



Share Trading Policy

Aeeris Limited ABN 18 166 705 595

Adopted on 27th April 2020

1. Introduction

These guidelines set out the policy on the sale and purchase of securities in the Company by its Directors and Employees.

Directors and Employees are encouraged to be long-term holders of the Company's securities. However, it is important that care is taken in the timing of any purchase or sale of such Company securities to avoid 'insider trading'.

Accordingly the Board has adopted this Policy on dealing in the Company's securities by Directors and Employees. The objectives of this Policy are to:

- (a) minimise the risk of Directors and Employees contravening the laws against insider trading;
- (b) ensure the Company is able to meet its reporting obligations under the Listing Rules; and
- (c) increase transparency with respect to trading in the Company's securities by Directors and Employees.

To achieve these objectives, Directors and Employees should consider this Policy to be binding on them in the absence of a specific exemption by the Board.

In summary, this Policy prohibits dealing in the Company's securities when those persons possess unpublished market price sensitive information. If a Director or Employee is uncertain of the status of unpublished information, he or she should discuss it with the Chairman before trading occurs.

Directors must also notify the Company Secretary of any trade in the Company's securities within three days of such trade occurring so that the Company Secretary can comply with the Listing Rule 3.19A.2 requirement to notify the ASX of any change in a notifiable interest held by a Director.

Any non-compliance with this Policy will be regarded as serious misconduct which may entitle the Company to take corrective disciplinary action.

2. Definitions

General terms and abbreviations used in this Policy have the following meaning set out below.

ASX	ASX Limited.
Board	the board of Directors of Aeeris.
Chairman	the Chairman of the Board.

Closed Period	fixed periods specified in this Policy when the Company's Directors and Employees are prohibited from trading in the Company's securities as set out in section 5.1.
Company Secretary	the Company Secretary of the Company.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Company	Aeeris Limited ACN 166 705 595.
Director	a director of the Company.
Listing Rules	the Listing Rules of the ASX.
Policy	this share trading policy.

3. What types of transactions are covered by this Policy?

This Policy applies to both the sale and purchase of any securities of the Company and its subsidiaries on issue from time to time. It applies to both listed and unlisted securities of the Company.

The definition of 'securities' in the Corporations Act is very broad. Securities include:

- (a) ordinary shares;
- (b) preference shares;
- (c) options or performance rights;
- (d) debentures; and
- (e) convertible notes.

For the purposes of this Policy, the term 'securities' also extends to financial products issued or created over or in respect of securities issued by the Company (for example, warrants and other derivative products), whether or not the financial products are created by the Company or by third parties.

4. What is insider trading?

4.1 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:

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

Contravention of section 1043A of the Corporations Act is a criminal offence and may also result in civil liability.

4.2 Examples

To illustrate the prohibition described above, the following are possible examples of price sensitive information which, if made available to the market, may be likely to affect materially the price of the Company's securities:

- (a) a material acquisition, joint venture, realisation or disposal of assets;
- (b) threat of material litigation against the Company;
- (c) the Company's sales and profit results materially exceeding (or falling short of) the market's expectations;
- (d) a material change in debt, liquidity or cash flow;
- (e) a significant new development proposal ie, new product or technology;
- (f) the granting (or loss) or a major contract;
- (g) management or business restructuring proposal;
- (h) proposed changes in the capital structure, capital returns and buy backs of financial products;
- (i) proposed dividends and share issues;
- (j) changes to the Board; and
- (k) any information required to be announced to the market pursuant to Listing Rule 3.1 (the **Continuous Disclosure rule**).

4.3 Dealing through third parties

It is also an offence to tip the information to another person with the knowledge that the person could deal in Company securities. A person does not need to be a Director or Employee to be guilty of insider trading in relation to securities in the Company. Accordingly, the effect of section 1043A of the Corporations Act cannot be avoided by simply getting another person to deal on your behalf. The prohibition extends to dealings by Directors and Employees through nominees, agents or other associates, such as family members, family trusts and family companies (referred to as **Associates** in this Policy).

