

## **1 INTRODUCTION TO THE POLICY**

### **1.1 Objectives of the Policy**

1.1.1 The Company's objectives are to outline the Group's policy in relation to trading in the Company's securities.

### **1.2 Board Approval**

1.2.1 The Board has approved this Policy. The Board may approve updates and amendments to this Policy from time to time.

### **1.3 Definitions**

1.3.1 Unless the contrary intention is expressed in this Policy, the following words (when used in this Policy) have the meaning set out below:

- ASX means the Australian Stock Exchange Limited.
- ASX Listing Rules means the rules promulgated by the ASX from time to time for the listing of an entity's securities on the ASX.
- Board means the Board of Directors of the Company from time to time.
- Company means LongReach Group Limited ABN 57 010 597 672 having its registered office at 31 Market Street, South Melbourne, Victoria, Australia 3205.
- Dealing includes subscribing for, purchasing or selling, or entering into an agreement or option to subscribe for, purchase or sell, securities; and "Deal" has a corresponding meaning.
- Director means a director of the Company.
- Group means the Company and its subsidiaries.
- Intranet means any of the Group's internal electronic intranets where Group information is gathered for the exclusive use of employees, contractors, officers, directors and management of the Group.
- Senior Management means those employees who report directly to the Managing Director and/or Chief Executive Officer.

## SHARE TRADING POLICY

### 2 INSIDER TRADING PROHIBITED

- 2.1 It is illegal for anybody to Deal in any securities of a body corporate (including the Company or any of its subsidiaries), when in possession of information that the person knows, or ought reasonably to know:
- a) is not generally available; and
  - b) a reasonable person would expect to have a material effect on the price or value of those securities if it was generally available (“Inside Information”).
- 2.2 If you are in possession of Inside Information you must not:
- a) buy, sell or otherwise Deal in the Company’s securities;
  - b) encourage anyone else to Deal in the Company’s securities; or
  - c) pass the information to anyone else you know, or ought reasonably to know, will Deal in the Company’s securities or encourage someone else to do so.
- 2.3 This prohibition applies to all Group personnel, including Directors, Senior Management, employees and contractors.

### 3 DEALING IN COMPANY SECURITIES

#### 3.1 Trading Windows

- 3.1.1 Subject to the overriding prohibition above, Group personnel may only Deal in the Company’s securities during the following Trading Windows without needing to obtain approval as set out below in paragraph 3.2:
- a) the period of four months commencing on the next trading day immediately following the half-yearly announcement; and
  - b) the period of four months commencing on the next trading day immediately following the preliminary final profit announcement of the Company.
- 3.1.2 You must not trade in the Company’s securities during a Trading Window if you are in possession of Inside Information.

### **3.2 Trading at Other Times**

- 3.2.1 You must not trade in the Company's securities at any time if you are in possession of Inside Information.
- 3.2.2 If Group personnel wish to Deal in the Company's securities during any other time of the year other than during a designated Trading Window, they must first seek the prior approval of the Managing Director.

