

Securities Trading

Issue Number	Date
1	December 2007
2	December 2010
3	December 2012
4	March 2014
5	June 2018

1. Policy Objectives

- 1.1 The *Corporations Act 2001* and ASX Listing Rules require disclosure of any trading in the Company's securities that is undertaken by Directors and key management personnel or their related entities.
- 1.2 The objective of this policy is to assist in maintaining market confidence in the trading of the Company's securities, by seeking to ensure that Directors and employees of the Company do not intentionally or inadvertently breach the insider trading provisions of the *Corporations Act 2001* when dealing in securities in the Company (including shares and options).
- 1.3 The general scheme of this Policy is to ensure that persons covered by this Policy:
 - (a) Never engage in short term trading of the Company's securities;
 - (b) Not deal in the Company's securities while in possession of price sensitive information;
 - (c) Notify the Company Secretary of any intended transactions involving the Company's securities; and
 - (d) Restrict their buying and selling of the Company's securities within the 'trading window'.
 - (e) To ensure prior written approval is obtained for any trading during a Closed Period

2. Application of Policy

Who does this policy apply to?

- 2.1 This policy applies to all Directors, the Company Secretary and to all executives and employees of the Company and their associates.
- 2.2 Persons covered by this Policy must not trade through any member of their family, or through a trust or Company over which they have influence or control, in circumstances where they would have been prohibited from trading in their own name.
- 2.3 This policy applies to all securities including ordinary shares, preference shares, debentures, convertible notes and options.
- 2.4 It does not apply to any acquisition of securities as part of a new issue or dividend reinvestment plan where the issue is available pro rata to all holders of securities of the relevant class.

3. Insider trading

- 3.1 If a person covered by this policy has Inside Information (see defined in the next clause) relating to the Company it is illegal for the person to:
 - (a) Buy, sell or otherwise deal in securities (shares or options) in the Company.

- (b) Advise, procure or encourage another person (for example, a family member, a friend, a family company or trust) to buy or sell the Company's securities.
- (c) Pass on information to any other person, if you know or ought to reasonably know that the person may use the information to buy or sell (or procure another person to buy or sell) the Company's securities.

4. Inside information

4.1 Inside information is information which is not generally available to the market and, if it were generally available to the market, would be likely to:

- (a) Have a material effect on the price or value of any company's securities (not just the Company's securities); or
- (b) Influence persons who commonly invest in securities in deciding whether or not to buy or sell any company's securities.

4.2 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.
- (d) It consists of observations, deductions, conclusions or inferences made or drawn from the other generally available information.

5. Policy

When persons may and may not trade

- 5.1 No person to whom this policy applies may deal in any security at any time if they have Inside Information.
- 5.2 A person covered by this Policy may trade in securities at any time if they are personally and reasonably satisfied, that they are not in possession of Inside Information and otherwise comply with the terms of this Policy.

Dealing with security analysts, institutional investors and journalists

- 5.3 The Company's Continuous Disclosure Policy states that only authorised spokespersons should make public statements on behalf of the Company. Employees who receive queries must not make any comment beyond saying they will refer the query to the Company's authorised spokesperson, and must promptly refer the query to the Company's authorised spokesperson.

Key Management Personnel Restrictions on Trading

5.4 Key Management Personnel of the Company, whose positions expose or are likely to expose them to confidential information regarding the Company, including (but not limited to):

- (a) the Directors and Company Secretary;
- (b) the Managing Director of the Company, and those persons reporting directly to the Managing Director;
- (c) the executive assistants to those include in (a) and (b) above;

(collectively called “Key Management Personnel” for the purposes of this Policy) are to be subject to restrictions on trading in the Company’s securities other than at certain times of the year. This also applies to any employee who may be exposed to Inside Information in the course of their duties.

Embargo on Key Management Personnel dealing in the Company’s shares

5.5 In addition to the overriding prohibition on dealing when a person is in possession of Inside Information, Key Management Personnel and their associated parties are at all times prohibited from dealing in the Company’s securities except for during Open Periods, being:

- (a) each period of 28 days proximately following each date upon which the Company gives to the ASX its annual financial accounts;
- (b) each period of 28 days proximately following each date upon which the Company gives to the ASX its half-yearly financial accounts and quarterly reports; and
- (c) each period of 28 days proximately following each date upon which the Company holds its annual general meeting.

“proximately following each date” means that Key Management Personnel and their associated parties cannot trade on the date the full year, half year or quarterly announcements are made or on the date the annual general meeting is held. The 28 day period in which trading is allowed will, in each instance, start on the date after the announcement or the annual general meeting.

The most current schedule of open and closed periods will tabled at each board meeting of Directors.

5.6 If any member of Key Management Personnel is unsure as to the precise start and finish dates of these periods, they should consult the Company Secretary. For the avoidance of doubt, it is stressed that the existence of these trading windows does not permit Key Management Personnel to deal whilst in the possession of Inside Information - this restriction applies at all times.