4.4 Information however obtained

Trading is prohibited at any time if the person possesses inside information. It does not matter how or where the person obtains the information – it does not have to be obtained from the Company to constitute inside information. This means that section 1043A of the Corporations Act will apply to any Director or Employee who acquires inside information in relation to Company securities, no matter in which capacity and is prohibited from dealing in Company securities.

4.5 Employee share schemes

The prohibition 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. However, the prohibition does apply to the sale of shares acquired under an employee share scheme and also to the sale of shares acquired following the exercise of an option granted under an employee option scheme.

5. Guidelines for trading in the Company's securities

5.1 General Rule

Directors or Employees must not buy or sell Company securities except for during any of the following periods:

- (a) 30 calendar days commencing on the day after the date of the Company's Annual General Meeting;
- (b) 30 calendar days commencing on the day after the release of the half yearly results announcement to the ASX;
- (c) 30 calendar days commencing on the day after the release of the preliminary final results announcement to the ASX; or
- (d) 30 calendar days commencing on the day after the release of a disclosure document offering securities in the Company,

All periods other than as detailed above are referred to as the '**Closed Period**'.

For the avoidance of doubt, during the Closed Period, Directors and Employees must not deal in financial products issued or created over or in respect of the Company's securities.

The Closed Period may be extended, shortened or another Closed Period may be introduced at any time by direction of the Board. Notice of such changes will be specified to Employees by email and to Directors by email. Changes to the Closed 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 such Employee.

Where a Director does not have email access, it is the responsibility of the CEO to inform the Director.

Even if a trading window is open, if a Director or Employee 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.

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

Directors and Employees 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.

5.3 **No trading to benefit from downturn in Company**

Directors and Employees should never engage in trading of the Company's securities or other financial products where they would benefit from a diminution in the value of the Company's securities, or a downturn in the Company's business or other negative outcomes for the Company.

5.4 **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.

5.5 **Exceptions**

Directors and all Employees may at any time:

- (a) acquire ordinary shares in the Company by conversion of securities giving a right of conversion to ordinary shares;
- (b) acquire Company securities under a bonus issue made to all holders of securities of the same class;
- (c) acquire Company securities under a dividend reinvestment, or top-up plan that is available to all holders or securities of the same class;
- (d) acquire, or agree to acquire or exercise options under a Company share option plan (provided that they must not sell any shares acquired upon exercise of that option except in accordance with this Policy);
- (e) 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;
- (f) acquire ordinary shares in the Company as a result of the exercise of options held under an employee option scheme;

- (g) transfer securities of the Company already held into a superannuation fund or other saving scheme in which the restricted person is a beneficiary;
- (h) make an investment in, or trade in 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;
- (i) where a restricted person is a trustee, trade in the securities of the Company by that trust provided the restricted person is not a beneficiary of the trust and any decision to trade during a prohibited period is taken by the other trustees or by the investment managers independently of the restricted person;
- (j) undertake to accept, or accept, a takeover offer;
- (k) trade 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;
- (l) dispose of securities of the Company resulting from a secured lender exercising their rights, for example, under a margin lending arrangement;
- (m) exercise (but not sell securities following exercise) an option or a right under an employee incentive scheme, or convert a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a prohibited period and the Company has been in an exceptionally long prohibited period or the Company has had a number of consecutive prohibited periods and the restricted person could not reasonably have been expected to exercise it at a time when free to do so; or
- (n) trade under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this Policy.

Where the Company has in place an active employee option plan:

- (a) it is not permissible to provide the exercise price of options by selling the shares acquired on the exercise of these options unless the sale of those shares occurs during one of the 30 day periods specified in clause 5.1; and
- (b) 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 Company 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 Company 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.

5.6 Notification of periods when Directors and Employees can trade

The Company Secretary will endeavour to notify Directors and Employees of the times when they are permitted to buy or sell the Company's securities as set out in clause 5.1.

6. Clearance and Notification Requirements

6.1 Clearance Requirements - Directors

Any Director wishing to buy, sell or exercise rights in relation to the Company's securities must obtain the prior written clearance of the Chairman or the Board before doing so; or

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

Such clearance requirement applies during a trading window but may be provided in advance of the opening of a trading window.