### **3.2.3 Exceptional Circumstances**

- 3.2.3.1 Any employee, who is not in possession of inside information in relation to the Company, may be given prior written clearance to sell or otherwise dispose of the securities of the Company during a prohibited period under the trading policy where the employee is in severe financial hardship or there are other exceptional circumstances.
- 3.2.3.2 An employee may be in severe financial hardship if he or she has a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant securities of the Company. For example, a tax liability of such a person would not normally constitute severe financial hardship unless the person has no other means of satisfying the liability. A tax liability relating to securities received under an employee incentive scheme would also not normally constitute severe financial hardship or otherwise be considered an exceptional circumstance for the purpose of obtaining prior written clearance to sell or otherwise dispose of securities during a prohibited period.
  - 3.2.3.2.1 The Company may consider it an exceptional circumstance if the employee is required by a court order, or there are court enforceable undertakings, for example, in a bona fide family settlement, to transfer or sell the securities of the entity or there is some other overriding legal or regulatory requirement for him or her to do so.
- 3.2.3.3 The determination of whether the employee in question is in severe financial hardship or whether a particular set of circumstances falls within the range of exceptional circumstances identified in the policy can only be made by the designated officer(s) under the policy for this purpose. In recognition of the case that exceptional circumstances, by their nature, cannot always be specified in advance, it is envisaged that there may be other circumstances, which have not been identified in the policy, that may be deemed exceptional by the chairman or the chief executive officer (where the chairman is involved) and whereby prior written clearance is granted to permit trading. The person seeking clearance to trade must satisfy the designated officer(s) that they are in severe financial hardship or that their circumstances are otherwise exceptional and that the proposed sale or disposal of the relevant securities is the only reasonable course of action available.
- 3.2.3.4 If the designated officer is in any doubt in making such determinations on behalf of the entity, consideration should be given to the purpose of the listing rules and the discretion should be exercised with caution.

### **3.3 Affiliates of Group Personnel**

- 3.3.1 This policy also applies to securities in the Company held by affiliates of Group personnel, which includes, companies controlled by the member of Group personnel or in which the member of Group personnel holds a substantial interest, family trusts, spouses and children where the member of Group personnel influences the decision to Deal in securities in the Company.

## SHARE TRADING POLICY

### 3.4 Trading Procedure for Directors and Senior Management

3.4.1 If Directors and Senior Management wish to Deal in the Company's securities at any time of the year, including during a designated Trading Window, they must first seek the prior approval of the Chairman.

### 3.5 Notification to ASX by Directors

3.5.1 The Corporations Act requires Directors to give written notice to the ASX of particulars of Dealings in securities in the Company and the ASX Listing Rules require this notice to be given within five business days of such Dealings. It is the individual responsibility of each Director to ensure that they notify the Company Secretary of any such Dealings as soon as reasonably possible and in any event within two business days of the Dealing. The Company will then give notice to the ASX on behalf of the Director.

### 3.6 Senior Management

3.6.1 All members of Senior Management are required to notify the Company of Dealings in securities of the Company (or its subsidiaries) within 14 days of such Dealing regardless of when that Dealing occurred. This should be done by written notice to the Company Secretary detailing:

- a) name of shareholder;
- b) date of transaction;
- c) type of transaction (such as purchase or sale);
- d) number of securities; and
- e) price per security.

## 4 COMPLIANCE WITH INSIDER TRADING LAWS

4.1 Compliance with the requirements set out in this Policy does not imply approval by the Board of any transaction, as it is the individual responsibility of Group personnel to ensure that they comply with the spirit and letter of the relevant insider trading laws.

4.2 Under the Corporations Act, any person who contravenes the prohibition against insider trading may be found civilly and criminally liable. The criminal penalty in Australia is a maximum fine of \$220,000 or five years in prison (or both) for an individual and a maximum fine of \$1,100,000 for a corporation.

4.3 In respect of countries other than Australia in which securities of the Company, or its subsidiaries, are listed or sold, officers and employees may be subject to the Dealing laws (including insider trading laws) of those countries and the applicable states.

## 5 ACCESS TO THIS POLICY

5.1 This Policy will be available for viewing by any employee of the Group on the Intranet and by any other person on the Company's website.

## 6 REVIEW OF THIS POLICY

6.1 This Policy is subject to regular review by the Board and will be amended (as appropriate).

## 7 COMPANY CONTACTS

7.1 Group personnel should direct their questions about this Policy and its application in the first instance to their supervisor. If further assistance is required, questions may be directed to Company Secretary.

7.2 To make further enquiry in relation to this Policy, please contact LongReach's Company Secretary at:

Company Secretary  
LongReach Group Limited  
31 Market Street, South Melbourne, Victoria, Australia 3205  
Telephone +61 3 9926 1155 Facsimile + 61 3 9696 1411