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**Energy Developments Limited**  
**(“Company”)**  
**A.C.N. 053 410 263**

**SECURITIES TRADING POLICY**

**Scope**

This policy provides guidance to Directors and employees on the purchase and sale of securities of the Company:

- in order that breaches of the Corporations Act do not occur; and
- to ensure dealings by directors and employees in securities of the Company are fair, and are seen to be fair.

Employees requiring further information or guidance should contact their supervisor or the Company Secretary.

**Prohibitions**

In accordance with the provisions of the Corporations Act, no employee or other person can trade in the securities of the Company while in possession of “inside information”, either directly or through another person.

Directors and employees should never communicate inside information to any other person, except in the proper conduct of their duties to the Company.

Inside information is information which a person knows, or reasonably ought to know:

- is not generally available; and
- might have a material effect on the price of the Company’s securities if it was generally available.

Inside information can include matters of speculation or supposition and matters relating to intentions or likely intentions of a person.

Information is regarded as being likely to have a material effect on price if it would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to deal in the Company’s securities.

Examples of inside information could be:

- (a) the financial performance of the Company against its budget;
- (b) changes in the Company’s actual or anticipated financial condition or business performance;
- (c) changes in the capital structure of the Company, including proposals to raise additional equity or borrowings;
- (d) proposed changes in the nature of the business of the Company;
- (e) changes to the Board of Directors or significant changes in senior management;
- (f) an undisclosed significant change in the Company’s market share;
- (g) likely or actual entry into, or loss of, a material contract;
- (h) material acquisitions or sales of assets by the Company;

- (i) a proposed dividend or other distribution or a change in dividend policy; or
- (j) a material claim against the Company or other unexpected liability.

This is not an exhaustive list.

A breach of the insider trading rules may lead to criminal and civil liabilities and, in the case of employees, will also be regarded by the Company as serious misconduct which may lead to disciplinary action or dismissal from Energy Developments.

### **Policy for Directors and Officers**

*For the purposes of this policy an Officer is an employee who reports to the Managing Director or Finance Director or Chief Financial Officer, or any other employee so designated and notified by the Managing Director.*

- Directors and Officers may not engage in the short term trading of the securities of the Company, i.e. a purchase and sale of the same securities within a six month period.  
  
In very limited circumstances, such as the exercising of options in employee share ownership plans, this requirement may be relaxed at the discretion of the Board.
- Subject at all times to not being in possession of inside information, Directors and Officers may deal in the Company's securities at any time other than during the following periods (each a "blackout period"):
  - 31 days immediately before the release of the Company's half yearly results and the 2 days immediately following such release; and
  - 31 days immediately before the release of the Company's full year results and the 2 days immediately following such release; and
  - 14 days immediately before the Annual General Meeting of the Company and the 2 days immediately following such Annual General Meeting.
- If intending to trade in the Company's securities, the following notifications of intended trading must be made, together with a confirmation that the relevant Director or Officer is not in possession of inside information:
  - in the case of Directors, notification to the Chairman;
  - in the case of the Chairman, notification to the Chairman of the Audit and Risk Committee;
  - in the case of Officers, notification to the Managing Director.
- Approval to trade during a blackout period will only be granted in exceptional personal circumstances, upon prior notice to and approval from:
  - in the case of Directors, the Chairman;
  - in the case of the Chairman, the Chairman of the Audit and Risk Committee;
  - in the case of Officers, the Managing Director,in each case with a confirmation that the relevant Director or Officer is not in possession of inside information.
- Unless specifically advised to the contrary, and subject again to the restriction against trading with inside information, Directors and Officers may acquire or

sell shares during a blackout period through a general offer to all shareholders, such as a Dividend Reinvestment Plan, a Share Purchase Plan, or a general buy-back offer.

- Employees who have or may receive options, rights or similar instruments over the Company's securities may not enter into transactions in associated products (such as warrants) without the prior approval of the Board.
- Directors, Officers and Employees must not engage in hedging arrangements over unvested securities issued pursuant to any Company share scheme, Performance Rights Plan or Option Plan.
- In relation to vested securities, these may only be hedged once they are exercised into shareholdings and only on the condition that the details of the hedge are fully disclosed (eg: to the ASX and in the Annual Report, as appropriate), and that the hedge transaction is treated as a sale or purchase of securities and the relevant notifications must be made in accordance with this policy.

Hedging arrangements include where a person enters into transactions in products associated with the Company's securities which operate to limit the economic risk of their security holding in the Company.

### **Securities in other companies**

Directors and Officers are not to deal in securities of other companies if the Director or Officer possesses "inside information" or price sensitive information in relation to that other company. This includes where, through work, a Director or Officer becomes aware of price sensitive information relating to a customer, supplier, contractor, joint venture partner or other business partner of the Company.

### **Reporting Obligations**

Directors and Officers are to advise the Company Secretary as soon as possible after a trade has occurred.

In the case of Directors, notice must be given in sufficient time so that the Company Secretary can advise the Australian Stock Exchange (on behalf of the Director), within the required time limit (currently five business days).