



Share Trading Policy

Namoi Cotton Limited

ACN 010 485 588

Effective 28 April 2020

1 PURPOSE

The Namoi Cotton Limited (Company) Share Trading Policy sets out the Company's policy for trading and dealing in **Namoi Cotton Securities**.

2 SCOPE

This policy applies to Directors, Key Management Personnel, Employees, Contractors and Consultants of Namoi Cotton and their Related Parties (**Designated Persons**). The insider trading provisions under the Corporations Act apply to all Designated Persons.

For this policy, Key Management Personnel includes "officers" as defined in the Corporations Act, members of senior management and anyone who has access to unpublished price sensitive information.

This policy outlines:

- (a) when a Designated Person may not Deal in Namoi Cotton Securities;
- (b) when a Designated Person may not Deal in quoted securities of another entity; and
- (c) limited exceptions.

3 REFERENCES

- ASX Listing Rules
- Corporations Act 2001 (Cth)

4 DEFINITIONS

ASX means Australian Securities Exchange Limited.

Deal means trade, sell or purchase (or enter into an agreement to do so).

Chief Executive Officer means the Chief Executive Officer for Namoi Cotton.

Chairperson means the Chairperson for Namoi Cotton.

Company Secretary means the Company Secretary for Namoi Cotton.

Designated Person - Directors, Key Management Personnel, Employees, Contractors and Consultants of Namoi Cotton and their Related Parties.

Namoi Cotton means Namoi Cotton Limited ACN 010 485 588.

Related Parties includes companies, superannuation funds, spouses or de facto spouses.

Securities being the Namoi Cotton Ordinary Shares traded on the ASX, options, performance rights, convertible notes and other securities issued by Namoi Cotton.

5 BACKGROUND

Section 1043A (of Part 7.10, Division 3) of the Corporations Act makes it an offence for a Designated Person in possession of information that is not generally available but which, if generally available, might materially impact the price or value of Namoi Cotton securities (**price sensitive information**) to:

- (a) Deal (i.e. buy, sell or otherwise trade) in Namoi Cotton Securities (or enter into an agreement to do so);
- (b) advise, procure or encourage another person to Deal in Namoi Cotton Securities (or procure the other person to enter into an agreement to do so); and
- (c) pass on information to any other person, if they know or should reasonably know that the person may use the information to Deal in Namoi Cotton Securities.

6 PRICE SENSITIVE INFORMATION

Price sensitive information means information relating to Namoi Cotton which would, if the information were publicly known, be likely to:

- (a) have a material effect on the price or value of Namoi Cotton Securities; or
- (b) influence persons who commonly invest in securities in deciding whether or not to Deal in Namoi Cotton Securities.

Examples of price sensitive information include:

- (a) the financial performance of Namoi Cotton against its budget;
- (b) entry into or termination of material contracts;
- (c) material acquisitions or realisations of assets by Namoi Cotton;
- (d) a proposed dividend or other distribution or a change in dividend policy; or
- (e) a material claim against Namoi Cotton or other unexpected liability.

Information is generally available if:

- (a) it consists of readily observable material; or
- (b) it has been brought to the attention of investors through an announcement to the ASX and a reasonable period (48hrs) has elapsed since the announcement.

7 SPECIFIC PROHIBITED PERIODS

Designated Persons **MAY NOT DEAL** in Namoi Cotton Securities during the following periods:

- (a) the period from the end of the Company's financial year (28 February, or 29 February in a leap year) until 48 hours after the announcement of the full year financial results for Namoi Cotton are received and announced to the general market by the ASX;
- (b) the period from the end of the Company's half year (31 August) until 48 hours after the announcement of the half year financial results are received and announced to the general market by the ASX; and
- (c) the period of 48 hours after the issue of any release to the ASX; and
- (d) at any other time for a specified period as determined by the Board of Namoi Cotton.

The above period for Designated Persons in which they may Deal is referred to as the **"Closed Window"**; all other periods are referred to as the **"Dealing Window"**.

During a Dealing Window, it will be unlawful under the insider trading laws for a Designated Person to Deal in Namoi Cotton Securities where they possess price sensitive information.

8 DIRECTORS AND KEY PERSONNEL NOTIFICATION

Prior to any Director or Key Management Personnel dealing in Namoi Cotton Securities, they must advise of the proposed dealing to the relevant Notification Officer in Schedule 1.

The Director or Key Management Personnel proposing to Deal in Namoi Cotton Securities (or enter into an agreement to do so) must first complete and forward to the Company Secretary the "Notification Form to Deal" in Schedule 2. If a Director or Key Management Personnel Deal in Namoi Cotton Securities, then the individual must notify the Company Secretary of the details for the Deal which includes:

- (a) the number of Namoi Cotton Securities for the trade; and
- (b) the unit price paid or received for the Namoi Cotton Securities.

9 BREACHES OF THIS POLICY

If you breach the insider trading laws, you may be subject to:

- (a) Criminal liability – penalties may include heavy fines or imprisonment or both; and/or
- (b) Civil liability (unlimited) – you can be sued by another party or Namoi Cotton for loss suffered as a result of illegal trading activities.

A breach of the law and/or this policy will also be regarded by Namoi Cotton as serious misconduct which may lead to disciplinary action and/or dismissal.

