

20 March 2019

The Manager  
Listings Australian Securities Exchange  
Company Announcements Office

### **Amended Securities Trading Policy**

In accordance with Listing Rule 12.10, attached is Whitehaven's updated Securities Trading Policy which takes effect from 20 March 2019.

Timothy Burt  
**General Counsel & Company Secretary**



# Whitehaven Coal Limited Securities Trading Policy

## WHAT IS THIS POLICY ABOUT?

- 1 The purpose of this Policy is to:
  - a) ensure that public confidence is maintained in the reputation of Whitehaven Coal Limited (the **Company**), its related bodies corporate (together, the **Group**) and in the trading of the Company's securities.
  - b) explain the Company's policy and procedures for the buying and selling of securities.
  - c) recognise that some types of trading of securities are prohibited by law.
- 2 The Company will take a substance over form approach and will have regard to the intent and spirit of this Policy when applying and enforcing it.

## WHO MUST COMPLY WITH THIS POLICY?

- 3 This Policy applies to all Restricted Persons who, for the purposes of this Policy, are:
  - a) directors of the Company (**Directors**).
  - b) key management personnel of the Company and direct reports to the CEO.
  - c) corporate and divisional accounting officers reporting directly to key management personnel.
  - d) secretaries and assistants performing confidential work and reporting to Directors or key management personnel.
  - e) employees who have access to the Group's financial results before they are released to the market.
  - f) other persons who regularly possess inside information and who have been advised by the Company Secretary that they are a Restricted Person.
- 4 Restricted Persons must also take steps in relation to trading by their "Connected Persons". See sections 30 and 31 for further information.

## RESTRICTIONS APPLYING TO RESTRICTED PERSONS

### NO TRADING WHILE IN POSSESSION OF INSIDE INFORMATION

- 5 Restricted Persons must not trade the Company's securities if:
  - a) they are aware of Inside Information in relation to the Company; or
  - b) the Company has notified the Restricted Persons that they must not trade securities (either for a specified period, or until the Company gives further notice).

- 6 Inside Information is information that:
- a) is not generally available to the market; and
  - b) if it were generally available to the market, a reasonable person would expect it to have a material effect (upwards or downwards) on the price or value of a security.
- 7 Section 5 aims to ensure that Restricted Persons do not breach the insider trading provisions of the Corporations Act. Broadly speaking, the Corporations Act provides that a person who has Inside Information about a company must not:
- a) buy or sell securities in a company, or enter into an agreement to buy or sell securities, or exercise options over securities, or otherwise apply for, acquire or dispose of securities **(trade)**;
  - b) encourage someone else to trade securities in that company; or
  - c) directly or indirectly provide that information to another person where they know, or ought to know, that that person is likely to trade securities or encourage someone else to trade securities of that company.

#### THE FRONT PAGE TEST

- 8 It is important that public confidence in the Group is maintained. It would be damaging to the Group's reputation if the market or the general public perceived that Restricted Persons might be taking advantage of their position in the Group to make financial gains (by trading securities on the basis of Inside Information).
- 9 As a guiding principle, Restricted Persons should ask themselves:
- If the market was aware of all the current circumstances, could I be perceived to be taking advantage of my position in an inappropriate way? How would it look if the transaction was reported on the front page of the newspaper?*
- 10 If the Restricted Person is unsure, he or she should consult the Company Secretary.
- 11 Where any approval is required for trading under this Policy, approval will not be granted where the trade would not satisfy the test set out in section 9 above.

#### TRADING IN OTHER COMPANIES' SECURITIES

- 12 Restricted Persons may come into possession of Inside Information regarding another company where they are directly involved in client relationship management or negotiating contracts. For example, where a person is aware that the Group is about to sign a major agreement with another company.
- 13 Restricted Persons must not trade securities in another company if they are aware of Inside Information in relation to that company, no matter how they came into possession of the Inside Information.
- 14 If you are in any doubt, consult with the Company Secretary.

#### NO TRADING IN BLACKOUT PERIODS

- 15 Restricted Persons must not trade Company securities during any of the following blackout periods:
- a) the period from 4.00pm (Sydney time) on 30 June each year until the day following the announcement to the ASX of the full-year results.

- b) the period from 4.00pm (Sydney time) on 31 December each year until the day following the announcement to the ASX of the half-year results.
- c) the period from 4.00pm (Sydney time) on 31 March each year until the day following the release to the ASX of the March Quarterly Report.
- d) the period from 4.00pm (Sydney time) on 30 September each year until the day following the release to the ASX of the September Quarterly Report.
- e) any other period that the Board specifies from time to time.

#### EXCEPTIONAL CIRCUMSTANCES

- 16 If a Restricted Person needs to trade securities during a blackout period due to exceptional circumstances and is not in possession of any Inside Information, then, they may apply for approval to trade. Exceptional circumstances are likely to include severe financial hardship or compulsion by court order.
- 17 Approval to trade will only be granted if the Restricted Person's application is accompanied by sufficient evidence (in the opinion of the person providing clearance) that the trade is a reasonable course of action available in the circumstances.
- 18 Unless otherwise specified in the notice, any trade permitted under section 17 must comply with the other sections of this Policy.

#### APPROVAL REQUIRED FOR TRADING OUTSIDE BLACKOUT PERIODS

- 19 During any period that is not a blackout period under section 15, Restricted Persons must, prior to any proposed trade, obtain written approval for the proposed trade of the Company's securities.

