



**Date: 12 February 2021**

**ASX Code: TEK**

As previously announced on 21 December 2020, Thorney Technologies Ltd (ASX: TEK) (**TEK** or the **Company**) undertook a capital raising comprising a multi-tranche placement and entitlement offer, pursuant to which it raised \$37 million.

As part of the entitlement component of the capital raising, the Company provided shareholders with the opportunity to participate in a top-up facility to subscribe for additional shares over and above their entitlement under the offer ("**Top-Up Facility**").

#### **Issue of shares**

Following the issue of the shares under the Top-Up Facility, the Company became aware that due to an administrative oversight, shares had been had inadvertently issued to an entity controlled by Mr Alan Fisher, a non-executive director of TEK as part of the Top-Up Facility.

Under ASX Listing Rule 10.11, a company must only issue shares to a director with shareholder approval. While shareholders approved the issue of shares to an entity controlled by Mr Alan Fisher pursuant to the tranche 2 placement, shareholder approval was not sought in respect of the 22,224 shares issued under the Top-Up Facility. As soon as TEK became aware of this error, it took steps to ensure that the aggregate number of shares to be issued to Mr Alan Fisher's entity under the tranche 2 placement would be equal to the total number of shares approved by TEK's shareholders at the 2020 AGM.

#### **Remedial action**

The Company advised ASX of this unintentional breach and has since taken steps to ensure that, insofar as possible, such issue does not arise again in the future.

The Company is committed to a high standard of corporate governance and has reviewed its corporate governance framework and practices so as to ensure that TEK meets market practice and expectations. Following a review of its corporate governance policies, the Company advises that it has updated to its Trading Policy. A copy of the Trading Policy is attached to this announcement.

Separately, the Company has updated its internal compliance process with regards to director trading to require key management personnel to regularly confirm that the Computershare register is up to date.

For all future capital raisings, Thorney will review the acceptance list provided by Computershare before any securities are issued.

Please direct enquiries to:

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**THORNEY TECHNOLOGIES LTD**

ABN: 66 096 782 188

**TRADING POLICY**

## **1. Application of this Policy**

This policy was approved by the Board of Thorney Technologies Ltd (**Company**) on 12 February 2021.

This policy applies to all Key Management Personnel being the Directors and Company Secretaries of Thorney Technologies Ltd (of the Company).

In this Policy, the persons listed above will be collectively referred to as Relevant Persons.

Certain defined terms are contained in Section 9.

## **2. Prohibitions on Dealing in the Company's Securities**

Relevant Persons must not deal in the Company's securities during prohibited periods (closed periods) unless exceptional circumstances apply and written approval is given to a transaction in advance.

### **Insider Trading Prohibition:**

It is the responsibility of every Relevant Person to ensure that they do not do any of the things prohibited under section 1043 of the Corporations Act when they are in possession of 'inside information'.

If you have 'inside information' relating to the Company or any other entity, which has not been published or which is not otherwise 'generally available', it is illegal for you to:

- Buy, sell or otherwise deal in securities in the Company or any other entity.
- Advise, procure or encourage another person (for example, a family member, a friend, a family company, trust or investment manager) to buy or sell these securities.
- Pass on information to any other person if you know, or ought reasonably to know, that the person may use the information to buy or sell (or procure another person to buy or sell) these securities.

'Securities' are defined in the Corporations Act and include interests in shares, options or debentures in a company or related body corporate, as well as interests in managed investment schemes made available by the company or a related body corporate.

'Inside information' means information which:

- a) Is not 'generally available' to the market; and
- b) If the information was generally available, a reasonable person would expect it to have a material effect on the price of a security.

Information will have a material effect when a reasonable person would expect the information to influence an investor's investment decision to buy or sell securities. For further guidance with respect to materiality please refer to our *Disclosure Policy*.

## **2. Prohibitions on Dealing in the Company's Securities** continued

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### **Insider Trading Prohibition** continued

Information is 'generally available' when it:

- a) is readily observable;
- b) has been made known in a manner which is likely to bring it to the attention of persons who commonly invest in securities provided that a reasonable period for that information to be disseminated as elapsed since it was made known; or
- c) consists of deductions, conclusions or inferences made or drawn from information falling under either paragraphs (a) or (b) above.

Examples of possible 'inside information' include:

- Entry into or termination of a material contract.
- An actual or proposed takeover or merger.
- An actual or proposed change to the Company's capital structure.
- A change in dividend policy.
- A material claim against the Company or other unexpected liability.

Breach of the 'insider trading' prohibitions could expose you to substantial criminal and civil liability, including possible imprisonment.

## **3. Prohibited (Closed) Periods**

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### **Trading Blackouts**

As the Company is a listed investment company announcing its Net Tangible Assets monthly on the ASX, the Board believes the shareholders are generally fully informed. A Relevant Person must not deal in shares of the Company if they are in possession of price sensitive or 'inside information'. The Board has also nominated that a Relevant Person may not deal in shares of the Company in the 5 business days before the announcement of a dividend or any other capital management initiative that might have an impact on the share price.

The Board may from time to time designate further periods of time as a prohibited (closed) period under this Policy.

