

45 Division Street  
Welshpool WA 6106  
t 08 6242 2600  
f 08 6242 2677

PO Box 625  
Welshpool DC WA 6986  
info@maca.net.au



15 July 2015

ASX Announcements Office  
Lodged Electronically

Subject: Updated Share Trading Policy

Dear Sirs,

Please find attached MACA's updated Share Trading Policy. Should you have any queries please do not hesitate to contact the Company Secretary.

Kind Regards,  
MACA Limited

A handwritten signature in black ink, appearing to read "Peter Gilford", on a white rectangular background.

Peter Gilford  
Company Secretary

## **GUIDELINES FOR BUYING AND SELLING SECURITIES**

### **1. Introduction**

These guidelines set out the policy on the sale and purchase of securities in MACA Limited (“MACA” or the “Company”) by its Key Management Personnel. Key Management Personnel (“KMP”) means directors and senior executives of the Company and KMP nominees, agents or other associates or any other Company employees who may have access to sensitive information.

KMP are encouraged to be long-term holders of the Company’s securities. However, it is important that care is taken in the timing of any purchase or sale of such securities.

The purpose of these guidelines is to assist KMP to avoid conduct known as ‘insider trading’ which is illegal and may result in serious consequences, including imprisonment and large fines, and can have a significant impact on their personal reputation and on the Company’s standing with investors.

In some respects, the Company’s policy extends beyond the strict requirements of the Corporations Act and the ASX Listing Rules.

### **2. WHAT TYPES OF TRANSACTIONS ARE COVERED BY THIS POLICY?**

This policy applies to both the sale and purchase of any securities of the Company and its subsidiaries, including shares, options, debentures, derivatives and rights to subscribe for shares.

### **3. WHAT IS INSIDER TRADING?**

#### **3.1 Prohibition**

Any conduct by a KMP in breach of insider trading laws is prohibited. In broad terms, a person will be guilty of insider trading if:

- that person possesses information which is not generally available to the market and, if it were generally available to the market, would be likely to have a material effect on

the price or value of the Company's securities (ie, information that is 'price sensitive');  
and

- that person:
  - buys or sells securities in the Company; or
  - procures someone else to buy or sell securities in the Company; or
  - passes on that information to a third party where that person knows, or ought reasonably to know, that the third party would be likely to buy or sell the securities or procure someone else to buy or sell the securities of the Company.

### 3.2 Examples

To illustrate the prohibition described above, the following are possible examples of price sensitive information which, if made available to the market, may be likely to affect materially the price of the Company's securities:

- the Company considering a major acquisition or disposal of assets;
- the threat of major litigation against the Company;
- the Company's sales and profit results materially exceeding (or falling short of) the market's expectations;
- a material change in debt, liquidity or cash flow;
- a significant new development proposal ie, new product or technology;
- the granting (or loss) of a major contract;
- management or business restructuring proposal; and
- a share issue proposal.

### 3.3 Dealing through third parties

A person does not need to be a KMP of the Company to be guilty of insider trading in relation to securities in the Company. The prohibition extends to dealings by KMP through nominees, agents or other associates, such as family members, family trusts and companies which the KMP (or a family member) controls or in which it has an interest (referred to as "Associates" in these guidelines).

### 3.4 Information however obtained

It does not matter how or where the person obtains the information – it does not have to be obtained from the Company or any person associated with the Company to constitute inside information.

## 4. GUIDELINES FOR TRADING IN THE COMPANY'S SECURITIES

### 4.1 General rules

There are certain periods during the year, during which KMP must not deal in the Company's securities given the heightened risk of actual or perceived insider trading. These periods are called "black-out periods".

KMP are prohibited from dealing in the Company's securities during a black-out period. The black-out period trading does not limit any other obligations of KMP prescribed by this policy.

Black-out periods occur each year during:

- The period between the end of the Company's financial year (30 June) and the commencement of trading on the first trading day after the day on which the Company's full year results are announced to the ASX;
- The period between the end of the Company's half year (31 December) and the commencement of trading on the first trading day after the day on which the Company's half year results are announced to the ASX; and
- The two week period before the date of the Company's Annual General Meeting.

### 4.2 The Chairman may declare other black-out periods from time to time.

The Company reserves the right to impose ad-hoc black-out periods from time to time in addition to the fixed trading periods during which KMP are prohibited from dealing in the Company's securities. The Chairman will communicate the ad-hoc black-out periods to KMP as necessary.

The black-out periods do not restrict participation in the an employee equity incentive plan established by the Company but do apply in respect of any subsequent dealing in the Company's securities to which the KMP become entitled under such a plan.

A person who possesses inside information about the Company is prohibited from trading in securities in the Company (directly or indirectly) under insider trading laws, and this prohibition applies even where the trade occurs outside of a black-out period as specified in this policy.

#### 4.3 No short-term trading or short selling of the Company's securities

KMP should never engage in short-term trading of the Company's securities except for the exercise of options where the shares will be sold shortly thereafter. Short-term trading refers to a trading of the Company's securities within a period of three months.

Short-selling of the Company's securities by KMP sends a negative message to the market about the level of confidence that the KMP has in the prospects of the Company. KMP should never engage in short-selling of the Company's securities.

#### 4.4 Securities in other companies

Buying and selling securities of other companies with which the Company may be dealing is prohibited where an individual possesses information which is not generally available to the market and is 'price sensitive'. For example, where an individual is aware that the Company is about to sign a major agreement with another company, they should not buy securities in either the Company or the other company.