5.7 Key Management Personnel will be provided with a copy of this Policy and, within 10 days, is required to return a copy of the Policy with the signed acknowledgment contained in Annexure 3.

Approval of Chairman required

- 5.8 The Chairman must approve any Director or his or her associated parties trading in the Company's securities during an open period. Approval will not be granted by the Chairman if he considers there is information that is not generally available, but if it were, would be likely to "materially affect" the price of the Company's securities

Total embargo on 'short term' trading

- 5.9 In order to prevent the unfair use of information, Key Management Personnel are generally prohibited from short-term trading at all times. Short-term trading is a purchase and sale of the same securities within a six month period.
- 5.10 This embargo on short term trading may be exempted in some very limited circumstances for example, exercising options or rights in employee share ownership plan or retention incentive plans, redemption of securities or certain other option or rights exercised. An exemption can only be granted by the Chairperson.

Exemption to trade during closed period

- 5.11 The Board may approve any Key Management Personnel or his or her associated parties trading in the Company's securities during a closed period. An exemption will not be granted by the Board if it considers there is information that is not generally available, but if it were, would be likely to "materially affect" the price of the Company's securities.

Board of Director's discretion

- 5.12 The Board has an absolute discretion to impose a closed period on Key Management Personnel and/or employees and/or their respective associated parties trading in the Company's securities at any time or for a period of time.

Employee's Dealings in the Company's Securities

- 5.13 Employees and their associated parties (as defined in clause 2.2 of this Policy) must not deal in the Company's securities when prohibited from doing so by the insider trading provisions outlined in clause 3 of this Policy.
- 5.14 Employees who at any other time propose to deal in the Company's securities must give prior notice to the Company Secretary of the intended dealing in accordance with this Policy. The Company Secretary will confer with the Managing Director/CEO and Chairman as required.

Notification Rules in relation to Dealing in the Company's securities

- 5.15 Key Management Personnel and employees are required to notify the Company of intended dealings in securities, by themselves or their associated parties, of the Company as soon as practicable **prior** to such intended dealings. This should be done by verbally informing their respective manager and by written notice to the Company Secretary of the Company in the form annexed to this policy outlining:

- (a) name of security holder;
- (b) proposed date of dealing;
- (c) type of proposed transaction (purchase, sale, etc.); and
- (d) estimated number of securities involved.

5.16 Following completion of the proposed dealing, the Key Management Personnel or employee in question must provide confirmation to the Company Secretary that the dealing has occurred, and details of the price per security and shares acquired, as well as the effective date of acquisition.

Disclosure

5.17 In order to maintain transparency, this Policy is to be disclosed in the annual report and be made publicly available consistent with the Company's Continuous Disclosure Policy.

Breaches of Policy

5.18 Any breaches of this Policy will be severely dealt with and may lead to summary termination.

6. Short Term and Misleading Trading

6.1 Key Management Personal must not engage in short-term or speculative trading of the Company's Securities. While it is impractical to provide a precise definition of short-term or speculative trading in this Policy, the guiding principle is that Key Management Personal who purchase Securities should intend, at the time of acquisition, to continue to hold the purchased Securities for more than 6 months.

6.2 Key Management Personal must not engage in the short selling of Securities.

6.3 In addition to the insider trading prohibitions, the Corporations Act contains prohibitions against any person taking part in any trading that is likely to create or maintain an artificial price for securities or create a false or misleading appearance of active trading.

7. Margin Loans and Hedging

7.1 Key Management Personnel and employees must not engage in transactions or arrangements in risk limiting products which operate to limit the economic risk of:

- unvested entitlements to the Company's Securities, including hedging arrangements in relation to unvested options or performance rights; or
- vested Securities that are subject to a holding lock or other disposal restriction

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SECURITIES TRADING



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- 7.2 Key Management Personnel are not to include any Company Securities, whether in a portfolio or on their own, under a margin loan facility or secured financing arrangement without the prior written consent of the Board.

7. Disclosure to the Company

- 7.1 Directors must complete the Letter of Undertaking annexed to this Policy to enable the Company to comply with its obligations to notify ASX in writing of any changes in the holdings of Securities or interest in Securities by Directors.

8. Policy Reviews

- 8.1 This policy and the annexures will be reviewed and, if appropriate, updated by the Board on a regular basis.

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NOTIFICATION OF INTENTION TO TRADE IN COMPANY SECURITIES - ANNEXURE 1

The Company Secretary

Blue Energy Limited

This is to notify Blue Energy Limited of my intention to trade in Company securities. I am aware that, as an employee/contractor/director of Blue Energy Limited, I am prohibited from trading in the Company's securities while in possession of unpublished price sensitive information concerning the Company.

