



POLICY NAME:	Dealing in Securities
EFFECTIVE FROM:	29 March 2005
Last Revised	13 May 2009

## **1.0 INTRODUCTION AND PURPOSE**

Hastie Group Ltd (Hastie or the Company) is committed to ensuring that the Company and its employees do not breach prohibitions on insider trading or create any perception of Senior Managers or employees dealing in securities when they should not do so.

This Policy establishes procedures that provide protection to Hastie and its Directors, Senior Management and employees against the misuse of unpublished Price Sensitive Information which could materially affect the value of the Company's securities.

## **2.0 SCOPE**

This Policy applies to all employees of Hastie and its subsidiaries nominated as being in possession of Price Sensitive Information, and specifically to all Directors and Senior Management. For the purposes of this Policy, Senior Management shall include the CEOs of Group companies, the Hastie Group Executive Committee and their direct reports, and any other employee who has access to consolidated Group financial information.

## **3.0 DEALING IN SECURITIES**

Hastie is required under the ASX Listing Rules to immediately disclose to the ASX all information which may have a material effect on the price or value of the Company's shares ("Price Sensitive Information"). Employees may come into possession of Price Sensitive Information before the Company has made that information available to the market. It is imperative that all such employees keep that Price Sensitive Information confidential and do not deal in securities before that Price Sensitive Information is released and becomes generally available. To deal in Hastie Securities at these times would breach the insider trading provisions of the Corporations Act which provide as follows:

A person is prohibited from dealing in, or procuring others to deal in, securities of a relevant entity where:

- the person possesses information which is not generally available; and
- that information may have a material effect on the Company's share price ; and
- the person knows or ought reasonably to know that the information is not generally available and if it were, it might have a material effect on the share price.

For the purposes of this Policy:

(a) **Hastie Securities** includes

- shares of any class issued by Hastie;
- options and performance rights over any such shares issued by Hastie;
- derivatives (such as exchange – traded options and warrants) and other financial products issued by third parties in relation to Hastie shares, options, performance rights or debt instruments.

(b) **dealing in** Hastie Securities includes:

- acquiring or disposing of Hastie Securities (eg buying or selling them or exercising an option);
- entering into an agreement to do any of those things; and
- advising, procuring or encouraging another person (such as a family member, friend, associate, colleague, broker, family company or family trust) to deal in Hastie Securities.

Penalties for individuals who breach insider trading rules are serious and can result in:

- a criminal penalty of up to \$220,000 or imprisonment for up to 5 years or both;
- a civil penalty of up to \$200,000; and
- a court order that compensation be paid to the Company, including profits made by the individual as a result of breaching insider trading rules.

#### **4.0 ACCOUNTABILITIES UNDER THIS POLICY**

The Company's Audit and Risk Management Committee is responsible for:

- establishing and reviewing the Dealing in Securities Policy; and
- interpreting the Policy if so requested by the Company Secretary.

The Company Secretary is accountable for:

- communicating the Policy to employees;

- providing advice as to compliance with the Policy;
- maintaining guidelines for establishing compliance with this Policy and the law relating to dealing in securities; and
- maintaining the required registers and records.

## **5.0 TRADING RESTRICTIONS**

Directors and Senior Management of the Hastie Group must not deal in Hastie Securities between 1<sup>st</sup> January until 48 hours after the release to the ASX of Hastie's half yearly results, or between 1<sup>st</sup> July and 48 hours after the release to the ASX of Hastie's full year results, or at any other time when in possession of Price Sensitive Information. In so doing, Directors and Senior Management of the Company must notify the Company Secretary to ensure that they are not in possession of Price Sensitive Information that is not generally available before they deal.

Following a dealing in Hastie Securities by Directors, confirmation of price and quantity should be provided to the Company Secretary to ensure that the notification obligations of Directors under ASX Listing Rule 3.19A or s. 205G of the Corporations Act are satisfied.

Other employees may deal in Hastie Securities at any time other than when they are in possession of Price Sensitive Information not generally available to the market.

Employees, Directors and Senior Managers may subscribe for Hastie Securities by participating in the Hastie Dividend Reinvestment Plan, or in any Hastie employee Share Plan where securities are acquired automatically via the Plan Trustee at any time.

Where doubt exists as to the possession of Price Sensitive Information not available to the market, advice should be sought from the Company Secretary before trading in the Hastie Securities.

## **6.0 DEALING IN SHARES OF OTHER COMPANIES**

If employees have Price Sensitive Information relating to a company outside Hastie which is not generally available to the market, the same insider trading rules outlined above apply to dealing in shares or other securities in that company. Examples of this may include, but are not limited to, the following:

- another company may provide Price Sensitive Information about itself to Hastie in the course of a proposed transaction;
- another company with whom Hastie is dealing may provide Price Sensitive Information about a third company;

- information concerning Hastie or actions which may be taken by Hastie (e.g.. a planned transaction or strategic change) could reasonably be expected to have an effect on a third party company; or
- information regarding the outcome of exploration, appraisal or development activities being undertaken by a joint venturer where this information has not been released to the market.

Apart from the application of the insider trading rules to shares in other companies, employees are also bound by a duty of confidentiality in relation to information obtained in the course of their duties in respect of third parties.

## 7.0 HEDGING OF HASTIE SECURITIES

On and after 3 September 2008, Directors, Senior Management and all other employees of the Hastie Group must not enter into any hedging or other arrangements (such as put and call options, warrants, or caps and collar transactions) which would have the effect of eliminating, reducing or transferring to any other person the risk of any fluctuation in the value of:

- any performance rights or options granted to them under Hastie's Performance Rights Plan **prior to them vesting** (i.e. prior to the relevant performance and/or service conditions being met); and
- any Hastie shares issued to them under Hastie's Deferred Share Plan **prior to them being free of restrictions on transfer** (i.e. during the first 12 months)

Performance Rights granted under Hastie's Performance Rights Plan and Hastie shares issued under Hastie's Deferred Share Plan that have vested or are no longer subject to restrictions on transfer **may** be subject to hedging arrangements **PROVIDED** that on and after 3 September 2008 the Company Secretary is notified in advance. Following any such hedging arrangement being entered into, confirmation of the arrangement must be promptly notified to the Company Secretary.

## 8.0 MARGIN LOAN ARRANGEMENTS

On and after 3 September 2008, no Director may enter into a margin loan or similar funding arrangement under which Hastie Securities owned, or proposed to be acquired, by the Director or any of their associates are used as collateral where the number of Hastie Securities subject to such arrangement (or any such arrangement previously entered into by the Director) exceeds 2% of the total number of Hastie's shares then on issue except with the prior consent of the Board of Hastie.

Where a Director subsequently enters into a margin loan or similar funding arrangement, the Director must within 2 business days notify the Company

Secretary of the key terms of the arrangement, including the number of Hastie shares which are subject to the arrangement, the events or circumstances which would entitle the lender to make a margin call or to unilaterally sell all or any of the Hastie shares which are subject to the arrangement and any other material details.

## **9.0 CONFIDENTIALITY OF PRICE SENSITIVE INFORMATION**

Employees must ensure that contractors, advisers, consultants and other outside parties retained by the Company who may come into possession of Price Sensitive Information are bound by appropriate assurances of confidentiality.

## **10.0 CONSEQUENCES OF BREACH**

Hastie treats compliance with this Policy as a serious issue. Any breach of this Policy will be subject to appropriate sanctions, which in the case of an employee may include termination of his or her employment.

## **11.0 ADVICE**

Any employee in doubt about the meaning of this policy or requiring advice about a proposed dealing in Hastie Securities should contact the Company Secretary.