



# 11. Securities Trading Policy

- 11.1 This securities trading policy ("Policy") has been adopted by the Board of Pantoro Ltd (the Company) in an effort to prevent the possible incidence of "insider trading" in the Company's securities by the Board, employees, and contractors of the Company, including their associates and related parties. The Corporations Act 2001 ("Act") prohibits insider trading and imposes severe civil and criminal penalties on people who conduct "insider trading" activities. The Policy protects the Board, employees, and contractors of the Company from unwittingly breaching the Corporations Act; ignorance of the law is not a defense to this particular offence. An explanation of the specific terminology used in this Policy is set out below. Any breaches of this policy will be severely dealt with by the Company's Board and may result in immediate termination of employment or engagement terms with the Company.
- 11.1.1 When a person (the "insider") possesses "inside information" and the "insider" knows or ought reasonably to know, that:
- (a) the "information" is not "generally available"; or
  - (b) if the "information" were "generally available", a reasonable person would expect it to have a "material effect" on the price or value of the Company's shares;
- the insider must not (whether as principal or agent):
- (c) apply for, acquire, or dispose of the Company's shares, or enter into an agreement to apply for, acquire or dispose of the Company's shares; or
  - (d) "procure" another person to apply for, acquire, or dispose of, the Company's shares.
- To do so is insider trading.
- 11.1.2 In addition, the insider must not, directly or indirectly, communicate the "information", or cause the "information" to be communicated, to another person if the insider knows, or ought reasonably to know, that the other person would or would be likely to do either of the things stated in clause 1.1.1(c) and 1.1.1(d). To do so is insider trading.
- 11.1.3 "Information" includes matters of supposition, rumour and other matters that are insufficiently definite to warrant being made known to the public. It also includes matters relating to the intentions, or likely intentions, of a person.
- 11.1.4 "Inside information" means information that comes within clause 1.1.1(a) or 1.1.1(b).
- 11.1.5 Information is "generally available" if it is readily observable or has been made known in a manner which is likely to bring it to the attention of people who commonly invest in the Company's shares (including deductions, conclusions and inferences made or drawn from that information) and a reasonable period for that information to be disseminated has elapsed since it was made known. This includes after 24 hours has passed since an announcement was made by the Company to ASX.
- 11.1.6 Information will have a "material effect" on the price or value of the Company's shares, if the information is likely to influence people who commonly acquire the Company's shares, in deciding whether or not to acquire or dispose of the Company's shares.

- 11.1.7 A person “procures”, if that person incites, induces or encourages an act or omission by another person.
- 11.1.8 The Company is deemed to possess any knowledge which an officer of the Company possesses and which came into his or her possession in the course of his or her duties as such an officer. This deeming of knowledge also includes a matter or thing known by an officer of the Company, and if an officer is reckless as to a circumstance or result.
- 11.2 Any Company director, employee or contractor or other person professionally engaged by the Company now or in the preceding six months is prohibited from dealing in the Company’s shares at any time, if that person is in possession of information that is not “generally available”, but if it were, would be likely to “materially affect” the price or value of the Company’s shares. This restriction is an overriding obligation. It applies during trading periods which may otherwise be permitted under this Policy, if that person is in possession of “price sensitive information” which is not “generally available”.
- Any person in possession of “price sensitive information” about the Company or any of its subsidiaries which is not “generally available” has a duty to keep that information confidential and must not in any way disclose or communicate that information to any person.
- 11.3 Any Company director, employee or contractor or other person professionally engaged by the Company now or in the preceding six months who are regarded by the Board as Senior Management of the Company or its subsidiaries, are subject to a blackout period on dealing in the Company’s shares at certain times of the year (“Blackout Period”).
- Senior Management includes Directors, Company Secretary, CFO, COO, and their immediate support staff. It includes assistants reporting or supporting these roles, and any other roles which expose or are likely to expose individuals to information on the Company and its subsidiaries.
- Each person in Senior Management has a personal responsibility to ensure that his or her immediate family or de facto family, controlled family company or trust (“Related Party”) also comply with the embargo.
- 11.4 The Blackout Period is:
- 11.4.1 the period of 14 days immediately preceding the announcement of Pantoro quarterly results or, if shorter, the period from the relevant end of quarter up to and including the time Pantoro quarterly results are announced;
- 11.4.2 any period when Pantoro is in possession of unpublished price sensitive information;
- 11.4.3 any other period notified by the Company, when Staff are prohibited from trading, which may be imposed by the Company from time to time when the Company is considering matters which are subject to Listing Rule 3.1A.
- 11.5 A person may trade in the Company’s securities inside of the Blackout Period described above in the following circumstances:
- 11.5.1 the Chair approves the trade by a Director or Officer upon the director or Officer satisfying the Chair that they do not possess unpublished price sensitive information about the Company and a failure to trade in the Company’s securities would result in exceptional circumstances such as financial hardship, the person is suffering from severe health issues, by court order or other circumstances determined from

time to time.

