

Securities Trading Policy

NGE Capital Limited
ABN 31 112 618 238

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Securities Trading Policy

1. Introduction

The Company recognises that public confidence in Company Securities can be eroded if there is insufficient understanding about the Company's policies governing trading by people within the Company who are likely to possess inside information.

2. Objective

The purpose of this Policy is to regulate trading in Company Securities by Directors and Staff and ensure that persons within the Company who possess inside information or may be thought to have inside information do not abuse, or place themselves under suspicion of abusing, inside information.

3. Definitions

3.1 The following definitions apply in this Policy:

- (a) **Executive Chairman, Company Secretary** and **Director** means the individuals appointed to those positions in the Company;
- (b) **Close Associate** means:
 - (1) a spouse or de facto spouse;
 - (2) any dependent under 18 years of age; and
 - (3) any private trust of which you are a beneficiary.
- (c) **Closed Period** has the meaning given in Section 6.2.
- (d) **Company Securities** means shares in the issued capital of the Company, derivatives over shares in the Company and any other financial products issued by the Company.

- (e) **Dealing** includes:
 - (1) applying for, acquiring or disposing of or entering into an agreement to acquire or dispose of securities;
 - (2) entering into an agreement the purpose of which is to secure a profit or avoid a loss by reference to fluctuations in the price of securities; and
 - (3) any transaction or the exercise of any power or discretion effecting a change of ownership of a beneficial interest in securities;
- (f) **Key Management Personnel** are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company. For the time being the Company has determined that its Key Management Personnel are its Directors and the Company Secretary; and
- (g) **Staff** means all employees (whether full-time, part-time or casual), contractors and consultants, employed or engaged by the Company.

4. **Scope**

- 4.1 This Policy applies to all Directors and Staff.
- 4.2 This Policy also applies to any dealings in Company Securities by Close Associates of Directors or Staff.
- 4.3 It is the duty of Directors and Staff to ensure that if at any time they are prohibited from dealing in Company Securities, their Close Associates do not deal in Company Securities at that time.

5. **Insider Trading**

- 5.1 If you possess inside information and know, or ought reasonably to know, that the information is not generally available but that if it were generally available, a reasonable person would expect it to have a material effect on either the price or value of particular securities, then you mustnot:
 - (1) deal in those securities;
 - (2) procure another person to deal in those securities; or
 - (3) communicate or cause the information to be communicated to another person who you know, or ought reasonably to know, would be likely to deal in the securities or procure someone else to deal in the securities.
- 5.2 Information is generally available if it has been disclosed to the ASX or has otherwise been made available to the general public and a reasonable time has elapsed since it was disclosed for it to be brought to the attention of investors.

- 5.3 Insider trading is a criminal offence. It is punishable by substantial fines or imprisonment or both. Breach of the insider trading laws may also subject you to civil liability and civil penalty provisions. The Company may also be liable if an employee or director engages in insider trading.
- 5.4 All Directors and Staff must familiarise themselves with insider trading laws. If you need further information on insider trading laws, please contact the Company Secretary.

6. Policy on dealing

6.1 General Rule

6.1.1 Directors and Staff must not deal in Company Securities:

- (a) when in possession of price sensitive information relating to the Company which is not generally available; or
- (b) during Closed Periods.

6.2 Closed Periods

As the Company is a listed investment company announcing its Net Tangible Assets monthly on the ASX, the Board believes that shareholders are generally well informed.

Key Management Personnel and Staff must not deal in the Company's Securities if they are in possession of price sensitive or inside information.

In addition to this overriding prohibition, the Board has also nominated that Key Management Personnel and Staff may not deal in the Company Securities during each 5 business day period before the announcement of a capital management initiative (including a dividend) that might have a material impact on the price of the Company Securities (**Closed Period**).

The Company may from time to time designate further periods of time as Closed Periods under this Policy.

6.3 Restrictions on trading by Key Management Personnel and Staff

6.3.1 The Company has determined that Key Management Personnel/Staff are more likely to be in possession of price sensitive information regarding the Company. As a result further restrictions on dealing in Company Securities apply to Key Management Personnel/Staff.

6.3.2 Prior to trading in Company Securities, Key Management Personnel/Staff must notify the Company Secretary or the Executive Chairman of the proposed type of dealing and the number of Securities to be traded and seek Executive Chairman's consent to dealing in Company Securities.

6.3.3 If the Executive Chairman is the party proposing to engage in dealing in Company Securities, then he or she must give notice of the relevant circumstances to the full Board of Directors via the Company Secretary.

