

Share trading policy

Keybridge Capital Limited
ACN 088 267 190 (**Company**)

Share trading policy

1. Introduction

1.1 Securities of the Company are listed on ASX.

1.2 This policy outlines:

- (a) when directors, senior management and other employees may deal in Company Securities;
- (b) when directors, senior management and other employees may deal in listed securities of another entity (because they may obtain inside information about another entity's securities while performing their duties for the Company);and
- (c) procedures to reduce the risk of insider trading.

2. Defined terms

In this policy:

Approving Officer means:

- (a) for a Designated Officer who is not a director, the managing director;
- (b) for a director (except the chairperson of the board), the chairperson of the board; and
- (c) for the chairperson of the board, the chairperson of the Audit Committee.

ASX means Australian Securities Exchange Limited.

Company Securities includes shares in the Company, options over shares in the Company and any other financial products of the Company, whether they are traded on ASX or unlisted.

Designated Officer means a director or person engaged in the management of the Company, whether as an employee or consultant.

Hedging includes entering into transactions in financial products that operate to limit the economic risk associated with holding Company Securities.

3. Insider trading

3.1 If a person has information about securities and the person knows, or ought reasonably to know, that the information is inside information, it is likely to be illegal for the person to:

- (a) deal in the securities;
- (b) procure another person to deal in the securities; or
- (c) give the information to another person who the person knows, or ought reasonably to know, is likely to:
 - (i) deal in the securities; or
 - (ii) procure someone else to deal in the securities.

3.2 Insider trading is a criminal offence. It is punishable by substantial fines or imprisonment or both. A company may also be liable if an employee or director engages in insider trading.

- 3.3 Insider trading may also attract civil penalties. A court may impose substantial pecuniary penalties for insider trading and order payment of compensation to persons who suffer loss or damage because of insider trading.

4. What is inside information?

4.1 Inside information is information that:

- (a) is not generally available; and
- (b) if it were generally available, would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the relevant securities.

4.2 Information is generally available if it:

- (a) is readily observable;
- (b) has been made known in a manner likely to bring it to the attention of persons who commonly invest in securities of the relevant type and a reasonable period for that information to be disseminated has elapsed since it was made known; or
- (c) consists of deductions, conclusions or inferences made or drawn from information falling under paragraphs 4.2(a) or 4.2(b).

5. What is dealing in securities?

5.1 Dealing in securities includes:

- (a) applying for, acquiring or disposing of, securities;
- (b) entering into an agreement to apply for, acquire or dispose of, securities; and
- (c) granting, accepting, acquiring, disposing, exercising or discharging an option or other right or obligation to acquire or dispose of securities.

5.2 A decision to join, or subscribe for shares under, any dividend reinvestment plan is not dealing in Company Securities.

6. When employees may deal

An employee (who is not a Designated Officer) may deal in Company Securities or the listed securities of another entity if he or she does **not** have information that he or she knows, or ought reasonably to know, is inside information in relation to Company Securities or those securities of the other entity.

7. When employees may not deal

An employee (who is not a Designated Officer) may not deal or procure another person to deal in Company Securities or the securities of another entity if he or she has information that he or she knows, or ought reasonably to know, is inside information in relation to Company Securities or those securities of the other entity.

8. When a Designated Officer may deal

8.1 A Designated Officer may only deal in Company Securities, other than those described in paragraph 8.3:

- (a) during the one month period beginning at the close of trading on the day after the dates on which:
 - (i) the Company announces its half-yearly results;
 - (ii) the Company announces its full year results; and
 - (iii) the Company holds its annual general meeting (assuming an update of the full year's results is given at the meeting); and
- (b) during a period nominated by the Board from time to time subject to each Director lodging an Appendix 3Y with the ASX on the day of trading any Company Securities during that period; and
- (c) if he or she has complied with paragraph 10.

8.2 A Designated Officer may deal in the listed securities of another entity if he or she does not have information that he or she knows, or ought reasonably to know, is inside information in relation to those securities.

8.3 A Designated Officer may deal in Company Securities which are the subject of a prevailing product disclosure statement or a prospectus at any time if he or she does not contravene paragraph 7 and he or she has complied with paragraph 10.

9. When a Designated Officer may not deal

9.1 A Designated Officer may not deal or procure another person to deal in Company Securities if:

- (a) he or she has information that he or she knows, or ought reasonably to know, is inside information in relation to Company Securities; or
- (b) he or she has not complied with paragraph 10.

9.2 A Designated Officer may not deal or procure another person to deal in the listed securities of another entity if he or she has information that he or she knows, or ought reasonably to know, is inside information in relation to those securities.

10. Clearance from the Approving Officer

10.1 Before dealing in Company Securities, a Designated Officer must first inform the Approving Officer and obtain clearance.