Unpublished price sensitive information is information regarding the Company, of which the market is not aware and that a reasonable person would expect to have a material effect on the price or value of the Company's securities, and includes:

- significant operational results;
- a proposed major acquisition or divestment;
- a significant business development or a proposed change in the nature of the company's business;
- details of material contracts that are being negotiated by the Company;
- potential litigation that would have a substantial effect on the Company;
- a proposed change in the share capital of the Company;
- a proposed change in the Company's dividend policy; and
- a major change to the Board or key management personnel.

I declare that:

- I am not in possession of price sensitive information;
- I am not trading in Company securities within a "black out" period or have gained an exception to trade during a "black out" period.

Name of security holder _____

Proposed date of dealing _____

Type of proposed transaction (purchase, sale, etc.) _____

Estimated number of securities involved. _____

Signed: _____

Name: _____

Date: _____

Received by the Company on: _____

By: _____

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ABN 14 054 800 378

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Securities Trading – Annexure 2

Letter of Undertaking in relation to disclosure of interest in Blue Energy Limited Securities.

Date

Name / Address of Director

Dear *****

Agreement to disclose your interests in Blue Energy Limited.

Blue Energy Limited (**Blue Energy**) is required, under the Listing Rules, to disclose to ASX details of the interests of its Directors in securities of the company (**Company Securities**), and in contracts relevant to Company Securities.

Contracts relevant to Company Securities are contracts to which you are a party or under which you are entitled to a benefit, and that confer a right to call for or deliver shares in or debentures of Blue Energy or its related bodies corporate.

Blue Energy is also required to enter into an agreement with Directors under which Directors are obliged to provide the necessary information to it. If you agree to the following terms, please sign and return the enclosed copy of this letter.

Binding agreement

In consideration of the mutual obligations contained in this agreement, you and Blue Energy agree to be bound by the terms of this agreement.

Initial disclosure

You will immediately provide the following information as at the date of your appointment as a Director:

- (a) Details of all Company Securities registered in your name. These details include the number and class of the Company Securities.
- (b) Details of all Company Securities not registered in your name but in which you have a relevant interest within the meaning of section 9 of the Corporations Act 2001 (Cth). These details include the number and class of the Company Securities, the name of the registered holder, the nature of your relevant interest and the circumstances giving rise to that interest.

BLUE ENERGY LIMITED

ABN 14 054 800 378

SECURITIES TRADING



Ongoing disclosure

You will provide the following information:

- (c) Details of changes in Company Securities registered in your name other than changes occurring as a result of corporate actions by Blue Energy. These details include the date of the change, the number and class of the Company Securities held before and after the change, the number of Company Securities acquired or disposed, and the nature of the change, for example an on-market transfer. You will also provide details of the consideration payable in connection with the change, or if a market consideration is not payable, the value of the Company Securities the subject of the change.
- (d) Details of changes in Company Securities not registered in your name but in which you have a relevant interest within the meaning of section 9 of the Corporations Act. The details must include the date of the change, the number and class of the Company Securities held before and after the change, the number of Company Securities acquired or disposed, the nature of your relevant interest and the circumstances giving rise to that interest. You will also provide details of the consideration payable in connection with the change, or if a market consideration is not payable, the value of the Company Securities the subject of the change. If there are any circumstances that may affect the value of the Company Securities (eg in the case of options, the satisfaction of performance hurdles) you will also provide details of those circumstances.

You will provide the required information as soon as reasonably possible after the date of the change and in any event no later than two business days after the date of the change.

Final disclosure

You will provide the following information as at the date of ceasing to be a Director:

- (a) Details of all Company Securities registered in your name. These details include the number and class of the Company Securities.
- (b) Details of all Company Securities not registered in your name but in which you have a relevant interest within the meaning of section 9 of the Corporations Act. These details include the number and class of the Company Securities, the name of the registered holder, the nature of your relevant interest and the circumstances giving rise to that interest.

You will provide the required information as soon as reasonably possible after the date of ceasing to be a Director and in any event no later than two business days after the date of ceasing to be a Director.

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ABN 14 054 800 378

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Agency

You authorise Blue Energy to give the information provided by you to ASX on your behalf and as your agent.

Company's obligations

Blue Energy will:

- (a) lodge with ASX any information provided by you to Blue Energy pursuant to this agreement within two business days of receipt of the information by Blue Energy ; and
- (b) retain and allow you access to a hard copy of any notification given to ASX by Blue Energy pursuant to ASX Listing Rule 3.19A for a period of not less than seven years after the date on which such notification is given.

Yours faithfully

Company Secretary
Blue Energy Limited

I agree to the terms of this undertaking

Dated:

Director's Signature

Print Name:

BLUE ENERGY LIMITED

ABN 14 054 800 378

SECURITIES TRADING



Acknowledgement – Annexure 3

Date:

The Company Secretary

Blue Energy Limited

I have been supplied with a copy of the Company's Securities Trading Policy. I have read and considered the contents of the Policy.

I give an unqualified undertaking to comply with the letter and the spirit of the Policy in all my dealings with or on behalf of the Company.

Yours sincerely

Name