- 11.5.2 the Board approves the trade by the Chair upon the Chair satisfying the Board that they do not possess unpublished price sensitive information about the Company and a failure to trade in the Company's securities would result in exceptional circumstances such as financial hardship, the person is suffering from severe health issues, by court order or other circumstances determined from time to time.
- 11.5.3 the Chairman or Board approves the trade by an employee upon the employee satisfying the Chairman or Board that they do not possess unpublished price sensitive information about the Company and a failure to trade in the Company's securities would result in exceptional circumstances such as financial hardship, the person is suffering from severe health issues, by court order or other circumstances determined from time to time.
- 11.6 An exemption will not be granted by the Chairman if it considers that the person in question has exposure to information that is not generally available, but if it were, would be likely to "materially affect" the price of the Company's shares.
- 11.7 Within 2 days of a director being appointed to the Board, resigning or being removed from the Board, or trading in the Company's securities, full details of the director's notifiable interests in the Company's securities and changes in such interest must be advised to the Company Secretary so that a record is kept within the Company and so that necessary ASX notifications will occur.
- 11.8 All directors must notify the Company Secretary of any margin loan or similar funding arrangement entered into in relation to the Company's securities and any variations to such arrangements, including the number of securities involved, the circumstances in which the lender can make margin calls, and the right of the lender to dispose of securities.

#### **Procedure for Obtaining Clearance Prior to Trading**

- 11.9 Directors and officers must not trade in the Company's securities at any time, including in the exceptional circumstances referred to above unless the director, officer or employee obtains prior written clearance from:
  - 11.9.1 in the case of a director, the Chairman or in his absence a Director and Company Secretary acting together;
  - 11.9.2 in case of the Managing Director or Chief Executive Officer and Company Secretary, the Chairman or in his absence 2 Directors;
  - 11.9.3 in the case of the Chairman, the full Board,  
(each, an "**Approving Officer**").
- 11.10 A request for prior written clearance under this policy should be made in writing using the form attached to this policy entitled 'Notification Form to Deal in Company Securities.' and given to the Approving Officer. The request may be submitted in person, by mail, by email or by facsimile. A copy must also be sent to the Company Secretary for filing.
- 11.11 Any written clearance granted under this policy will be valid for the period of 5 business days from the time which it is given or such other period as may be determined by the Approving Officer. The expiry time of the clearance will be stated in the clearance granted. Written

clearance under this policy may be given in person, by mail, by email or by facsimile.

- 11.12 Directors, officers and employees must not enter into transactions or arrangements which operate to limit the economic risk of their security holding in the Company without first seeking and obtaining written acknowledgement from the Chair.
- 11.13 Executives are prohibited from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements.

#### **Trading which is not subject to this Policy**

- 11.14 The following trading by directors, officers and employees is excluded from this policy:
  - 11.14.1 transfers of securities already held in a superannuation fund or other saving scheme in which the director, officer or employee is a beneficiary;
  - 11.14.2 subscribe for securities offered under a disclosure document (e.g. a prospectus);
  - 11.14.3 acquire the Company's ordinary shares by conversion of securities giving a right of conversion to ordinary shares - but may not deal with any of the shares received upon conversion other than in accordance with this Policy and the insider trading provisions;
  - 11.14.4 acquire Company Securities under a bonus issue, rights issue or other offer made to most or all holders of securities of the same class;
  - 11.14.5 acquire Company Securities under a dividend reinvestment, or top-up plan, buy-back that is available to most or all holders of securities of the same class;
  - 11.14.6 acquire Company Securities under a Company sponsored share plan where such securities are purchased by an independent Trustee and on an agreed period purchase basis;
  - 11.14.7 acquire, or agree to acquire, options under a Company share option plan;
  - 11.14.8 acquire, or agree to acquire, rights under a Company performance share plan;
  - 11.14.9 acquire or agree to acquire rights, options or shares under a salary sacrifice plan;
  - 11.14.10 exercise options or rights acquired under a Company share option plan, performance rights plan or salary sacrifice plan (but may not sell all or part of the shares received upon exercise of the options other than in accordance with these procedures);
  - 11.14.11 deal where the beneficial interest in the relevant security does not change;
  - 11.14.12 invest or trade in units of a fund, or other scheme (other than a scheme only investing in Company Securities) where the assets of the fund, or other scheme, are invested at the discretion of a third party;
  - 11.14.13 dispose of Company Securities by acceptance of a takeover offer, scheme of arrangement or equal access buy-back; and
  - 11.14.14 invest in a scheme or arrangement (other than a scheme investing only in Company Securities) where the assets of the scheme are invested at the discretion of a third party.
  - 11.14.15 an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in the Company's securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
  - 11.14.16 where the director, officer or employee is a trustee, trading in the Company's

