

XENITH IP GROUP LIMITED (ACN 607 873 209)

ASX ANNOUNCEMENT

14 July 2017

Share Trading Policy

In accordance with ASX Listing Rules 12.10 and 12.12, Xenith IP Group Limited attaches its new Share Trading Policy.

This Share Trading Policy, which has effect from 14 July 2017, can also be found on the Company's website (www.xenithip.com) under 'Governance Documents'.

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About Xenith

Xenith IP Group Limited (ASX: XIP) is the holding company for the businesses of Griffith Hack, Shelston IP, Watermark and Glasshouse Advisory and their related corporate entities. The Group's core business is to provide a comprehensive range of IP services including identification, registration, management, valuation, commercialisation and enforcement of IP rights for a global client base including Fortune Global 500 companies, multinational, domestic and foreign corporations, research institutes, educational institutions, SMEs and entrepreneurs.



Share Trading Policy

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Share Trading Policy

(Adopted by the Board 14 July 2017)

1. Introduction

This Policy applies to directors and all employees of Xenith IP Group Limited (“**Company**”).

The purpose of this document is:

- to alert directors and employees to the illegality of insider trading and tipping of non-public, price-sensitive information; and
- to establish guidelines in relation to dealings in the Company’s shares, options or derivatives (collectively referred to as “**securities**”).

It is illegal:

- to deal (or procure others to deal) in the Company’s securities at any time while in the possession of price-sensitive information that is not public or generally available and that may affect the price or value of the Company’s securities; and
- to communicate price-sensitive information that is not public or generally available to anyone likely to deal in or procure a third party to deal in the Company’s securities.

Employees must not buy or sell securities of the Company during the following “Black-out” periods:

- from 1 July up to and including the day on which the full year results are released to the ASX; and
- from 1 January up to and including the day on which the half year results are released to the ASX.

Other trading restrictions apply to the following Company employees hereinafter described as “**Designated Officers**”:

- (a) Directors of Xenith IP Group Limited,
- (b) Direct reports of the Managing Director,
- (c) Principals of Xenith IP Group subsidiaries,
- (d) Senior Finance and Corporate staff, including the Company Secretary,
- (e) Any other person who is notified (directly or indirectly) that they are subject to this policy by the Company’s Managing Director, Chief Financial Officer or the Company Secretary; and
- (f) In relation to any person under (a) to (e) above:
 - (i) their spouse (including de facto relationships);
 - (ii) any of their children or step-children, under 18 years of age;
 - (iii) their nominee, including an investment manager managing funds on their behalf;
 - (iv) a trust of which they, or any of their connected persons described in this paragraph (f), are the trustee or beneficiary;
 - (v) a person in partnership with them or any of their connected persons described in this paragraph (f) (acting in his or her capacity as such); and
 - (vi) a company which they or any of their connected persons described in this paragraph (f) control.

Designated Officers are only allowed to trade during specific trading windows as set out in Clause 4.

2. Overview of Insider Trading and Tipping

In summary, the Corporations Act prohibits the following conduct:

- a person (the “**insider**”) trading in securities while in possession of information that is not “generally available” to the market, but which if it became “generally available” could reasonably be expected to materially affect the price of a company’s securities.
- a person “tipping” or communicating non-public, price-sensitive information to another person who is likely to trade in the securities of the Company. An offence is committed even if the person to whom the information is provided is told not to trade in the securities until a public announcement is made if it is thought likely that the person will disregard that instruction.

Information becomes “generally available” once it has been published and enough time has elapsed for it to be disseminated in the market.

The prohibition on “insider trading” and “tipping” applies not only to directors and employees, but also anyone outside the Company who has non-public information that may affect the price or value of the Company’s securities.

Examples of potentially price sensitive information include (but are not limited to):

- consideration of a significant acquisition or disposal of assets,
- actual or forecast changes in the Company’s financial condition or performance,
- a payment of dividends or a share issue;
- a change to the Board or significant changes in senior management;
- the entering into of an agreement or option to acquire an interest in an asset or business, or to enter into a joint venture or other arrangement in relation to an asset or business; and
- any information required to be announced to the market pursuant to ASX Listing Rule 3.1 (the Continuous Disclosure Rule) which is yet to be released to the market.

3. General Restrictions on Trading

3.1 Trading Ban while in possession of non-public price-sensitive information

A director or employee must not deal (or procure another to deal) in the Company’s securities at any time that he or she may have price-sensitive information which is not publicly available.

This is a legal prohibition, a breach of which could expose the individual to prosecution, fines, damages and/or imprisonment.

3.2 Short Term Holdings

Shareholder and market confidence in the integrity of the Company may be damaged by directors and employees engaging in speculative trading in the Company’s securities.

Accordingly, buying and selling the same securities within a 3 month period is prohibited. The above restriction does not apply to the exercise of options granted to employees under any employee incentive plans.

3.3 Hedging

Directors and employees must not enter into any options, derivatives or other arrangements (including “**hedging contracts**”) which operate to limit the economic risk of either unvested or vested holding in the Company’s securities.

This restriction applies to unvested entitlements under the Company’s employee share plans. It also applies to vested securities including shares, options and derivatives.