10.2 The Approving Officer may only give clearance during the periods set out in paragraph 8. However, the Approving Officer may not give clearance during those periods if:

- (a) there is a matter about which there is inside information in relation to Company Securities (whether or not the Designated Officer knows about the matter) when the Designated Officer requests clearance or proposes to deal in Company Securities; and
- (b) the Approving Officer has any other reason to believe that the proposed dealing breaches this policy.

10.3 The Approving Officer must:

- (a) keep a written record of:
 - (i) any information received from a Designated Officer in connection with this policy; and
 - (ii) any clearance given under this policy; and

(b) send a copy of the written record to the Company secretary for keeping.

10.4 The Company secretary must keep a file of any written record referred to in paragraph 10.3.

11. Exceptional circumstances

11.1 The Approving Officer may give clearance for a Designated Officer to sell (but not buy) Company Securities in exceptional circumstances where the Designated Officer would otherwise not be able to do so under this policy. For example, if the Designated Officer has a pressing financial commitment that cannot otherwise be satisfied.

11.2 The Approving Officer may not give clearance under the exception in paragraph 11.1 if there is a matter about which there is inside information in relation to Company Securities (whether or not the Designated Officer knows about the matter) when the Designated Officer requests clearance or proposes to deal in Company Securities.

11.3 The Approving Officer will decide if circumstances are exceptional.

12. Dealings by associated persons and investment managers

12.1 If a Designated Officer may not deal in the Company Securities, he or she must prohibit any dealing in the Company Securities by:

- (a) any associated person (including family or nominee companies and family trusts); or
- (b) any investment manager on their behalf or on behalf of any associated person.

12.2 For the purposes of paragraph 12.1, a Designated Officer must:

- (a) inform any investment manager or associated person of the periods during which the Designated Officer may and may not deal in Company Securities; and
- (b) request any investment manager or associated person to inform the Designated Officer immediately after they have dealt in Company Securities.

12.3 A Designated Officer does not have to comply with paragraphs 12.1 and 12.2 to the extent that to do so would breach their obligations of confidence to the Company.

13. Communicating inside information

13.1 If an employee (including a Designated Officer) has information that he or she knows, or ought reasonably to know, is inside information in relation to Company Securities or the listed securities of another entity, the employee must not directly or indirectly communicate that information to another person if he or she knows, or ought reasonably to know, that the other person would or would be likely to:

- (a) deal in Company Securities or those securities of the other entity; or
- (b) procure another person to deal in Company Securities or the securities of the other entity.

13.2 An employee must not inform colleagues (except the Approving Officer) about inside information or its details.

14. Speculative dealing

A Designated Officer may not deal in Company Securities on considerations of a short term nature.

15. Company Securities Provided as Security for Borrowings

Directors will ensure that Company Securities in which they have a beneficial interest are not provided as security for their borrowings. This clause excludes shares issued under the Director and Employee share Scheme which are funded by a non recourse loan by the Company.

16. Hedging of Company Securities

16.1 Hedging of Company Securities by a Designated Officer is subject to the following overriding prohibitions:

- (a) the hedge transaction may not be entered into, renewed, altered or closed out when the Designated Officer is in possession of inside information;
- (b) Company Securities may never be hedged prior to the vesting of those Company Securities; and
- (c) Company Securities may never be hedged while they are subject to a holding lock or restriction on dealing under the terms of an employee share plan operated by the Company.

16.2 Designated Officers are permitted to hedge their Company Securities on the following conditions:

- (a) the hedge transaction is treated as an ordinary dealing in Company Securities for the purposes of this policy, and the relevant approvals and notifications are made on this basis; and
- (b) clearance has been obtained from the Approving Officer.

16.3 Where a Designated Officer enters into a hedging arrangement in respect of Company Securities, the Company may, where appropriate, disclose the fact and nature of the hedge (eg in the Annual Report or to the ASX).

17. Breach of policy

A breach of this policy by an employee is serious and may lead to disciplinary action, including dismissal in serious cases. It may also be a breach of the law.

18. Distribution of policy

This policy must be distributed to all Designated Officers.

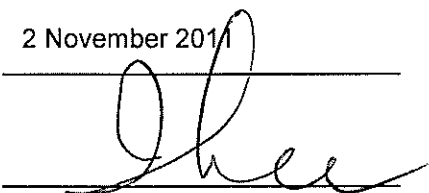
19. Assistance and additional information

Employees who are unsure about any information they may have in their possession, and whether they can use that information for dealing in securities, should contact the managing director.

20. Approved and adopted

This policy was amended and adopted by the board on 11 March 2008 and reviewed on 18 December 2008, 4 November 2009, 8 November 2010 and 2 November 2011.

Date 2 November 2011

Signed 

Chairperson of the board of directors
of Keybridge Capital Limited