6.2 Clearance Requirements – Employees

Any Employee wishing to buy, sell or exercise rights in relation to the Company's securities must obtain the prior written clearance of the CEO before doing so.

Such clearance applies during a trading window but may be provided in advance of the opening of a trading window.

6.3 Notification

Subsequent to approval obtained in accordance with clause 6.1 and 6.2, any Director or Employee 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 five 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.

6.4 Approvals to buy or sell securities

All requests to buy or sell securities must include the intended volume of securities to be purchased or sold and an estimated time frame for the sale or purchase.

Copies of written approvals must be forwarded to the Company Secretary prior to the approved purchase or sale transaction.

6.5 Director and Employees sales of securities

Directors and Employees need to be mindful of the market perception associated with any sale of Company securities and possibly the ability of the market to absorb the volume of shares being sold. With this in mind, the management of the sale of any significant volume of Company securities (ie a volume that would represent a volume in excess of 10% of the total securities held by the seller prior to the sale, or a volume to be sold that would be in excess of 10% of the average daily traded volume of the shares of the Company on the ASX for the preceding 20 trading days) by a Director, the Chief Executive Officer or other Employee needs to be discussed with the Board and the Company's legal and financial advisers prior to the execution of any sale. These discussions need to be documented in the form of a file note, to be retained by the Company Secretary.

6.6 Exemption from Closed Period restrictions due to exceptional circumstance

A Director or Employee who is not in possession of inside information in relation to the Company, may be given prior written clearance by the CEO (or in the case of a Director the Chairman, or in the case of the Chairman all of the other members of the Board) to sell or otherwise dispose of Company securities during a Closed Period where the person is in severe financial hardship or where there are exceptional circumstances as set out in this Policy.

6.7 Severe Financial Hardship or Exceptional Circumstances

The determination of whether a Director or Employee is in severe financial hardship will be made by the Chief Executive Officer in the case of Employees, the Chairman in the case of a Director, and all of the Board in the case of the Chairman.

A financial hardship or exceptional circumstances determination can only be made by examining all of the facts and if necessary obtaining independent verification of the facts from banks, accountants or other like institutions.

6.8 Financial Hardship

A Director or Employee may be in severe financial hardship if they have a pressing financial commitment that cannot be satisfied other than by selling the securities of the Company.

In the interests of an expedient and informed determination by the Chief Executive Officer, Chairman or Board, any application for an exemption allowing the sale of Company securities during a Closed Period based on financial hardship must be made in writing, be accompanied by a statutory declaration stating all of the facts and be accompanied by copies of relevant supporting documentation, including contact details of the person's accountant, bank and other such independent institutions.

Any exemption, if issued, will be in writing and shall contain a specified time period during which the sale of securities can be made.

6.9 **Exceptional Circumstances**

Exceptional circumstances may apply to the disposal of Company securities by a Director or Employee if the person is required by a court order, a court enforceable undertaking for example in a bona fide family settlement, to transfer or sell securities of the Company or there is some other overriding legal or regulatory requirement to do so.

Any application for an exemption allowing the sale of Company securities during a Closed Period based on exceptional circumstances must be made in writing and be accompanied by relevant court and/or supporting legal documentation.

Any exemption, if issued, will be in writing and shall contain a specified time period during which the sale of securities can be made.

7. **ASX notification for Directors**

Listing Rule 3.19A requires the Company to notify the ASX within five business days after any dealing in securities of the Company (either personally or through an Associate) which results in a change in the relevant interests of a Director in the securities of the Company. The Company has made arrangements with each Director to ensure that the Director promptly discloses to the Company Secretary all the information required by the ASX 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.

8. **Effect of Compliance with this Policy**

Compliance with this Policy is mandatory. Infringement of the insider trading provisions can attract a substantial monetary penalty, imprisonment or both. Compliance with this Policy does not absolve that individual from complying with the law, which must be the overriding consideration when trading in the Company's securities.

Any breach of this Policy will be regarded as serious and will be subject to appropriate sanctions.

9. **Contact**

If you have any questions regarding this Policy, please contact the Company Secretary.

10. Publication

A copy of this Policy is available at www.aeeris.com.au.