

Adopted by the Board: 24th June 2009

Corporate governance policy – securities trading – directors and executives

1. Introduction

This policy imposes constraints on directors and executives of the Company dealing in securities of the Company. It also imposes disclosure requirements on directors.

The schedule lists the titles of the executives who are subject to this policy on the date that it is issued. Other executives of equivalent seniority are also subject to this policy. If any executive is in doubt as to whether he or she is subject to this policy, he or she should consult the chairman (**Chairman**) or Managing Director.

This Securities Trading Policy was originally adopted by the Board on 23rd June 2004 and will be reviewed at least annually and revised by the Board as required.

2. Application

This policy applies to directors and executives of the Company as specified below.

3. Objectives

The objectives of this policy include:

- (1) minimising the risk of directors of the Company contravening the laws against insider trading;
- (2) ensuring that the Company is able to meet its reporting obligations under the ASX Listing Rules; and
- (3) increasing transparency with respect to trading in securities of the Company by its directors.

In order to achieve these objectives, directors and executives should treat this policy as binding on them in the absence of any specific exemption by the Board.

4. Dealing in securities – legal and other considerations

Sections 1042B to 1043O of the *Corporations Act 2001* prohibit persons who are in possession of price sensitive information that is not generally available to the public in relation to particular securities from:

- (1) dealing in the securities; or
- (2) communicating the information to others who might deal in the securities.

The central test of what constitutes price sensitive information is contained in section 1042A. Section 1042A provides that insider trading and continuous disclosure rules apply to inside information that is not generally available to the public and which a reasonable person would expect to have a material affect on the price or value of securities in the Company (**price sensitive information**). Such price sensitive information extends to include matters of supposition and matters relating to the intentions or likely intentions of a person.

Directors and executives of the Company will from time to time be in a situation where they are in possession of price sensitive information that is not generally available to the public. Examples are the period prior to release of annual or half-yearly results to the Australian Securities Exchange (**ASX**) and the period during which a major transaction is being negotiated.

The risk of contravention of insider trading laws in relation to information concerning public companies was substantially reduced in 1994 with the introduction of the continuous disclosure regime. Under that regime, public companies are required to disclose all price sensitive information immediately to the ASX, except in limited circumstances. The tests for what constitute price sensitive information under the insider trading laws and under the continuous disclosure requirements are effectively identical. As a consequence, at least in theory, there is no risk of directors and executives contravening insider trading laws as all relevant information will already have been disclosed.

There are a number of limitations and qualifications to the above, including:

- (1) where the ASX Listing Rules and the *Corporations Act 2001* permit companies to refrain from disclosing certain information, for example in the situation where an acquisition is being negotiated and remains confidential;
- (2) where information may be known to a particular director but not yet by the Company as a whole (i.e. the Board);
- (3) where the Company may have not yet complied with its continuous disclosure obligations in relation to a particular event or circumstance – there will always be some element of delay in doing so; and
- (4) where directors will generally have a better feel for the performance of the Company than the public.

In these situations there is still a potential for contravention. There is also a potential for the appearance of a contravention even if there has been no actual contravention. This appearance of contravention could reflect badly on the Company as well as on the individual concerned.

Another example of a circumstance that must be guarded against is where one or more directors become aware of an event or circumstance while the remaining directors remain unaware. In such a circumstance it is important that no director deals in securities because:

- (1) there is a risk that the directors will be found guilty of insider trading even if they had no intention of committing a contravention; and
- (2) of the potential for such circumstances to reflect badly on the Company.

For these reasons, the advice of the Chairman or the Managing Director should be sought prior to any dealings taking place, and steps should be taken to ensure that the Chairman is apprised of all relevant considerations by the Company's Continuous Disclosure Officer appointed under the ASX Listing Rules.

5. Policy – dealing in securities (Directors)

Directors should not deal in securities of the Company unless:

- (1) they have satisfied themselves that they are not in possession of any price sensitive information that is not generally available to the public;
- (2) they have advised the Chairman of their intention to do so;
- (3) the Chairman has made appropriate enquiries of other directors; and
- (4) the Chairman has indicated that there is no impediment to them doing so.

The Chairman will generally allow directors to deal in securities of the Company as a matter of course (unless there is in existence price sensitive information that has not been disclosed because of an ASX Listing Rule exception) in the following periods:

- (1) within the period of 6 weeks after the release of annual or half-yearly results; and
- (2) within the period of 6 weeks after the issue of a prospectus.

Directors should wait at least 2 hours after the relevant release so that the market has had time to absorb the information.

The periods mentioned above are not the only times in which directors may deal in securities, and the approval of the Chairman may be sought to deal in securities outside those times. It would be unusual for the Chairman to grant approval in the period of 1 month prior to the release of such results or the issue of a prospectus. In such circumstances the Chairman will only give his or her approval after making appropriate enquiries.

Directors must not at any time engage in short-term trading in securities of the Company.

