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# ARIADNE

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## **ARIADNE AUSTRALIA LIMITED**

### **SECURITIES TRADING POLICY**

#### **1. Introduction**

- 1.1. It is essential that Ariadne Australia Limited (“the Company”), its Directors and its employees comply with both the law and high ethical standards.
- 1.2. “Insider trading” is both illegal and unethical.
- 1.3. Any perception of insider trading in Company Securities would undermine the integrity of the Company in the market and unfairly prejudice the reputations of the persons not concerned and those not associated with such behaviour, including the Company itself.
- 1.4. This Securities Trading Policy (“Policy”) has been adopted by the Board to:
  - a) provide guidance to directors of the Company (“Directors”), those employees who report directly to the Executive Director in a senior management capacity and are members of the executive team referred to as Executives (“Executives”) and other employees of the Company and its subsidiaries (“the Group”) if they are contemplating dealing in the Company’s Securities; and
  - b) minimise the possibility of concerns arising in relation to the Directors, Executives and other employees dealing in the Company’s Securities.
- 1.5. This Policy is directed at:
  - a) dealing in Company Securities by the Directors, Executives and other employees;
  - b) dealings through entities or trusts controlled by the relevant person, or in which they have an interest or dealings by their direct family members; and
  - c) encouraging family or friends to so deal.
- 1.6. Any non-compliance with this Policy will be regarded as serious misconduct.

#### **2. Important Terms**

##### **2.1. Securities**

- 2.1.1. “Securities“ include shares of any class, notes, options, bonds, derivatives, ADR’s, managed investments and superannuation products and any other financial product able to be traded on a financial market.

## 2.2. Dealing in Securities

2.2.1. “Dealing in” Securities is a very broad concept including:

- a) acquiring or disposing of Securities or options to acquire or dispose of Securities (eg by buying or selling them or any interest in them or exercising an option);
- b) applying for Securities (eg pursuant to a rights issue or employee share plan); or
- c) entering into an agreement or arrangement to do any of the above.

## 2.3. Direct Family Member

2.3.1. A direct family member is:

- a) the spouse / partner of a Director, Executive or employee; and
- b) a dependent child who is under the age of 18 and living in the same household as a Director, Executive or employee.

## 2.4. Inside Information

2.4.1. “Inside Information” is information that is not generally available and, if it were generally available, a reasonable person would expect it to have a material effect on either the price or the value of Company Securities.

## 2.5. Generally Available Information

2.5.1. Information is “generally available” if:

- a) it consists of readily observable matter; or
- b) where the information has been made known in a manner that would, or would be likely to, bring it to the attention of persons who commonly invest in Securities, a reasonable period for it to be disseminated among such persons has elapsed (e.g. it has been released to the ASX or published in an annual report or prospectus); or
- c) it may be deduced, inferred or concluded from information referred to above.

## 2.6. Material Effect

2.6.1. “Material effect”, in relation to Inside Information, is where that information would, or would be likely to, influence persons who commonly acquire Securities in deciding whether or not to acquire or dispose of Securities.

2.6.2. Examples of information, that may have a material effect on the price or value of Company Securities when it becomes generally available, include:

- a) profit forecasts;
- b) items of major capital expenditure;
- c) borrowings;
- d) liquidity and cashflow information;
- e) significant changes in operations;
- f) management restructuring;

- g) litigation;
- h) impending mergers and acquisitions, reconstructions or takeovers; and
- i) major asset purchases or sales.

### 3. Restrictions on Dealing in Company Securities

#### 3.1. Person to Whom this Policy Applies

3.1.1. This Policy applies to:

- a) All Directors;
- b) The Executive Director and other Executives; and
- c) All other employees of the Group; and
- d) Other Persons. (refer to clause 5.1)

#### 3.2. Prohibitions

3.2.1. Under the Corporations Act, if:

- a) A person possesses Inside Information; and
- b) The person knows or ought reasonably to know, that the information qualifies as Inside Information, the person must not (whether as principal or agent):
  - deal in Company Securities; or
  - procure another person to deal in Company Securities; or
  - directly or indirectly communicate the Inside Information, or cause the Inside Information to be communicated, to any other person who they know, or ought reasonably to know, would be likely to deal in the Company Securities or procure another person to do so.

3.2.2. This would include dealing in Company Securities through an entity or trust controlled by the relevant person, or in which they have an interest, a dealing in Company Securities by a direct family member or encouraging family or friends to so deal.

#### 3.3. Penalties

3.3.1. The Corporations Act imposes severe penalties (both criminal and civil) on persons or companies who conduct “insider trading” activities. Further, any perception of improper conduct associated with persons related to the Company also has the potential to substantially damage the Company's reputation.

## 4. Policy for Dealing in Company Securities

### 4.1. Absolute Prohibition

- 4.1.1. No Director, Executive or other employee of the Group may deal in Company Securities at any time if that person is in possession of Inside Information.
- 4.1.2. Where a Director, Executive or other employee is unsure as to whether they are in possession of Inside Information they should discuss the matter with the relevant contact person listed in Section 6 below.