10 TRADING WITH PERMISSION AND EXEMPTIONS

If there are exceptional circumstances and the person in question does not possess price sensitive information, then approval may be given by the Chairperson allowing the person to Deal in Namoi Cotton Securities inside the Closed Window. Any approval to be considered by the Chairperson for trading inside the Closed Window will be subject to the Designated Person confirming in writing, prior to any dealing, that they do not possess any price sensitive information about Namoi Cotton.

The prohibition in this policy in dealing in Namoi Cotton Securities inside the Closed Window will not apply in the following circumstances:

- (a) undertaking to accept a takeover offer;
- (b) trading under an offer or invitation made to all Namoi Cotton Shareholders under a rights issue or equal access buy-back or dividend re- investment plan;
- (c) transfer of Namoi Cotton Securities already held in a superannuation fund in which the Designated Person is a beneficiary;
- (d) an investment in Namoi Cotton Securities where the assets of the fund are invested at the discretion of a third party; and
- (e) the exercise of an option or right under an employee incentive scheme where the final date falls inside the Closed Window and the designated person could not have reasonably exercised the option or right during the Closed Window.

11 CONFIDENTIAL INFORMATION

All price sensitive information about Namoi Cotton must be treated as confidential.

Indirect or mistaken disclosure of confidential information must be avoided.

12. COMMUNICATING INSIDE INFORMATION

12.1 A Designated Person must not directly or indirectly communicate price sensitive information in relation to Namoi Cotton Securities or quoted securities relating to another entity, if they know, or ought reasonably to know, that the other person would be likely to:

- (a) Deal in relevant Securities; or
- (b) procure another person to so Deal.

12.2 The provisions of clause 12 do not limit, and are additional to, other duties of confidentiality.

13. NOTICE OF CHANGE IN DIRECTOR'S INTEREST

13.1 If a Designated Person is a director, they must ensure that an Appendix 3Y Change of Directors' Interest Notice is completed and provided to the Company Secretary within 2 business days after the completion of any Dealing in Namoi Cotton Securities or the securities of a related body corporate.

- 13.2 The Company Secretary must provide the Appendix 3Y notice to ASX within 5 business days after the transaction's completion.

14. SPECULATIVE DEALING

A Designated Person may not Deal in Namoi Cotton Securities on considerations of a short-term nature.

15. DERIVATIVES

- 15.1 Namoi Cotton may grant shares, options or performance rights to its employees as part of their remuneration entitlements. These grants will usually be subject to the satisfaction of performance hurdles before they vest in the Employee or Key Management Person. The use of derivatives over unvested Namoi Cotton Securities may allow value to be realised from those securities even if performance hurdles have not been met. This would break the intended connection between staff performance and shareholder best interests.
- 15.2 Employees or Key Management Persons are not permitted to use derivatives in relation to any unvested Namoi Cotton Securities in a way which would have the effect of providing greater benefit than would otherwise have been realised by the Employees or Key Management Persons in respect of the unvested Namoi Cotton Securities.
- 15.3 Employees or Key Management Persons may use derivatives in relation to vested Namoi Cotton Securities, provided any Dealing complies with the balance of this policy.

16. MARGIN LOANS

- 16.1 Designated Persons are prohibited from entering into margin loan arrangements to fund the acquisition of Namoi Cotton Securities or in relation to which Namoi Cotton Securities may be used as security against loan repayment.
- 16.2 Margin loans to support an investment in Namoi Cotton Securities can compromise compliance with this policy, as the loan's terms may compel the sale of securities during a prohibited period or when the Designated Person has relevant price sensitive information.

17. FURTHER INFORMATION

Any questions regarding this policy should be directed to the Company Secretary or Chief Executive Officer.

18. EMPLOYMENT AND MONITORING OF COMPLIANCE

All new and current Senior Management, Key Management Personnel and Directors will be required to complete an "Acknowledgement by Employee/Director" (in the form of Schedule 3). All Senior Management, Key Management Personnel and Directors will be required to provide this completed form to the Company Secretary.

19 APPROVAL

The Namoi Cotton Share Trading Policy was approved by the Board of Namoi Cotton Limited on 10 October 2017 and updated and approved by the Board on 28 April 2020.

This Share Trading Policy will be reviewed as required.

20 PUBLICATION

The Namoi Cotton Share Trading Policy is available on the Namoi Cotton website and on the ASX market announcements platform.

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Schedule 1 – Notification Officers

In this policy the relevant Notification Officer(s) for each of the Key Management Person is as set out in the table below:

Key Management Person	Notification Officer(s)
Chairperson	Chief Executive Officer and the Chairperson of the Audit Committee
Chief Executive Officer	Chairperson
Directors	Chairperson
Company Secretary	Chairperson
All other Key Management Personnel	Company Secretary

Schedule 2 – Notification Form to Deal in Namoi Cotton Securities

For completion by Director and Key Management Person

Name of Director or Key Management Person	
Description of Shares (i.e. number of Shares)	
Nature of agreement/dealing (sale/purchase/subscription)	
Proposed date of transaction (i.e. completion date)	

I confirm that:

- a) I am not in possession of any unpublished information which, if generally available, might materially affect the price or value of Namoi Cotton Securities; and
- b) the transaction in Namoi Cotton Securities described above does not contravene the Namoi Cotton Group Share Trading Policy.

Signed:

Dated:

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Schedule 3 – Acknowledgement by Director/ Key Management Person/ Employee

I have read and understood the document entitled Namoi Cotton Limited Share Trading Policy and agree to be bound to and comply with the policy as amended or replaced from time to time.

Signature: _____

Name: _____

Position: _____

Dated: _____

Please return completed form to the Company Secretary.