## **4. Trading Exclusions to the General Policy**

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No approval is required in connection with any of the following, however the trading must still be notified to the Company Secretary as soon as reasonably practicable to ensure any regulatory notifications are made, including compliance with the Listing Rules in relation to Directors' Interests:

- participation in any dividend reinvestment plan operated by the Company;
- actions open to all shareholders, although the insider trading prohibition still applies;
- transfers of securities where there is no change in the beneficial interest; and
- trading by a fund or other scheme in which the Relevant Person holds securities, where the investment is solely at the discretion of a third party.

## **5. Exceptional Circumstances**

A Relevant Person, who is not in possession of inside information in relation to the Company, may be given prior written clearance to sell or otherwise dispose of securities during a prohibited (closed) period where their circumstances are otherwise exceptional and that the proposed sale or disposal of the relevant securities is the only reasonable course of action available.

Exceptional circumstances will include:

- severe financial hardship;
- an undertaking given to, or an order by, a court; and
- such other exceptional circumstances as may from time to time be determined by the Chairman.

The determination of whether a particular set of circumstances falls within the range of exceptional circumstances can only be made by the Chairman or another Director (where the Chairman is involved).

## **6. Legal Obligation To Notify Trading By Directors**

The Company is required under the ASX Listing Rule 3.19A to notify the ASX within five business days of any changes to a director's notifiable interests including whether the change occurred during a closed period where written clearance was required and, if so, whether prior written clearance was provided (appendix 3Y of the listing Rules).

An Initial and Final Directors Interest Notice (appendix 3X and 3Z of the listing Rules) must also be lodged on the appointment or resignation of a director.

Directors agree to provide such information to the Company as soon as reasonably practicable after the date of change.

## **7. Pre Trade Approval procedure**

Without exception, Relevant Persons must apply to the Chairman to deal in the Company's securities. The application must be in the form set out in **Schedule 1**. In the case of the Chairman, the application must be submitted to the Lead Independent Director.

On receipt of an application, the Chairman or the Lead Independent Director (as applicable) will have 7 days to consider the application. No dealing may be undertaken before the Relevant Person receives the written approval of the Company Secretary, signed for and on behalf of the Chairman or the Lead Independent Director (as applicable).

Furthermore a copy of the approval must be given to the Company Secretary for record keeping purposes.

Where the Chairman or the Lead Independent Director (as applicable) receives an application to trade by a Relevant Person that is a Related Party of the Company, the Company must obtain advice from its legal advisors that the proposed trade is permitted under the Corporations Act and the ASX Listing Rules.

## **8. Review/Questions**

This Securities Dealing Policy shall be reviewed for effectiveness on an annual basis. Any person who has questions about this Policy should contact the Company Secretary.

## 9. Definitions

**'Key Management Personnel' (KMP)** has the meaning in Accounting Standard AASB 124 Related Party Disclosure. The KMP comprise the Directors and Secretaries of the Company. The Company has a Board but no executives or employees.

**'Securities'** are defined in the Corporations Act and include interests in shares, options or debentures in a company or related body corporate, as well as interests in managed investment schemes made available by the company or a related body corporate.

**'Dealing'** includes:

- (a) any sale or purchase of, or agreement to sell or purchase, any securities of the Company and the grant, acceptance, acquisition, disposal, exercise or discharge of any option (whether for the call, or put, or both) or other right or obligation, present or future, conditional or unconditional, to acquire or dispose of securities, or any interest in securities, of the Company;
- (b) procuring or encouraging another person to subscribe for, purchase or sell or to enter into an agreement to subscribe for, purchase or sell any such securities; and
- (c) communicating, directly or indirectly, or causing the communication of, information to another person if it is known or ought reasonably to have been known that the other person would or would be likely to (or procure another person to) subscribe for, purchase or sell any such securities.

**'Related Party'** has the meaning given to that term in the ASX Listing Rules.

## Schedule 1 - FORM OF APPLICATION TO TRADE

Name of Applicant:	
Residential Address:	
Office or position in the Company:	

Type of transaction (circle):	Sale / Purchase
Will the proposed transaction take place in a trading blackout (circle):	YES / NO
Number of securities that are subject of the proposed transaction:	
Class of securities that are the subject of the proposed transaction:	
Is the proposed transaction in relation to an issue of securities pursuant to an entitlement offer, share purchase plan or placement (circle):	
Is shareholder approval required under Listing Rule 10.11 for the proposed transaction:	
Will the transaction take place on the Stock Exchange (circle):	YES / NO
If the transaction is not to take place on the Stock Exchange, advise details of the transaction:	

I HEREBY ACKNOWLEDGE that:

(a) I have read the Thorney Technologies Ltd Trading Policy;

(b) I am not in possession of any information that:

- (i) is not generally available, and
- (ii) would be expected by a reasonable person to have a material effect on the price or value of securities of the Company, if it was generally available;

(c) I am not aware of any reason that I should be prohibited from trading in the Company securities (whether under the Thorney Technologies Ltd Trading Policy, the law, the ASX Listing Rules or any other reason);

(d) the Company is not advising or encouraging me to trade in any of the Company's securities and is not providing any securities recommendation; and

(e) the purchase/sale of the above securities must be completed within 7 days of me receiving written approval to deal in those securities (or within any shorter period imposed by the Chairman or the Lead Independent Director (as applicable)).

I request the Chairman or the Lead Independent Director (as applicable) to approve the purchase/sale of the above securities.

Signed by the Applicant: \_\_\_\_\_  
Date: \_\_\_\_\_

### APPROVAL

Approved by: \_\_\_\_\_  
Date: \_\_\_\_\_