

SHARE TRADING POLICY (INSIDER TRADING)

KEY MESSAGES

- Directors and employees may only trade in Company securities during prescribed trading windows and only then if they are **not** in possession of any material non-public information.
- Any director or employee intending to deal in securities must send a notice of intent to the relevant Company officer.
- There are serious consequences of breaching this Policy, both at law and under the Company's Code of Conduct.

1. INTRODUCTION

- 1.1** Under the *Corporations Act 2001 (Corporations Act)*, a person in possession of material, non-public information in relation to a company **must not** deal in any way in shares, options or other securities in that company (**securities**).
- 1.2** The Capral Share Trading Policy forms part of the Capral Code of Conduct and sets clear guidelines designed to protect Capral and its directors and employees (**Capral Employees**) from breaching the law. This Policy will be made available to all Capral Employees on the Capral intranet.

2. THE LAW

Section 1002G of the Corporations Act prohibits a person who is in possession of information relating to Capral that is not generally available but, if the information was *generally available* (see Section 3 below), a reasonable person would expect that information to have a *material effect* (see Section 4 below) on the price of Capral securities (**material non-public information**), from:

- (a) subscribing for, purchasing, selling or entering into an agreement to subscribe for, purchase or sell Capral securities;
- (b) procuring another person (ie a family member, friend, associate, broker, investment adviser, private company or trust) to do any of the above at Section 2(a);
- (c) directly or indirectly communicating the information to another person when the insider knows, or ought reasonably to know, that the other person would or would be likely to do any of the above at Section 2(a) or (b).

A breach of these prohibitions is a criminal offence punishable by imprisonment for up to 5 years and/or a fine of up to A\$200,000.

3. GENERALLY AVAILABLE INFORMATION

Information relating to Capral would be considered to be *generally available* after it has been provided to the Australian Stock Exchange (**ASX**) and the ASX has fully released that information to the market.

4. INFORMATION HAVING A MATERIAL EFFECT ON SECURITIES

A reasonable person would be taken to expect information to have a *material effect* on the price of Capral securities if that information would (or would be likely to) influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell Capral securities.

5. DETERMINING MATERIAL NON-PUBLIC INFORMATION

Determination of what is material non-public information is a subjective assessment but it is likely to include the following types of information that has not been disclosed to the market:

- (a) financial results and operational statistics;
- (b) budgeted or forecasted financial results;
- (c) a change in dividend amount;

- (d) proposals to raise additional equity or borrowings;
- (e) proposed acquisitions, mergers, sales or joint ventures;
- (f) business plans;
- (g) asset purchases or sales;
- (h) commencement of or major developments in litigation or other regulatory matters;
- (i) the occurrence of a material incident involving Capral Employees or premises;
- (j) material information affecting a significant customer or supplier;
- (k) the entry into or termination of a major contract; or
- (l) change of significant investors attitudes to investment in Capral.

6. EMPLOYEES IN POSSESSION OF MATERIAL NON-PUBLIC INFORMATION

Capral Employees must not buy or sell (or procure a third party to deal in) Capral securities while in possession of material non-public information.

7. TRADING WINDOWS

Subject always to the overriding provisions of Section 2 above, trading in Capral securities by Capral Employees is permitted during the 3 periods commencing 24 hours after:

- (a) the announcement of the half-year results;
- (b) the announcement of the annual results; and
- (b) the Annual General Meeting,

and ending 1 month after each of these dates.

8. NOTICE OF INTENT TO DEAL IN CAPRAL SECURITIES

8.1 Directors

- (a) If a Director intends to deal in Capral securities, he must give prior notice of any proposed transaction to the Chairman of the Board (**Chairman**). If the Chairman intends to deal in Capral securities, he must give prior notice to the Managing Director.
- (b) For each transaction, the Director must subsequently advise in writing the Chairman (or, in the case of the Chairman, the Managing Director) of the number of Capral securities bought or sold and the date of the transaction within 3 days.
- (c) Directors must give details in writing of any transaction in Capral securities to the Company Secretary within 3 days. The Company Secretary will provide details of changes in a Director's shareholding in the form of an Appendix 3Y to the ASX within 5 days of the transaction (pursuant to Listing Rule 3.19A.2).

8.2 Other Capral Employees

- (a) If any other Capral Employee intends to deal in Capral securities, that person must give prior notice of any proposed transaction to:
 - (i) the Managing Director, in the case of the senior management team; or
 - (ii) the Company Secretary, in the case of other Capral Employees.
- (b) For each transaction, the Capral Employee must subsequently advise in writing the Company Secretary of the number of Capral securities bought or sold and the date of the transaction within 14 days.

8.3 Form of Notice

Any notice given pursuant to this Section 8 must be in writing and include a statement that the person does not believe that they are in possession of any material non-public information.

9. EMPLOYEES INCENTIVE SCHEMES AND SHARE PLANS

The restrictions on dealing contained in this Policy apply to any dealings in Capral securities by Capral Employees acquired through the Capral employee incentive scheme or share option plan.

10. BREACH OF POLICY

In addition to legal offences, any breach of this Policy will be treated seriously. Refer to the Capral Code of Conduct.