### 4.2. Dealing by Directors and Executives where they do not have inside information

- 4.2.1. Directors and Executives are prohibited from dealing in Company Securities during the following periods (Closed Periods):
- between 1 July and the business day following the lodgement of the annual financial results with the ASX;
  - between 1 January and the business day following the lodgement of the half year financial results with the ASX; and
  - a reasonable period after any “continuous disclosure” statement is lodged with the ASX.
- 4.2.2. Before any Director or Executive deals in any Company Securities outside the Closed Periods, they must discuss the proposed dealing with (and obtain approval from):
- the Chairman, in the case of Directors and Executives; or
  - in the case of the Chairman, the Audit and Risk Management Chairman.
- 4.2.3. The Company may restrict dealing in Company Securities at any time by all or particular Directors or Executives by written notice to them.
- 4.2.4. Directors and Executives should ensure that their direct family members are aware of and abide by these restrictions.
- 4.2.5. Details of any such dealings must be advised in writing to the Company Secretary, making reference to the prior approvals, as soon as they have taken place with copies to the Chairman.
- 4.2.6. In accordance with section 250G of the Act and ASX Listing Rule 3.19A, directors must notify ASX of any dealings (whether in a Closed Period or otherwise) in the Company’s Securities within five business days on such dealings.
- 4.2.7. The shareholdings of all directors and key management personnel are also reported annually to the market in the Company’s Annual Report.

**4.3. Dealing by Employees (other than Directors and Executives) where they do not have inside information**

- 4.3.1. Employees are prohibited from dealing in Company Securities during the Closed Periods referred to in clause 4.2 above.
- 4.3.2. Before any Employees deal in Company Securities outside the Closed Periods, they must discuss the proposed dealing with (and obtain approval from) the Executive Director.
- 4.3.3. Employees should ensure that their direct family members are aware of these restrictions and advise them not to deal in Company Securities during the Closed Periods.
- 4.3.4. The Company may also restrict dealing in Company Securities at any time by all or particular employees by written notice to them.
- 4.3.5. Details of any such dealings must be advised in writing to the Company Secretary, making reference to the prior approvals, as soon as they have taken place with copies to the Executive Director.

**4.4. Short Term and Other Dealings**

- 4.4.1. No Director, Executive or other employee may deal in Company Securities at any time for short term gain, without the approval of the Chairman, or in the case of the Chairman, the Audit and Risk Management Committee Chairman (which may only be granted in unusual circumstances, e.g. financial hardship, court order).
- 4.4.2. In addition, an employee (including Executives) must not enter into any scheme, arrangement or agreement (including options or derivative products) under which the employee may alter the economic benefit derived by the employee, in relation to an unvested equity-based incentive award or grant made by the Company to the employee, irrespective of the outcome under that incentive award or grant.
- 4.4.3. Trading that results in no change in beneficial interest in the Company is not subject to the provisions of this policy, such as a transfer of Securities between legal entities where the relevant party's beneficial interest remains the same.

**4.5. Prohibition on Hedging of Securities and Options**

- 4.5.1. The Company policy is that the use of any hedging instruments to limit their exposure to risk on either Securities or options in the Company is prohibited for Directors and Executives.

#### **4.6. Prohibition on Margin Lending and Short Selling**

4.6.1. The Company policy is that any arrangements whereby Company Securities are pledged against a facility such as a margin loan, stock borrowing arrangement or other such arrangement is prohibited for Directors and Executives.

### **5. Broader Application of the Law**

#### **5.1. Application to Other Persons**

5.1.1. The restrictions on insider trading in the Corporations Act apply, not just to employees, but to any person possessing Inside Information, including contractors to the Company or any of its subsidiaries, employees of or contractors to any joint venture entities in which the Company has an interest and advisers to the Company.

#### **5.2. Securities of Other Companies**

5.2.1. Directors, Executives and other employees are also prohibited from dealing in the Securities of outside companies, about which they may gain inside information by virtue of their position as a Director, Executive or other employee of the Group. For example, if a Group employee was aware that the Company was about to sign a major deal with another company, they could not deal in Securities of either company.

### **6. Company Contacts**

6.1. If you have any questions in relation to this Policy and particularly paragraph 2.4 or should you wish to discuss a proposed dealing in Company Securities, you should contact:

- a) The Executive Director, who can be contacted either by phone (+61 2 8227 5500) or by email ([info@ariadne.com.au](mailto:info@ariadne.com.au)); or
- b) If the Executive Director is unavailable, the Company Secretary, who can be contacted either by phone (+61 2 8227 5500) or by email ([info@ariadne.com.au](mailto:info@ariadne.com.au)).

### **7. Review of this Policy**

7.1. This Policy is subject to a biennial review by the Board and will be amended (as appropriate).

### **8. Terms**

8.1. Terms and concepts referred to in this policy cannot be regarded as definitive of the legal requirements and consequences and each person should take such steps as they deem necessary to clarify any matter.

## **9. Access to this Policy**

- 9.1. This Policy will be available for viewing by any employee of the Group on the Company's Intranet and by any other person on the Company's website. The Policy must also be circulated by the Company Secretary to Directors, Executives and all Group employees as soon as possible after its biennial review.