Directors must not communicate price sensitive information to a person who may deal in securities of the Company. In addition, a director should not recommend or otherwise suggest to any person (including a spouse, relative, friend, trustee of a family trust or directors of a family company) the buying or selling of securities in the Company.

Directors must ensure that external advisers who may receive price sensitive information are bound by confidentiality agreements or other enforceable confidentiality obligations.

The above principles also apply to the following:

- (1) trading in financial products issued or created over the Company's securities and associated products; and
- (2) entering into transactions in associated products which operate to limit the economic risk of security holdings in the Company.

6. Policy – dealing in securities (Executives)

Executives must not deal in securities of the Company unless:

- (1) they have satisfied themselves that they are not in possession of any price sensitive information that is not generally available to the public;
- (2) they have advised the Chairman or the Managing Director of their intention to do so; and
- (3) the Chairman or Managing Director has indicated that there is no impediment to them doing so.

The Chairman or Managing Director will generally allow executives to deal in securities of the Company as a matter of course (unless there is in existence price sensitive information that has not been disclosed because of an ASX Listing Rule exception) in the following periods:

- (1) within the period of 6 weeks after the release of the annual or half-yearly results; and
- (2) within the period of 6 weeks after the issue of a prospectus;

but only after waiting for sufficient time after the relevant release so that the market has had time to absorb the information.

Clearance to trade in the Company's securities outside the periods mentioned above may be obtained from the Chairman or Managing Director. But clearance will generally only be granted in extraordinary circumstances, and not generally in the period of 1 month prior to the release of the annual or half-yearly results, or the issue of a prospectus.

An executive must not at any time engage in short-term trading in securities of the Company.

An executive must not communicate price sensitive information to a person who may deal in securities of the Company.

In addition, an executive must not recommend or otherwise suggest to any person (including a spouse, relative, friend, trustee of a family trust or directors of a family company) the buying or selling of securities in the Company.

The above principles also apply to the following:

- (1) trading in financial products issued or created over the Company's securities and associated products; and
- (2) entering into transactions in associated products which operate to limit the economic risk of security holdings in the Company.

7. Notification of dealings in securities – legal and other considerations

ASX Listing Rules 3.19A and 3.19B require the Company to notify the ASX of dealings in securities by directors within 5 business days. Three appendixes are included in the Listing Rules for the purpose of this notification, being 3X Initial Director's Interest Notice, 3Y Change of Director's Interest Notice and 3Z Final Director's Interest Notice.

Section 205G of the *Corporations Act 2001* requires a director of a listed company to notify the ASX within 14 days of acquiring or disposing of a relevant interest in any securities of the Company. This is an obligation of the director and not the Company. There is no prescribed form for such notifications, however the notice must specify the number of securities involved and the circumstances giving rise to the relevant interest in the securities. ASIC have granted relief from the requirements of section 205G where notifications are made by the Company under Listing Rules 3.19A and 3.19B.

8. Policy – notification of dealing in securities

Directors and executives must notify the Company Secretary within a reasonable time (up to 48 hours) after acquiring or disposing of a relevant interest in any securities in the Company and follow up with a telephone call and email to the Company Secretary to ensure that the notification has been received.

Directors and executives are required to enter into an agreement with the Company under which they are obliged to notify changes in interests in shares and other relevant matters.

Executives must ensure that external advisers who may receive price sensitive information are bound by confidentiality agreements or other enforceable confidentiality obligations.

9. Securities of other entities

A director or executive who obtains price sensitive information about the securities of another company because of their position with the Company must not:

- (1) trade in those securities;
- (2) communicate price sensitive information to a person who may deal in securities of the other company; or
- (3) recommend or otherwise suggest to any person (including a spouse, relative, friend, trustee of a family trust or directors of a family company) the buying or selling of securities in the other company.

10. Unvested Entitlements

A director or executive must not enter into transactions in associated products which operate to limit the economic risk of security holdings in the Company over unvested entitlements under any equity-based remuneration schemes.

11. Explanation of terms

For the purposes of this policy:

- (1) **deal in securities** means buy or sell shares, options or other securities in the Company, or enter into transactions in relation to shares, options or other securities in the Company. It includes procuring another person to do any of these things; and
- (2) **price sensitive information** means information that, if made public, would be likely to have a significant effect on the price of the company's securities..

For the purposes of paragraphs 5 and 6, "dealing" includes associates of directors or executives dealing in securities, and it is incumbent on each director and executive to ensure that an associate does not deal in circumstances where the dealing could be attributed to the director or executive concerned.

12. Penalties

A trade in any securities by a person who is in possession of price sensitive information not publicly available could contravene the *Corporations Act 2001* and expose the person to civil and criminal penalties.

A contravention of this policy by an executive may result in summary dismissal.

The Schedule – Executives to whom this policy applies

Managing Director

Company Secretary

Chief Financial Officer

Financial Controller

Buyers

Property Manager

General Managers

National Retail Manager

Accountant

Business Managers