



# Trading Policy and Procedure

## **Conquest Agri Limited**

ACN 091 320 464

- The purpose of this policy is to ensure that Conquest and its directors, officers, employees and agents do not use their positions or inside information in order to gain an improper advantage or cause detriment to unit holders
- All directors and staff of Conquest understand it is illegal to trade in securities in the Company whilst in the possession of inside information
- Directors and officers are required to obtain written consent from the Board, prior to trading in securities in the Company
- Employees are also required to obtain consent prior to purchasing/disposing of securities in the Company

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## Part A – Trading policy

### 1 Commitment to the policy

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The Board and senior management of Conquest Agri Limited (Conquest or the Company) are committed to the prevention of unauthorised trading in the securities of the Company and in ensuring that the interests of its directors, officers, employees and agents are not put before those of its security holders.

This Trading Policy and Procedure (the policy) has been adopted by the Board and presents the framework upon which the Company will meet its regulatory trading obligations under Australian Securities Exchange Limited (ASX) Listing Rules 12.9, 12.10, and 12.12 and Guidance Note 27.

Where there is any doubt as to the requirements contained in this policy, you should have regard to the principle that the Board will always ensure the Company conducts its business in an efficient, honest and fair manner having regard to the regulatory objectives of ensuring market integrity and consumer protection.

### 2 Policy owner

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The owner of this policy is the Company Secretary (policy owner). The policy owner is responsible for ensuring that the policy is reviewed at least annually or when it becomes out of date (e.g. because of regulatory or operational change).

### 3 Purpose of this policy

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This policy relates to Conquest in its capacity as an ASX listed entity.

The purpose of this policy is to ensure that Conquest and its staff do not use their positions in order to gain an improper advantage or cause detriment to members.

The aim of this policy is to:

- Identify the requirements of the regulators with respect to our trading obligations as an ASX listed entity;
- Outline the conduct requirements of all staff in relation to trading in securities in the Company;
- promote a culture of compliance.

## 4 Responsibilities under the policy

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### **Directors and employees**

It is the responsibility of directors and employees of the Company under the Corporations Act to:

- Place the interests of the Company first at all times (ahead of themselves);
- Avoid and be seen to avoid conflicts or potential conflicts between personal interests and duties to clients, the markets or the Company;
- Uphold the duties of care and diligence in dealing with clients or the markets;
- Not to act on inside, privileged, confidential or price sensitive information;
- Not take advantage of their positions in trading in the securities of the Company;
- Record any interest in the Company on the Register of Interests in Securities of the Company.

Directors, officers and employees generally must:

- Keep information about the Company confidential, and must not give that information to any other person outside of the Company;
- Not use any acquired information to gain an improper advantage for themselves, or anyone else;
- Not use their position to gain an advantage for themselves or any other person, or to cause detriment to security holders of the Company.

Failure to comply with these provisions is subject to a civil penalty provision.

### **Related parties and associates**

This policy is not only applicable to directors, officers and employees. It also extends to:

- Family, relatives and associates of directors, officers and employees;
- Related parties of directors, officers and employees;
- Related corporations or entities.

## 5 Key concepts in insider trading

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### **Information**

Information includes:

- Matters of supposition and other matters that are insufficiently definite to warrant being made known to the public;
- Matters relating to the intentions, or likely intentions, of a person.

### **Inside information**

Inside information is information that:

- Is not generally available;
- A reasonable person would expect it to have a material effect on the price or value of the Company's securities.

### **Generally available**

Information is generally available if:

- It consists of a readily observable matter; or
- Both of the following conditions apply:
  - It has been made known in a manner that would, or would be likely to, bring it to the attention of persons who commonly invest in financial products of a kind whose price might be affected by the information; and
  - Since it was made known, a reasonable period for it to be disseminated among such persons has elapsed; or
- It consists of deductions, conclusions or inferences made or drawn from either or both of the following:
  - Information from a readily observable matter;
  - Information made known as mentioned above.

### **Relevant financial products**

The financial products affected by this policy include:

- Securities;
- Derivatives;
- Interests in a managed investment scheme;
- Debentures, stocks or bonds issued or proposed to be issued by a government;
- Superannuation products, unless exempted by the Corporations Regulations;
- Any other financial products that are able to be traded on a financial market.

### **Unpublished price sensitive information**

Unpublished price sensitive information is information regarding the Company, of which the market is not aware and that a reasonable person would expect to have a material effect on the price or value of the Company's securities, and includes:

- Financial performance information and material funding arrangements;
- Material contracts including buying, selling or developing assets;
- A proposed major acquisition or disposal;
- A significant business development or a proposed change in the nature of the Company's business;
- Potential litigation that would have a substantial effect on the Company;
- A major change to the Board or senior management;

- Takeover or merger, changes to capital structure, dividends, distributions, material claims or liabilities;
- A proposed change in the share capital structure of the Company.

## 6 Who should know and understand the policy

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The following people should be aware of the contents of this policy:

- Directors and officers;
- All staff employed by the Company who are directly or indirectly involved in the management of the Company;
- Anyone providing services to the Company that the policy owner or Board of the Company determines should comply with the policy (e.g. service providers, agents, contractors and temporary staff);
- Anyone else that the policy owner or Board of the Company determines should comply with the policy.

Where functions of the Company are outsourced (e.g. to service providers, agents, contractors and temporary staff), the Company remains responsible and accountable for those actions. The Company may include specific requirements in the outsourcing or other agreements to ensure compliance with this policy and other regulatory obligations.

To ensure all officers, employees and agents are aware of the contents of this policy; it will be made available electronically on the Company's website.