3.4 Security arrangements and margin lending

Directors and employees may not at any time, directly or indirectly, grant any form of security (whether by way of charge, mortgage, pledge or otherwise) over any Company securities to secure any obligation of that director or employee or any third party, or enter into any margin lending arrangement involving Company securities.

4. Specific Restrictions on Trading

4.1 Black-out Periods

Employees must not buy or sell the Company’s securities in the following “Black-out” periods:

- from 1 July up to and including the day on which the full year results are released to the ASX; and
- from 1 January up to and including the day of which the half year results are released to the ASX.

4.2 Trading Windows

Designated Officers may only trade in the Company’s securities:

- during the 8 week period commencing the trading day after the half year or full year results are released to the ASX;
- during the 4 week period commencing the trading day after the Company’s Annual General Meeting.

Trading outside the above 4 and 8 week periods is permitted in exceptional circumstances but in any event must not occur without the Chair’s approval.

5. Exemption for exceptional circumstances

Exemption may be granted in exceptional circumstances to sell (but not purchase) securities.

The Chair (in the case of a director), the chair of the Audit & Risk Committee (in case of the Chair), the Managing Director (in the case of a Principal) and the Company Secretary (in all other cases) may grant an exemption in writing (by email or otherwise) in circumstances of severe financial hardship or other exceptional circumstances (e.g. a Court order) and where

the proposed sale is the only reasonable course of action available if he/ she is satisfied that the director or employee is not privy to any non-public, price-sensitive information and is satisfied that permitting the director, executive or employee to sell those securities will not expose the Company to any illegality or reputational damage.

Application for exemption for any proposed sale of securities must be made in writing.

The Company Secretary must be provided with and will keep a written record of:

- any applications for an exemption received in connection with this Policy; and
- any exemption granted under this Policy.

6. Excluded Trading

Directors and employees may trade in the Company's securities if trading falls within one of the following circumstances (**Excluded Trading**):

- (a) Transfers of securities already held into a superannuation fund or other saving scheme in which the director, executive or employee 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 Company's securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (c) Where a director or employee is a trustee, trading in the Company's securities by that trust provided the director or employee is not a beneficiary of the trust and any decision to trade during a Black-Out period is taken by the other trustees or by the investment manager independently of the director, executive or employee;
- (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 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 Company's Board. This includes decisions relating to:
 - (i) whether or not to take up the entitlements, and
 - (ii) the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;
- (f) The exercise (but not the sale of securities following) of an option or a right under an employee incentive scheme; and
- (g) Trading under a non-discretionary trading plan for which prior written clearance has been provided by the Company's Board and where:
 - (i) the director or employee did not enter into the plan or amend the plan during a Black Out period; and
 - (ii) the trading plan does not permit the director or employee to exercise any influence or discretion over how, when or whether to trade.

7. Associated Person and Investment Managers

- 7.1. If a Designated Officer may not deal in securities under this Policy, he or she must prohibit any dealing in the Company's options, share or derivatives by:
- (a) any associated person (including family or nominee companies and family trusts) that the director or other Designated Officer controls; or
 - (b) any investment managers on their behalf or on behalf of any associated person.
- 7.2. The prohibition in Clause 7.1 does not apply if the dealing is an Excluded Trading (defined in Clause 6).
- 7.3. For the purpose of this Clause 7, the Designated Officer must:
- (a) inform any investment managers or associates of the periods during which the Designated Officer may or may not deal in the Company's securities; and
 - (b) request any investment managers or associated person to inform the Designated Officer immediately after they have completed the transaction in the Company's securities.

8. Notification of dealings

If a Designated Officer proposes to deal in the Company's securities, he or she must comply with the following process:

- (a) he or she must first complete the notification form set out in the Schedule and provide the form to the Company Secretary;
- (b) the Chair (in the case of Directors), the Chair of the Audit & Risk Committee (in the case of the Chair) or the Managing Director (in the case of all other Designated Officers) must sign the form set out in the Schedule; and
- (c) he or she must notify the Company Secretary when the transaction is completed to enable the Company Secretary to release to the ASX an Appendix within the prescribed time if required. The Company Secretary will advise the Board of any transaction by a Designated Officer at the following Board Meeting.

9. General

9.1 Confidentiality

Directors and employees of the Company are bound to regard the information they hold about the Company which has not been disclosed to the ASX as confidential and may not pass that information on to any relative or other third party.

9.2 Compliance with this Policy

Directors and employees are responsible for ensuring that they understand and comply with this Policy. Should they have any questions or require any information, they should contact the Company Secretary for assistance.

This Policy is not intended to be an exhaustive statement of the law and should not be relied as legal advice.

A breach of this Policy is serious and may lead to disciplinary action, including dismissal in serious cases. It may also be a breach of the law.

9.3 **Policy Responsibility**

This Policy may only be amended by approval of the Board.

The Board will review the policy on a regular basis as required.

Schedule

Notification by Designated Officer

Name of person dealing in Company's securities	
Number and type of securities	
Type of dealing	
Proposed date of dealing (closing date)	

I confirm that:

- (a) I am not in possession of any information that, if generally available, might materially affect the price or value of the Company's securities; and
- (b) the transaction in the Company's securities described above does not contravene the Company's Securities Trading Policy.

.....

Signed

.....

Name and Position

.....

Date

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

.....

Signed

.....

Name and Position

.....

Date