



Alpha **HPA**

## **Security Trading Policy**

**Alpha HPA Limited**

ABN 79 106 879 690

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# Dealings by Employees and Directors in Securities of Alpha HPA Cobalt Limited

## 1. Overview

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This statement sets out the policy of Alpha HPA Limited (Alpha HPA) for employees and directors dealing in Securities of Alpha HPA. It summarises the law relating to insider trading and sets trading windows when employees and directors may be entitled to trade.

For the purposes of this policy “Securities” means shares and other instruments considered to be a security for the purposes of the Corporations Act. The definition of a Security is complex and includes not only ordinary shares but also derivative instruments such as exchange traded options and warrants.

If you are in any doubt as to whether or not any instrument you wish to trade is a Security, or how this policy may affect you, should seek assistance from the Company Secretary before trading.

## 2. Insider Trading

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If you have price sensitive information relating to Alpha HPA (including any company within the Alpha HPA Group) which has not been published or which is not otherwise generally available you are prohibited from trading at any time in Alpha HPA securities whilst in the possession of inside information, it is illegal, under the Corporations Act, for you to:

- (a) Buy sell or otherwise deal in Alpha HPA Securities;
- (b) Advise, procure or encourage another person (including, but without limitation, a relative, friend, family company or trust) to deal in Alpha HPA Securities; or
- (c) Pass on information to any other person if you know or reasonably know that the person may use the information to deal (or procure another person to deal) in Alpha HPA Securities.

It is the responsibility of each employee and director (not the company) to ensure that they do not do any of the things prohibited by insider trading laws. The consequences for breach of this law can include both civil and criminal penalties.

## 3. What is Price Sensitive Information

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Price-sensitive information means information relating to Alpha HPA or any company in the Alpha HPA Group that would, if the information were publicly known, be likely to:

- (a) Have a material effect on the price or value of Alpha HPA Securities; or
- (b) Influence persons who commonly invest in Securities in deciding whether or not to buy or sell Alpha HPA Securities.

Examples of possible price-sensitive information include, but are not limited to:

- (a) The financial performance of Alpha HPA against its budget;
- (b) Entry into or termination of a material contract (such as a major joint venture);
- (c) A material acquisition or sale of assets by Alpha HPA;
- (d) An actual or proposed takeover or merger;
- (e) An actual or proposed change to the Alpha HPA's capital structure;

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- (f) A proposed dividend or a change in dividend policy; or
- (g) A material claim against Alpha HPA or other unexpected liability.

### **4. When is the Information “Generally Available”?**

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Information is generally available if:

- (a) It consists of readily observable matter;
- (b) It has been made known in a manner likely to bring the information to the attention of people who commonly invest in Securities of a kind whose price or value might be affected by the information, and, since it was made known, a reasonable period for it to be disseminated among such persons has elapsed;
- (c) It is derived from information which has been made public; or
- (d) It consists of observations, deductions, conclusions or inferences made or drawn from other generally available information.

### **5. Consequences for Breach of the Insider Trading Prohibition**

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Breach of the insider trading prohibition by you or family members could expose you or them to criminal and civil liability. Breach of insider trading laws or this policy will also be regarded by Alpha HPA as serious misconduct which may lead to disciplinary action and/or dismissal.

### **6. Dealing in Shares of Other Companies**

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If you have “price sensitive information” relating to a company other than Alpha HPA which is not “generally available” the same insider trading rules outlined above apply to buying and selling Securities in that company. In the course of performing your duties as an employee of Alpha HPA, you may obtain price sensitive information relating to another company in a variety of circumstances. Examples include, but are not limited to the following:

- (a) Another company may provide price sensitive information about itself to Alpha HPA in the course of a proposed transaction;
- (b) Another company with whom Alpha HPA is dealing may provide price sensitive information about a third company; or
- (c) Information concerning Alpha HPA or actions which may be taken by Alpha HPA (ie a planned transaction or strategic change) could reasonably have an effect on a third party company.

Apart from the application of the insider trading rules to Securities in other companies, employees are also bound by a duty of confidentiality in relation to information obtained in the course of their duties in respect of third parties.

### **7. Limitation Periods for Buying and Selling Securities – Trading Windows**

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Whilst it is unlawful to trade at any time if an employee or director has inside information, there are other periods when trading by employees and directors who generally have access to non-public information is unwise due to the perception that they may possess price sensitive information that is not generally available. For this reason, Alpha HPA has limited the times when directors and employees may buy or sell Securities. Restricted persons must not deal in the Company's securities during any of the following blackout periods unless in special circumstances and with the approval of the Chairman:

- the period each year from the close of trading at the end of the full financial year until 10.00am on the next trading day following the announcement to the ASX of the preliminary final statement or full year results;

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- the period each year from the close of trading at the end of the financial half year until 10.00am on the next trading day following the announcement of half-yearly results; and
- any other period that the Company specifies from time to time.

It is recognised that a person in severe financial hardship or other exceptional circumstances may require to dispose of Securities outside the specified windows. In such cases any director or employee is required to seek the prior written approval of the Chairman who may approve the transaction with respect to the exceptional circumstances. Alternatively, the exception relating to Executive Share Option Plan set out in clause 10 of this policy may apply. Any approval or exception is subject to the overriding obligation of the employee and director to comply with insider trading laws and the obligations under listing rules 12.9, 12.10 and 12.12.

### **8. Steps to Take When Dealing in Alpha HPA Shares or Securities**

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Any employee or director wishing to deal in Alpha HPA's Securities must advise the Company Secretary of their intention to do so before dealing in the Securities. This notification obligation operates at all times.

Directors and employees must not deal in Alpha HPA's Securities until this notification has taken place.

### **9. ASX Notification by Directors**

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Directors are required to notify the Chairman and the Australian Securities Exchange (ASX) of any change to their holding of relevant interests in financial products of Alpha HPA. Whilst the Corporations Act requires Directors to notify the ASX of any changes to their holdings within 14 days, Alpha HPA is required under the Listing Rules to notify these changes to the ASX within five business days of the change. To enable Alpha HPA to comply with this, Directors must furnish the relevant information within five business days to the Company Secretary who will facilitate the transmission of these notifications to the ASX. Notifications will also be tabled before the Board.

### **10. Employee Option Plans**

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Insider trading does not apply to applications for or exercise of options under employee or executive share plans.

The exercising of options issued under the employee or executive option plan are exempt of the limitation periods as outlined in section 7 of this policy.

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 inside a trading window described in clause 7 of this policy, then an employee or executive director may simultaneously exercise and sell any Securities subject always to compliance with insider trading laws.

### **11. Prohibition on Hedging**

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Directors and employees must not engage in hedging arrangements (including, for example, the use of put and call options or other derivative instruments) over unvested Securities issued pursuant to any employee or director option or share plan. In addition, any hedging over vested Securities must comply with this Policy.

### **12. Additional Information**

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If you have any questions relating to Alpha HPA's Security Trading Policy, contact the Company Secretary at Alpha HPA Limited's head office.