

**FLEXIROAM LIMITED**  
**(“COMPANY”)**  
**(ACN 143 777 397)**  
**SECURITIES TRADING POLICY (“POLICY”)**

**1. Introduction**

- 1.1 This document sets out the Company’s policy on dealings in securities by its Directors, employees and their close associates in matters relating to the trading in shares, options and other securities issued by the Company and the Company’s prohibition on any insider trading.
- 1.2 The purpose of this Policy is to:
- (a) set out the restrictions and procedures on dealing in securities;
  - (b) provide a brief summary of what constitutes insider trading; and
  - (c) prevent any perception that Directors and employees are trading whilst having access to price sensitive information or inside information and therefore ensuring that the market confidence of the Company’s integrity is maintained.
- 1.3 This policy applies to all Directors, employees and contractors of the Company. It shall also extend to their Close Associates as defined in Section 2 below.

**2. Definitions**

- 2.1 “**Chairman**” means the director appointed as Chairman at the time.
- 2.2 “**Close Associates**” means close family members which are the spouse and children of the Employee, any family company or family trust that the Employee or the Employees’ close family members may control or have interest.
- 2.3 “**Company**” means Flexiroam Limited (ACN 143 777 397) and its subsidiaries;
- 2.3 “**Dealing in securities**” means:
- (a) buying or selling of shares, options or other securities in the Company; or
  - (b) enter into transactions in relation to shares, options or other securities in the Company; and
  - (c) procuring another person to undertake the activities described in clause 2.3 (a) or (b) above.
- 2.4 “**Employees**” means Directors, officers, senior executives, contractors, consultants and other staff;
- 2.5 “**Policy**” means this Securities Trading Policy.

**3. General Prohibition**

(including and not limited to all employees, close associates and third parties)

### 3.1 Insider Trading

Insider trading is a criminal offence. Any person will be guilty of insider trading when that person deals in securities of the Company or any other listed companies when in possession of inside information:

- (a) Inside Information is price sensitive information in relation to a company's securities which is not generally available to the market, and if it were generally available to the market:
  - (i) would be likely to have a material affect on the price or value of that company's securities; or
  - (ii) would or would be likely to influence an investment decision by those who invest in the company's securities.
  
- (b) A person will be guilty of insider trading when that person in possession of such inside information:
  - (i) trades in the company's securities;
  - (ii) encourages or procures someone else to trade in the company's securities; or
  - (iii) 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 trade in the securities or procure someone else to trade in the securities of the company.

### 3.2 Examples

The following are some examples (which are non-exhaustive) of price sensitive information which, if made available to the market, would be likely to affect the price of the Company's securities:

- (i) the financial performance of the Company against its budget;
- (ii) entry into or termination of a material contract (such as a major joint venture);
- (iii) a material acquisition or sale of assets by the Company;
- (iv) an actual or proposed takeover or merger;
- (v) an actual or proposed change to the Company's capital structure;
- (vi) a proposed dividend or a change in dividend policy; or
- (vii) a material claim against the Company or other unexpected liability.

### 3.3. Dealing Through Third Parties

A person does not need to be a Director or employee of the Company to be guilty of insider trading in relation to securities in the Company. The prohibition extends to dealings by anyone including friends or nominees of the Director, employees or close associates as well as to customers and suppliers of the Company.

### 3.4 Confidentiality

A person in possession of inside information about the Company is duty bound to keep such information confidential and shall not disclose or communicate that information to anyone.

## 4. **Additional Restrictions on Trading – Directors and Senior Management**

4.1 Directors and Senior Management are subject to additional restrictions on dealing with securities during the closed periods. The Directors and Senior Management, for the purpose of this policy, shall be:

- a) Members of the Board;
- b) CEO of the Company and his direct reports;
- c) anyone who directly reports to the Chairman, Managing Director, CEO, CFO and/or Company Secretary;
- d) any other person who is notified that this additional restriction shall apply to them.

### 4.2 Closed Periods

The Company's closed periods, unless stated otherwise by the Board, are as follows:

- (a) from the close of trading on 30 May until after two days have elapsed from the date upon which the Company gives to the ASX its preliminary final report (full year result);
- (b) from the close of trading on 29 November until after two days have elapsed from the date upon which the Company gives to the ASX its half year report (half year result);
- (c) two weeks immediately before the Annual General Meeting until the day after the Annual General Meeting; and
- (d) any other period that the Board may specify from time to time.

4.3 If any person is uncertain of the dates applicable to closed periods, they should consult the Company Secretary.

4.4 Dealing in Securities by the Directors, employees and their close associates is prohibited during closed periods, unless prior clearance is obtained from the Chairman or in his absence, the Managing Director, through notification of their intention to do so, and the Chairman or Managing Director has indicated that there is no impediment to them doing so.

4.5 Where the Chairman wishes to deal in securities, he shall inform the Managing Director, or in his absence, the Company Secretary of his intention to do so and the Managing Director or Company Secretary must indicate in writing that there is no impediment to him doing so.