#### PROCESS FOR APPROVAL OF TRADES

- 20 The following persons may issue an approval to trade under sections 17 and 19:
  - a) by the Chairman - another Director.
  - b) by Directors other than the Chairman - the Chairman or their delegate.
  - c) by any other Restricted Person - the CEO or their delegate.
- 21 A request for approval to trade will be answered as soon as practicable. The approver may:
  - a) grant or refuse the request.
  - b) impose conditions on the trade.
- 22 The approver is not obliged to provide reasons for any aspect of their decision, and may revoke their approval at any time. If a request is not approved or an approval is revoked, that fact must be kept confidential.
- 23 Following receipt of approval to trade, the approved trade must occur within 7 days following approval (or such other time specified in the approval), otherwise the approval is no longer effective and fresh approval must be sought.
- 24 Approval under this Policy is not an endorsement of the trade. Personnel are responsible for their own compliance with the law.



## **NO SHORT-TERM OR SPECULATIVE TRADING**

- 25 Restricted Persons must not trade the Company's securities on a speculative or short-term trading basis.
- 26 Selling shares received following the vesting of entitlements under an equity incentive plan is not a short-term trade. However, such trading must still comply with the requirements of this Policy.

## **HEDGING OF COMPANY SECURITIES**

- 27 Hedging includes entering into any arrangements that operate to limit the economic risk associated with holding the Company's securities.
- 28 Restricted Persons must not enter into hedging arrangements over any unvested Company securities (including equity incentives issued under the Company's Equity Incentive Plan) to which they may be entitled. Any other hedging arrangements involving Company securities must comply with the requirements of this Policy.

## **NOTIFICATION OF TRADING REQUIRED**

- 29 Following any trade, Restricted Persons must promptly notify the Company Secretary, ideally by close of business on the day the trade is entered into.

## **CONNECTED PERSONS**

- 30 Restricted Persons must take reasonable steps to ensure that their "Connected Persons" only trade securities in circumstances where the Restricted Person to whom they are connected would be permitted to trade under this Policy. For example, by obtaining clearance in accordance with this Policy in respect of the Connected Persons' trading.
- 31 Connected Persons are:
  - a) a family member who may be expected to influence, or be influenced by, the Restricted Person in his or her dealings with the Company or Company securities (this may include the Restricted Person's spouse, partner and children, the children of the Restricted Person's partner, or dependents of the Restricted Person or the Restricted Person's partner).
  - b) a company or any other entity which the Restricted Person has an ability to control.

## **ADDITIONAL RESTRICTIONS APPLYING TO KEY MANAGEMENT PERSONNEL**

### **MARGIN LENDING ARRANGEMENTS**

- 32 Key management personnel must obtain approval in accordance with the procedure set out in sections 20-24 for any margin lending arrangement in respect of Company securities. You will be notified by the Company Secretary if you are a member of the Company's key management personnel.
- 33 The Company may, at its discretion, make any approval granted in accordance with section 32 conditional upon such terms and conditions as the Company sees fit (for example, with regard to the circumstances in which the Company's securities may be sold to satisfy a margin call).

## **EXCLUDED TRADING**

- 34 Sections 15, 19 and 25 of this Policy do not apply to:

- a) participation in an equity incentive plan operated by the Company. However, where securities in the Company granted under an equity incentive plan cease to be held under the terms of that plan, any trading in those securities must only occur in accordance with this Policy.
  - b) the following categories of trades:
    - i) acquisition of Company securities through a dividend reinvestment plan.
    - ii) acquisition of Company securities through a share purchase plan available to all retail shareholders.
    - iii) acquisition of Company securities through a rights issue.
    - iv) the disposal of Company securities through the acceptance of a takeover offer, scheme of arrangement or equal access buy-back.
  - c) trading that results in no effective change to the beneficial interest in the securities (for example, transfers of Company securities already held into a superannuation fund or trust of which the Restricted Person is a beneficiary).
  - d) trading under a pre-approved non-discretionary trading plan, where the Restricted Person did not enter into the plan or amend the plan during a blackout period, the plan does not permit the Restricted Person to exercise any influence or discretion in relation to trading under the plan and the plan cannot be cancelled during a blackout period, other than in exceptional circumstances.
  - e) a disposal of securities of the Company that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement.
- 35 However, given such trades remain subject to the insider trading rules in the Corporations Act, Restricted Persons should still consider any legal or reputational issues (and discuss any concerns they have with the Company Secretary) before proceeding with the trade.

## **WHAT HAPPENS IF THIS POLICY IS BREACHED?**

- 36 Breaches of this Policy will be regarded by the Company as serious and will be subject to appropriate sanctions.
- 37 Any person who is suspected of breaching this Policy may be suspended from attending the workplace on full pay pending the outcome of investigations into the alleged breach.
- 38 Any person who breaches this Policy could face disciplinary action (including forfeiture of securities and/or suspension or termination of employment).
- 39 Breaches of the insider trading laws have serious consequences for both the personnel concerned and the Company. Penalties under the Corporations Act include financial penalties and imprisonment.

## **WHO SHOULD I CONTACT?**

- 40 Restricted Persons should contact the Company Secretary if they are unsure about whether it is acceptable to trade or communicate with others in relation to the Company's securities or other securities or if they have any other queries about this Policy.