or de facto spouses;
- b) by or on behalf of any dependant under 18 years of age; and
- c) any other dealings in which, for the purposes of the Corporations Act, he or she is to be treated as "interested". For example, if a KMP is a trustee of a trust and is also a beneficiary of the trust, the KMP must not purchase shares on behalf of the trust.

It is the duty of the KMP to seek to avoid any such dealing at a time when he or she is himself or herself prohibited from dealing.

### **Employment and Monitoring of Compliance**

To promote understanding of the insider trading prohibition, related Corporations Act provisions and Company Policy, a copy of this document will be distributed to all KMP's (present and future) and will also be available on the Company's intranet site. The induction procedures for new KMP's must require that a copy of this document be provided to each new KMP.

All new KMP's will be required to provide a completed Form of Acknowledgement to the Chairman and/or MD/CEO. All new directors will be required to provide this form to Company Secretariat.

### **Staff Below KMP**

This Share Trading Policy may, from time to time, be applied to staff below KMP level who may be working on a particular market-sensitive matter.

## Conclusion

Compliance with the rules set out in this document is mandatory. Infringement of the insider trading provisions can attract substantial monetary penalty, imprisonment or both.

Clearance to trade under this Policy is not an endorsement of the proposed trade and the KMP doing the trading is individually responsible for their investment decisions and their compliance with insider trading laws.

Any KMP who does not comply with the Dealing Rules set out in this document will be considered to have engaged in serious misconduct which may result in the termination of their engagement by the Company.

Ultimate discretion rests with the Chairman of the Board in respect of granting a waiver up to the requirements of this Share Trading Policy to allow Representatives to trade in the shares of the Company, provided to do so would not be illegal.