#### 4.5 Exceptions

- KMP may at any time:
  - acquire ordinary shares in the Company by conversion of securities giving a right of conversion to ordinary shares;
  - acquire Company securities under a rights issue or bonus issue made to all holders of securities of the same class;
  - acquire Company securities under a dividend reinvestment, share purchase plan or top-up plan that is available to all holders or securities of the same class;
  - acquire, or agree to acquire or exercise options under a Company Share Option Plan;
  - withdraw ordinary shares in the Company held on behalf of the employee in an employee share plan where the withdrawal is permitted by the rules of that plan;

- acquire ordinary shares in the Company as a result of the exercise of options held under an employee option scheme; and
- dispose of Company securities pursuant to the acceptance of a takeover offer, scheme of arrangement or equal access buy-back.
- acquire or dispose of Company securities outside a blackout period providing the KMP does not have any insider information and provided the KMP complies with the procedures set out in section 5 below.
- Where the Company has in place any active share or option plans:
  - it is not permissible to provide the exercise price of options by selling the shares acquired on the exercise of these options during a black-out period; and
  - where the exercise price of options is being provided by a margin loan or other form of lending arrangement then there may be a risk that the KMP may need to sell shares to avoid providing additional capital or security to the lender in the event of a decrease in the value of the shares. If this were this to occur at a time when the person possessed inside information then the sale of the Company's securities may be a breach of insider trading laws, even though the person's decision to sell was not influenced by the inside information that the person possessed and the person may not have made a profit on the sale. Where the Company's securities are provided to a lender as security by way of mortgage or charge a sale that occurs under that mortgage or charge as a consequence of default would not breach insider trading laws.

A person who possesses inside information about the Company is prohibited from trading in securities in the Company (directly or indirectly) under insider trading laws, and this prohibition applies even where an exception listed above may otherwise permit the KMP to trade in the Company's securities.

#### 4.6 Exceptional Circumstances

A KMP who is not in possession of inside information may be given prior written clearance to dispose of (but not acquire) the Company's securities where they would otherwise be restricted by this policy if they are in severe financial difficulty or there are other exceptional circumstances such as a court order. A person may be in severe financial difficulty if they have a pressing financial commitment that cannot be satisfied other than by selling the

Company's securities. Severe financial difficulty would not normally include a liability to pay tax unless the person has no other means of satisfying the liability.

Clearance should be sought from the Chairman of the Board in the case of directors and from the Chairman of the Audit and Risk Committee in the case of the Chairman or from the Managing Director in the case of the senior executives.

#### 4.7 Hedging and Margin Lending

KMP participating in any equity based incentive plans established by the Company are prohibited from entering into any transaction which would have the effect of hedging or otherwise transferring to any other person the risk of fluctuation in the value of any unvested entitlement in the Company's securities.

KMP may not, without the prior written approval from the Company, enter into any transaction of any nature to hedge their exposure to securities in the Company.

KMP must notify the Company Secretary of the nature and details of any margin lending or other secured financing arrangements he or she has entered into or proposes to enter into in respect of any securities in the Company.

### 5. APPROVAL AND NOTIFICATION REQUIREMENTS

Any KMP wishing to buy, sell or exercise rights in relation to the Company's securities must first obtain a clearance to trade in writing from the Company. This requirement to obtain clearance to trade applies regardless of whether the proposed transaction will occur outside of a black-out period.

In respect of the clearance to trade:

- the clearance to trade will be valid for one week (or a shorter period of time specified by the grantor of the clearance);
- a clearance to trade may be given or refused by the Company (or the individual grantor specified herein) at its discretion, without giving any reason;
- a clearance to trade may be withdrawn if new information comes to light or there is a change in circumstances;

- if the KMP comes into possession of inside information after receiving a clearance to trade, they must not trade despite having received the clearance;
- the decision to refuse clearance to trade is final and binding on the person seeking the clearance; and
- if clearance to trade is refused, the person seeking the clearance must keep that information confidential and not disclose it to anyone.

If the Chairman wishes to buy, sell or exercise rights in relation to the Company's securities the Chairman must obtain the clearance to trade from the Company Secretary or the Board.

Any first or second line reports of the Managing Director wishing to buy, sell or exercise rights in relation to the Company's securities must obtain the clearance to trade from the Managing Director.

Any KMP who (or through his or her Associates) buys, sells, or exercises rights in relation to Company securities must notify the Company Secretary in writing of the details of the transaction within five (5) business days of the transaction occurring. This notification obligation operates at all times but does not apply to acquisitions of shares or options by employees made under employee share or option schemes, nor does it apply to the acquisition of shares as a result of the exercise of options under an employee option scheme.

The form to complete and send to the Company Secretary is available on request from the Company Secretary.

Any clearance to trade is not an endorsement of the proposed trade and the person doing the trading is individually responsible for their investment decisions and their compliance with insider trading laws.

The Company will maintain records of all applications for clearances to trade and the outcome of each such application.

## 6. ASX NOTIFICATION FOR DIRECTORS

The ASX Listing Rules require the Company to notify the ASX within 5 business days after any dealing in securities of the Company (either personally or through an Associate) which results in a change in the relevant interests of a Director in the securities of the Company. The Company has made arrangements with each Director to ensure that the Director promptly discloses to the Company Secretary all the information required by the ASX.

#### 7. EFFECT OF COMPLIANCE WITH THIS POLICY

Compliance with these Guidelines for trading in the Company's securities does not absolve that individual from complying with the law (including insider trading laws), which must be the overriding consideration when trading in the Company's securities.

#### 8. ADDITIONAL INFORMATION

If you have any questions arising from these guidelines, you may contact the Company Secretary.

Board ratified 2 July 2015