## 7 Risks of non-compliance to the Company

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The risks to the Company of not complying with this policy include:

- **Regulatory risk** – the risk that the Company, its directors, officers, employees or agents will be subject to criminal, civil or administrative penalties or sanctions. This may include criminal actions, licensing actions, enforceable undertakings, or total loss of licence for non-compliance with:
  - Corporations Act laws and regulations;
  - The ASX listing rules;
  - The Company's constitution;
  - Organisational standards;
  - Internal policies and procedures.
- **Business risk** – the risk that insider trading in securities of the Company or other companies may result in poor business outcomes for the Company, with key risks being non compliance with ASX listing rules and a suspension of trading of the Company's securities on the ASX. Compliance with this policy will enable the Board and delegated staff to appropriately manage this risk by implementing the appropriate trading policies and procedures.

- **Reputational risk** – the associated damage to the Company’s reputation as a result of public reporting of insider trading or by being perceived as non compliant within the market. This may also have a detrimental effect on the profitability of the Company due to loss of confidence by investors. By approving and implementing a trading policy the Company intends to mitigate the risk of reputational damage.

## Part B – Trading procedure

### 8 Legislative and regulatory requirements

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#### **Prohibition on insider trading**

Pursuant to s1043A of the *Corporations Act 2001* (the Act), if a person (the insider) possesses inside information which they know, or ought reasonably to know, is inside information the insider must not (whether as principal or agent)

- Apply for;
- Acquire;
- Dispose of;
- Enter into an agreement to apply for, acquire, or dispose of;

a relevant financial product. To do so is an offence.

All officers and employees are prohibited from trading in the Company's securities while in the possession of unpublished price sensitive information concerning the Company.

Similarly, the insider must not advise others to trade in the Company's securities or communicate the information to another person knowing that the person may use the information to trade in, or procure (i.e. incite, induce or encourage) someone else to trade in the Company's securities.

Failure to comply with this subsection is an offence (see subsection 1311(1)). This is also a civil penalty provision (see section 1317E).

#### **Director officer and employee obligations**

Pursuant to Chapter 2D of the Act, the directors, officers and employees of the Company have an obligation not to use their position to improperly create an advantage for themselves or cause a detriment to the scheme members. This includes the possession of information that is obtained by virtue of their role or position with the Company.

### 9 Procedures for acquiring/disposing of securities

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Prior to directors, officers and employees of the Company or their related parties acquiring or disposing of securities in the Company they must consider if they have price sensitive information – and:

- if they are in possession of price sensitive information they must only trade in accordance with this policy; or
- if they are not in possession of price sensitive information, they must obtain consent from the Chief Executive Officer – who will approve the transaction only after considering whether any price sensitive matters are in progress;

Directors, officers and employees may acquire/dispose of securities in the Company, but are prohibited from dealing in Company securities or exercising options:



- except between one and forty five days after either the release of the Company's half year and annual results to the ASX, the annual general meeting or any major announcement;
- whilst in possession of price sensitive information not yet released to the market (blackout period);

The Company prohibits directors, officers and employees from trading in Company securities by entering into transactions such as margin loans that could trigger a trade during a prohibited period;

If a director, officer or employee is not sure if they are in possession of price sensitive information, they should check with the Chief Executive Officer.

Nothing in this policy shall authorise any person to act in contravention of the insider trading provisions of the Act.

When a director, officer, employee or similar and/or their related parties (which includes family members), buys or sells securities in the Company, the Company Secretary must be notified immediately.

## 10 **Restrictions on short-term trading**

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The Company encourages directors, officers and employees to adopt a long-term attitude to their investment in the Company's securities. Consequently, directors, officers and employees should not engage in short-term or speculative trading of the Company's securities.

## 11 **Further restrictions on trading**

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### **Information about securities in other companies**

The insider trading provisions are not limited to inside information about the Company and its associated entities.

Through employment at the Company, staff may gain inside information about other listed and unlisted entities or financial products.

The Company's directors, officers and employees must not therefore deal in securities in an entity that the Company is dealing with, or may deal with, in a material manner or in an entity about which the Company possesses unpublished price sensitive information.

The Company's directors, officers and employees are not permitted to deal in the Company's securities during "closed periods".

The closed periods are;

- Two months immediately prior to the release of the preliminary announcement of the Company's annual or half yearly financial results;
- Any other period determined due to undisclosed price sensitive information.

## 12 Exceptions

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There are a number of exceptions to the insider trading provisions in s1043A including those summarised below:

- Withdrawal from an entity where the exit price is calculated on the underlying value of the assets (s1043B);
- Acquiring securities or managed investment products under an underwriting agreement (s1043C);
- Acquisitions pursuant to a requirement of the Corporations Act or a government authority (s1043D and s1043E);
- Where Chinese wall arrangements exist within the corporation or partnership and they are in force (s1043F and s1043G);
- Where your own intentions or the Company's intentions are the inside information (s1043H-J);
- A licensee or representative acting on client instructions to trade securities where the client does not know the inside information (s1043K);
- Where the trading results in no change in the beneficial interest in the securities (e.g. transfers of securities of the entity already held into a superannuation fund or other savings scheme in which the director, officer or employee is a beneficiary);
- Where trading occurs via investments in a scheme or other managed arrangement where the investment decisions are exercised by a third party, where the director, officer or employee or their related party has no control or influence with respect to the trading decisions;
- Where a director, officer or employee is a trustee, trading the Company's securities by that trust provided the director, officer or employee is not a beneficiary of the trust and the decision to trade during a prohibited period is taken by other trustees or by the investment managers independently of the director, officer or employee;
- Where the trading occurs under an offer to all or most of the security holders of the Company, 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;
- