



CORPORATE GOVERNANCE POLICIES

SECURITIES TRADING POLICY

The Company's share trading policy regulates dealings by directors, officers and employees in securities issued by the Company. Where appropriate, this policy also applies to contractors and consultants.

This policy imposes basic trading restrictions on all directors and employees of the Company and its related companies who possess inside or unpublished price-sensitive information. Additional trading restrictions apply to:

- all directors (and any of their associates);
- all executives reporting directly to the Managing Director; and
- any other employees, contractors or consultants of the Company considered appropriate by the Managing Director and Company Secretary from time to time.

GENERAL RESTRICTIONS WHEN IN POSSESSION OF INSIDE INFORMATION

Insider trading laws

Insider trading laws cover all directors and employees of the Company. Broadly, if a person is in possession of any unpublished price-sensitive information, it is a criminal offence to:

- trade in the Company's securities;
- advise or procure another person to trade in the Company's securities; or
- pass on inside information to someone else, knowing that the other person may use that information to trade in, or procure someone else to trade in, the Company's securities.

Unpublished price-sensitive information includes any information which relates to the Company or its securities and:

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

Confidential information

Employees and directors also have a duty of confidentiality to the Company. A person must not reveal any confidential information concerning the Company, use that information in any way which may cause loss to the Company, or use that information to gain an advantage for themselves or anyone else.

ADDITIONAL TRADING RESTRICTIONS FOR DIRECTORS AND SOME EMPLOYEES

Additional restrictions on trading in the Company's securities apply to directors of the Company, all executives reporting directly to the Managing Director and any other employees of the Company considered appropriate by the Managing Director and Company Secretary from time to time (Restricted Persons).

Restricted Persons generally hold positions where it can be assumed that they will have inside information regarding the Company. Accordingly, additional restrictions apply for any proposed trading in shares by Restricted Persons during nominated “closed periods”. The closed periods generally apply to the period immediately preceding periodic and continuous disclosure.

Restricted Persons are prohibited (other than by special dispensation of the Audit Committee) from trading in the Company’s securities during the following designated closed periods:

- in the one week prior to the release of the Company’s quarterly reports;
- in the one week prior to the release of the Company’s half year financial results or;
- in the one week prior to the release of the Company’s full year financial results.

In exceptional circumstances clearance may be given for a Restricted Person to sell (but not to purchase) securities when they would otherwise be prohibited from doing so but not while there exists any matter which constitutes unpublished price-sensitive information in relation to the Company’s securities.

Requirements before trading

Before trading, or giving instructions for trading in the Company’s securities:

- a director must notify the Chairman of his intention to trade;
- confirm that he does not hold any unpublished price sensitive information;
- have been advised by the Chairman that there is no reason to preclude him from trading in the Company’s securities as notified; and
- complied with any conditions on trading imposed by the Chairman (including, for example, any time limits applicable to the clearance).

In the case of the Chairman intending to trade in the Company’s securities, he must notify and obtain clearance from either the Managing Director or the Chairman of the Audit Committee before trading, or giving instructions for trading.

In the case of any other Restricted Person, he must notify and obtain clearance from the Chairman or the Company Secretary before trading, or giving instructions for trading.

Notification of trading

As required by the Corporations Act and the ASX Listing Rules, directors must notify the Company Secretary of any dealings in the Company’s securities immediately and in any event within 5 business days of the date of any such dealings.

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.

General

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

The requirements imposed by this policy are separate from and additional to, the legal prohibitions in the Corporations Act on insider trading.

Policy history

Established: July 2006

Last review: February 2010