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**SCHEDULE 5**  
**SECURITIES DEALING POLICY**

**1. INTRODUCTION**

The purpose of this policy is to provide a brief summary of the insider trading laws and other relevant laws, set out the restrictions on dealing in securities by people who work for or are associated with the Company and to assist in maintaining market confidence in the integrity of dealings in the Company's securities.

If you do not understand any part of this policy or how it applies to you, you should discuss the matter with the Company Secretary or Chairman before dealing in any securities.

**2. STATEMENT OF POLICY**

Whenever you have inside information which may affect the value of securities, you must not:

- deal in those securities; or
- communicate the information to anyone else.

This prohibition applies regardless of how you learned the inside information. It applies not only to the Company's securities but also to the securities of other companies. Definitions of "inside information", "securities" and "dealing" are set out below.

**3. WHO IS COVERED BY THIS POLICY**

This policy applies to:

- executive and non-executive Directors;
- full time, part-time and casual employees; and
- contractors, consultants and advisers,

of the Company.

**4. WHAT SECURITIES ARE COVERED BY THIS POLICY**

This policy applies to:

- the Company's shares;
- any other securities that may be issued by the Company, such as options;
- derivatives (such as exchange traded options and warrants) and other financial products issued by third parties in relation to the Company's shares and options; and
- securities of any other company or entity that may be affected by inside information (such as another party involved in a corporate transaction with the Company or a Company contractor or shareholder).

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## **5. PROHIBITED CONDUCT**

### **5.1 Insider Trading**

In broad terms, you will commit insider trading if you:

- deal in the Company's securities or securities in another entity while you have inside information;
- communicate insider information to another person knowing (or where you should reasonably have known) that the other person would, or would be likely to, use that information to deal in, or procure someone else to deal in, securities.

Individuals who contravene the insider trading provisions of the Corporations Act are liable to prosecution or to civil penalty action by the Australian Securities and Investments Commission. In a criminal prosecution the maximum penalty involves a significant fine and/or 5 years imprisonment. In a civil penalty proceeding a significant financial penalty may be imposed. In both cases, the offender may be ordered to pay compensation to anyone who suffered a loss as a result of the insider trading.

### **5.2 Dealing in Securities**

For the purposes of this policy, dealing in securities includes trading in securities and advising, procuring or encouraging another person to trade in securities.

Communicating information includes passing it on to another person such as a family member, friend, associate or colleague.

### **5.3 Inside Information**

Inside information is information that:

- is not generally available to people who commonly invest in securities; and
- if it was generally available, would or would be likely to influence experienced investors in deciding whether or not to subscribe for, purchase or sell the Company's securities

It does not matter how you come to have the inside information. The definition of information is broad enough to include rumours, matters of supposition, intentions of a person (including the Company) and information that is not definitive enough to warrant public disclosure.

### **5.4 Other Restricted Securities Dealings**

It is the Company's policy that you must not engage in short-term or speculative dealing in the Company's securities.

The Company's Directors and executives, who are participating in an equity based incentive scheme are prohibited from entering into any transaction that would have the effect of hedging or otherwise transferring the risk of any fluctuation in the value of any unvested entitlement in the Company's securities to any other person.

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## **6. INSIDER TRADING**

### **6.1 Examples of Insider Trading**

The following list is for illustrative purposes only. Inside information could include:

- information relating to the Company's financial results;
- a possible sale or acquisition of assets by the Company;
- the threat of major litigation against the Company;
- an event which could have a material impact on profits (either positively or negatively);
- a material change in debt, liquidity or cash flow;
- the granting (or loss) of a major contract;
- a management or business restructuring proposal;
- a proposed dividend; and
- a share issue proposal.

### **6.2 Securities of Other Companies**

In the course of your duties as a Director, employee, adviser, consultant or contractor to the Company you may obtain inside information in relation to another company. For example;

- in the course of negotiating a transaction with the Company, another company may provide confidential information about itself;
- in the course of negotiating a transaction with the Company, another company may provide confidential information in relation to a third party;
- information concerning a proposed transaction or other action by the Company may have a material effect on a third party.