- 4.6 The directors and employees shall take reasonable steps to ensure that their close associates are aware of a closed period so that the close associates do not trade during the closed period without obtaining prior clearance.
- 4.7 Prior clearance to any dealing in securities during a closed period will only be given in exceptional circumstances such as severe financial hardship, pursuant to a court order or any other circumstances that are deemed exceptional by the approver.
- 4.8 A person seeking prior clearance during a closed period must apply in writing to the relevant party as stated above setting out the circumstances of the proposed dealing in securities and why it is exceptional and confirming that they do not possess any inside information.
- 4.9 The decision to grant prior clearance in a closed period shall be at the absolute discretion of the approver, who may impose any conditions on any clearance given and is not required to give any reasons for a decision to refuse to grant clearance. Any clearance to trade can be withdrawn if new information comes to light or there are changes in circumstances. Such clearance shall be notified in writing subject to any conditions as may be imposed by the approver and shall be effective for five business days from the effective date.
- 4.10 If clearance to trade is refused, the person seeking clearance shall keep that information confidential and is not to disclose it to anyone.
- 4.11 Prior Notification Outside of Closed Periods
- (a) If a Director or any member of Senior Management intends to deal with securities outside of a closed period, that person must inform the approver in writing by providing details of the proposed dealing in securities at least 48 hours in advance and must confirm that they do not possess any inside information.
  - (b) The approver shall have the absolute discretion to direct that person not to proceed with the proposed dealing in securities or to impose certain conditions, and is not obligated to provide any reasons for such decisions.
  - (c) If no direction is given to the contrary during the said 48 hours notification period, that person will have 5 business days to enter into the proposed dealings in securities commencing from the expiration of the 48 hours notification.
  - (d) This prior notification shall also apply to close associates of the Directors and Senior Management.
- 4.12 No Endorsement
- Any clearance granted under sections 4.4 and 4.5 or any action or inaction by the approver under section 4.9 is intended as a compliance monitoring procedure and it does not in any way constitute an endorsement of the proposed dealing of securities.

#### 4.13 Contravention of Insider Trading Law

A person who possesses insider information is prohibited from dealing in securities under insider trading laws. This applies even when the dealing of securities occurs within the permitted trading window, or the trading falls within an exclusion in the policy or if that person has been given clearance under the policy to trade.

#### 5. **Short Term Trading**

Directors, Senior Management and close associates are prohibited from engaging in Short Term Trading of securities. Short Term Trading for the purpose of this policy is a purchase and sale of the same securities within a one month period.

#### 6. **Short Selling**

Directors, Senior Management and close associates are prohibited from participating or entering into any arrangement for the short selling of the Company's securities. "Short Selling" refers to the practice of borrowing securities, selling them and buying them back at an anticipated lower price in the future.

#### 7. **Trading Derivatives**

Directors, Senior Management and close associates are prohibited from dealing in securities derivatives.

#### 8. **Hedging transactions of Unvested Company Securities**

Directors and employees are prohibited from participating or entering into any financial transaction to hedge or any other form of arrangement to limit or reduce the economic risk of holding unvested Company Securities which have been allocated to the Directors or Employees as part of their equity-based incentives or remuneration.

#### 9. **Margin Lending**

Directors, employees and close associates must comply with section 3 of this policy and the Directors, Senior Management and close associates must also comply with section 4 of this policy when dealing of securities pursuant to a margin lending arrangement.

Examples of such dealings include:

- (a) entering into a margin lending arrangement in respect of Company's Securities;
- (b) transferring the Company's Securities into an existing margin loan account; and
- (c) selling of the Company's Securities to satisfy a call pursuant to a margin loan.

## 10. **Exclusions**

### 10.1 Employee Share Option Plans

Insider trading does not apply to applications for or exercises of options under employee or executive share plans. However, insider trading rules and this Policy do apply in relation to the subsequent disposal of any Securities acquired under an option. Where an employee or executive director exercises options while in the possession of price sensitive information, he/she will have to fund the exercise of the options without the financial assistance of a simultaneous sale of some or all shares just acquired. If the options expire during a closed period described in clause 4.2 of this Policy, then an employee or executive director may simultaneously exercise and sell any Securities subject always to compliance with insider trading laws.

### 10.2 Other Exclusions

The following is a list of trading activities that are excluded from the operation of this Policy:

- (a) transfers of securities of the Company already held into a superannuation fund or other saving scheme in which the restricted person is 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 entity) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (c) where a restricted person is a trustee, trading in the securities of the entity by that trust provided the restricted person is not a beneficiary of the trust and any decision to trade during a prohibited period is taken by the other trustees or by the investment managers independently of the restricted person;
- (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 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 securities of the entity that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement; and
- (g) trading under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in the trading policy and where:
  - (i) the restricted person did not enter into the plan or amend the plan during a prohibited period;
  - (ii) the trading plan does not permit the restricted person to exercise any influence or discretion over how, when, or whether to trade; and

- (iii) the entity's trading policy does not allow the restricted person to cancel the trading plan or cancel or otherwise vary the terms of his or her participation in the trading plan during a prohibited period other than in exceptional circumstances.

## **11. ASX Notification by Directors**

- 11.1 Directors must notify the Company Secretary within two business days after any dealings in the Company's securities (either personally or through a third party). This enables the Company to notify ASX of the change in the Director's or connected person's interests within the requisite time frame of no more than 5 business days after the change has occurred.
- 11.2 It is the individual responsibility of Directors to ensure they comply with this requirement.

## **12. Consequences of Breach of the Policy**

- 12.1 A breach of this Policy by any of the Company's Directors or employees or their family members may expose them to criminal and/or civil liability under the Corporations Act 2001.
- 12.2 The Company will regard breach of this Policy as serious misconduct and may lead to disciplinary action, up to and including dismissal.