

DEALINGS IN SHARES (SECURITIES)

Section 1043A of the Corporations Act 2001 specifically deals with prohibited conduct by persons in possession of inside information. Section 1043A is summarised below:

Section 1043A(1) where:

A person (“the insider”) possesses inside information defined in Section 1042A as information that is not generally available but, if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of those securities; and

the insider knows, or ought reasonably to know, that:-

- (i) the information is not generally available; and
- (ii) if it were generally available, it might have a material effect on the price or value of those securities.

The following rules apply:

(Section 1043A – the insider must not (whether as principal or agent);

- (a) subscribe for, purchase or sell, or enter into an agreement to subscribe for, purchase or sell any such securities; or
- (b) procure another person to subscribe, purchase or sell, or enter into any agreement to subscribe, purchase or sell, any such securities.

(Section 1043A(2)) – the insider must not, directly or indirectly, communicate any information or cause the information to be communicated, to another person the insider knows, or ought reasonably to know, that the other person would or would be likely to:

- (a) subscribe for, purchase or sell, or enter into an agreement to subscribe for, purchase or sell any such securities; or
- (b) procure a third person to subscribe for, purchase or sell or enter into an agreement to subscribe for, purchase or sell, any such securities.

SUMMARY

Any person who possesses inside information is required by the Corporations Act not to use that information to deal in securities, either for personal gain or for the gain of any other person.

Inside information is information that a reasonable person would expect to have a material effect on either the price or value of the applicable securities.

Penalties for non-compliance are:

- \$200,000 fine in the case of a natural person;
- \$1 million fine in the case of companies;
- unlimited civil liability.



POLICY

Subject to the Corporations Act, a Director, executive or employee or their associates may:

- (a) Deal in any GUD security (provided the person is not in possession of inside information relating to that security)
 - a. during the period two (2) days after release and ending thirty (30) days after release of information of a financial nature to the ASX. Such releases may include annual, half yearly, and, if required, quarterly ASX releases, and any ASX release of an address made to shareholders at an Annual General Meeting; or
 - b. with the consent of the Chairman, if that person is a Director or an executive or their associate; or
 - c. with the consent of the Managing Director or Company Secretary, if that person is an employee or an associate of an employee.
- (b) Acquire GUD securities by conversion of existing securities.
- (c) Acquire securities under a bonus issue or dividend reinvestment, rights issue or top-up plan that is available to all security holders of the same class.
- (d) Acquire or agree to acquire securities under a company's sponsored share or option plan.

DIRECTOR'S OBLIGATION ON ACQUISITION OR DISPOSAL OF SECURITIES OR ON CEASING TO BE A DIRECTOR OF THE COMPANY.

Under the ASX Listing Rules, a Director must notify the Company Secretary of the acquisition or disposal of any GUD security and the Company is obliged to notify the ASX (LR 3.19A).

Information to be provided concerning security transaction
(the information to be provided to the Company is set out in Schedule A attached)
includes:

- (a) Appendix 3X – Initial Director's Interest Notice
- (b) Appendix 3Y – Change of Director's Interest Notice
- (c) Appendix 3Z – Final Director's Interest Notice

This information is to be forwarded to the Company Secretary.

Each Director is required to enter into an agreement with the Company to supply such information in the Form attached.

3 June 2002 (Updated 28 November 2008)