The prohibition on insider trading is not restricted to information affecting the Company's securities. Accordingly, if you possess inside information in relation to securities of another company or entity you must not deal in those securities.

## **7. GUIDELINES FOR TRADING IN THE COMPANY'S SECURITIES**

### **7.1 General rule**

Directors, employees, advisers, consultants or contractors are not permitted to deal in the Company's shares during the following closed periods:

- in the period from 1 January to 3 business days after the announcement of the Company's half-year profit result;
- in the period from 1 July to 3 business days after the announcement of the Company's full year profit result;

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- in the 2 month period before the Annual General Meeting of the Company to 3 business days after the announcement of the results of the Annual General Meeting.

The Company may at its discretion vary this rule in relation to a particular period by general announcement to all Directors, employees, advisers, consultants and contractors either before or during the period.

However, if a Director, employee, adviser, consultant or contractor of the Company is in possession of price sensitive information which is not generally available to the market, then he or she must not deal in the Company's securities at **any** time.

## **7.2 No short-term trading in the Company's securities**

Directors, employees, advisers, consultants or contractors should never engage in short-term trading of the Company's securities except for the exercise of options where the shares will be sold shortly thereafter.

## **7.3 Securities in other companies**

Buying and selling securities of other companies with which the Company may be dealing is prohibited where an individual possesses information which is not generally available to the market and is 'price sensitive'. For example, where an individual is aware that the Company is about to sign a major agreement with another company, they should not buy securities in either the Company or the other company.

## **7.4 Exceptions**

- (a) Directors, employees, advisers, consultants or contractors may at any time:
- (i) acquire ordinary shares in the Company by conversion of securities giving a right of conversion to ordinary shares;
  - (ii) acquire Company securities under a bonus issue made to all holders of securities of the same class;
  - (iii) acquire Company securities under a dividend reinvestment, or top-up plan that is available to all holders or securities of the same class;
  - (iv) acquire, or agree to acquire or exercise options under a Company Share Option Plan;
  - (v) 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; and
  - (vi) acquire ordinary shares in the Company as a result of the exercise of options held under an employee option scheme.
- (b) It should be noted that if the Company has in place any active share or option plans:

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- (i) it is not permissible to provide the exercise price of options by selling the shares acquired on the exercise of these options during a closed period; and
  - (ii) 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 the Company's 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 the Company's 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.

#### **7.5 Notification of periods when Directors and employees can trade**

The Company Secretary will endeavour to notify all persons covered under this policy of the times when they are permitted to buy or sell the Company's securities as set out in paragraph 7.1.

### **8. APPROVAL AND NOTIFICATION REQUIREMENTS**

Directors, employees, advisers, consultants or contractors wishing to buy, sell or exercise rights in relation to the Company's securities must obtain the prior written approval of the Chairman of the Board, or in his absence the Company Secretary, before doing so.

If the Chairman wishes to buy, sell or exercise rights in relation to the Company's securities the Chairman must obtain the prior written approval of the other Directors before doing so.

Any person covered by this policy who (or through his or her associates) buys, sells, or exercises rights in relation to Company securities **must** notify the Company Secretary in writing of the details of the transaction within two (2) business days of the transaction occurring. This notification obligation operates at all times but does not apply to acquisitions of shares or options by employees made under employee share or option schemes, nor does it apply to the acquisition of shares as a result of the exercise of options under an employee option scheme.

### **9. CONSEQUENCES OF A BREACH OF THIS POLICY**

Strict compliance with this policy is mandatory for all Company and associated personnel covered by this policy.

Contravention of the Corporations Act is a serious matter that may result in criminal or civil liability.

In addition, breaches of this policy may damage the Company's reputation in the investment community and undermine confidence in the market for the Company's securities. Accordingly, any breaches of this policy will be taken

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seriously by the Company and will be subject to disciplinary action, including possible termination of a person's employment or appointment.

**10. PUBLICATION OF THIS POLICY**

A copy of this policy will be available on the Company's website.