7. Excluded Trading

7.1 The following dealings in Company Securities are excluded from the operation of this Trading Policy:

- (a) transfers of Company Securities already held into a superannuation fund or other saving scheme in which you are a beneficiary;
- (b) an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in the securities of the Company) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (c) where you are a trustee, trading in Company Securities by that trust provided you are not a beneficiary of the trust and any decision to trade during a Closed Period is taken by the other trustees or by the investment managers independently of you;
- (d) undertakings to accept, or the acceptance of, a takeover offer;
- (e) trading under an offer or invitation made to all or most of the security holders, such as, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;
- (f) a disposal of Company Securities that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement;
- (g) the exercise (but not the sale of securities following exercise) of an option or a right under an employee incentive scheme, or the conversion of a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a Closed Period and the Company has been in an exceptionally long prohibited period or the Company has had a number of consecutive Closed Periods and you could not reasonably have been expected to exercise it at a time when free to do so; and
- (h) trading under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this Trading Policy and where:
 - (i) you did not enter into the plan or amend the plan during a Closed Period;
 - (ii) the trading plan does not permit you to exercise any influence or discretion over how, when, or whether to trade; and
 - (iii) the Company's Trading Policy does not allow for the cancellation of a trading plan during a Closed Period other than in exceptional circumstances.

8. Securities of other entities

The Executive Chairman may extend this Policy by specifying that Key Management Personnel and Staff are also restricted from dealing in the securities of other specified entities with which the Company may have a close relationship.

9. Notification of dealings in Company Securities

9.1 The Company and a Director each have a legal obligation to notify the ASX of any change in the Director's relevant interests in Company Securities. The Company's ASX notification must be made no more than 5 business days after a change occurs and once made will satisfy the Director's personal obligation to notify the ASX of the change.

9.2 A Director has a 'relevant interest' in Company Securities if:

- (a) the Director is the holder of the Company Securities; or
- (b) the Director has the power to exercise or control the exercise of a right to vote attached to the Company Securities; or
- (c) the Director has the power to dispose of or control the exercise of the power to dispose of the Company Securities; or
- (d) the Company Securities are held by a body corporate in which the Director's voting power is above 20%; or
- (e) the Company Securities are held by a body corporate and the Director has the capacity to determine the outcome of decisions about that body corporate's financial and operating policies.

9.3 The power or control referred to in clause 9.2 includes power or control that is formal or informal, direct or indirect and that is or can be exercised as a result of a trust, agreement or practice.

9.4 To ensure that the Company is able to comply with its obligations regarding notification to the ASX of changes in Directors' relevant interests, each Director must notify the Company Secretary of any change to the Director's relevant interests in Company Securities within two (2) business days after the change by completing and delivering to the Company Secretary a Notification of Change in Shareholding form, a copy of which is attached as Annexure 1 to this Policy.

9.5 For the avoidance of doubt **all** dealings in company securities, whether by Key Management Personnel or Staff must be notified to the Company Secretary within 2 business days of the transaction.

10. Exceptional circumstances

In exceptional circumstances, the Executive Chairman of the Board may give written clearance for a Director or a member of Staff to sell (but not buy) Company Securities where the Director or member of Staff would otherwise not be able to do so under this Policy. Exceptional circumstances may include, for example, a pressing financial commitment that cannot otherwise be satisfied or a court order requiring the transfer or sale of securities. Any application to the Executive Chairman for clearance under this Clause must be made in writing to the Company Secretary.

11. Speculative dealing

Directors and Staff must not deal in Company Securities for the purpose of making a short term gain being a gain made over less than a 12 month period.

12. Breach of policy

A breach of this Policy by a Director or member of Staff is serious and may lead to disciplinary action, including termination in serious cases. It may also be a breach of the law.

13. Assistance and additional information

Staff who are unsure about the information they have in their possession, and whether they can use that information for dealing in Securities, should discuss their concerns with the Company Secretary.

14. Review of this Policy

This Policy will be reviewed annually by the Board of Directors of the Company and revised as required.

15. Annexure

Notification of Change in Shareholding

NB: This form should be completed at the time of any security transaction and forwarded within 2 business days of the transaction to:

Company Secretary
Email: office@ngcapital.com.au

I hereby notify the Company of a change in my shareholding in the Company *(or that of a Close Associate)*, as detailed below:

Name of shareholder: _____

Relationship: Self / Spouse / Other *(delete as applicable)*

Nature of transaction:

- on market / off market *(delete as applicable)*
- buy shares / sell shares / exercise of options / subscription for new shares *(delete as applicable or if other type of transaction give details below)*

Other: _____

Date of transaction: _____

Number of securities: _____

Consideration Paid _____

Signature: _____

Name: _____

Date: _____