securities by that trust provided the director, officer or employee 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 director, officer or employee;

- 11.14.17 undertakings to accept, or the acceptance of, a takeover offer;
- 11.14.18 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 or 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;
- 11.14.19 the exercise (but not the sale of securities following exercise) of an option or right under an employee incentive scheme, or the conversion of a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a Prohibited Period and the Company has been in an exceptionally long Prohibited Period or the Company has had a number of consecutive Prohibited Periods and the director, officer or employee could not reasonably have been expected to exercise it at a time when free to do so; or
- 11.14.20 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:
  - (a) the director, officer or employee did not enter into the plan or amend the plan during a Prohibited Period; and
  - (b) the trading plan does not permit the director, officer or employee to exercise any influence or discretion over how, when, or whether to trade.

## Notification

- 11.15 Directors must disclose details of changes in securities of the Company they hold (directly or indirectly) to the company secretary as soon as reasonably possible after the date of the contract to buy and sell the securities ("**Contract Date**") but in any event:
  - 11.15.1 no later than 3 business days after the Contract Date; or
  - 11.15.2 if you begin to have or cease to have a substantial shareholding or there is a change in your substantial holding, the business day after the Contract Date.
- 11.16 In addition, the director must give a copy of the written clearance to the company secretary prior to conducting their purchase or sale. Directors are referred to the Company's Director's Disclosure Obligations document and Director's Declaration of Interest Form. The company secretary is to maintain a register of notifications and acknowledgements given in relation to trading in the Company's securities. The company secretary must report all notifications of dealings in the Company's securities to the next board meeting of the Company.
- 11.17 Directors are reminded that it is their obligation under section 205G of the Corporations Act to notify the market operator within 14 days after any change in a director's interest.
- 11.18 Under Listing Rule 3.19A.2 the Company must complete and give to ASX Appendix 3Y "Notice of change to a notifiable interest of a director of the Company" within 5 business days after the change occurs.

### **Employee Incentive Scheme Economic Risks**

- 11.19 Directors, employees and contractors which participate in an incentive scheme by which they may be granted securities in the Company are not permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme. This policy is consistent with the objectives of the Company and Board of linking remuneration (including at risk remuneration granted under an incentive scheme) with Company operational and financial performance.

**ATTACHMENT A - NOTIFICATION FORM TO DEAL IN COMPANY SECURITIES**

**PART A: For completion by Director or Officer**

Name of Director or Officer: \_\_\_\_\_

Description of securities (i.e. number and type of securities) \_\_\_\_\_

Type of Transaction (i.e. sale, purchase, subscription etc.) \_\_\_\_\_

Proposed Date of Transaction \_\_\_\_\_

**Exceptional circumstances (complete if inside a Prohibited Period)**

I request permission to trade during a Prohibited Period because of exceptional circumstances as described below:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

I confirm that:

- 1.1. I am not in possession of any unpublished information which, if generally available, might materially affect the price or value of the Company's securities; and
- 1.2. the transaction in the Company's securities above described does not contravene the rules of the Company concerning dealing in Company securities.

Signed: \_\_\_\_\_ Dated: \_\_\_\_\_

**PART B: For Completion by Approving Officer**

I confirm that I am not aware of any circumstances pursuant to which the party named above is or is likely to be in possession of unpublished information which, if generally available, might materially affect the price or value of the Company's securities.

Name: \_\_\_\_\_ Title/Position: \_\_\_\_\_

Signed: \_\_\_\_\_ Dated: \_\_\_\_\_

**PART C: For Completion by Approving Officer (where permission is being sought for proposed dealings inside the Prohibited Period.)**

I have reviewed this Notification Form and give my consent to the proposed dealing which is expected to occur during a Prohibited Period due to the exceptional circumstances described above.

Signed: \_\_\_\_\_ Dated: \_\_\_\_\_

**THE COMPLETED NOTIFICATION FORM IS TO BE SENT TO THE COMPANY SECRETARY**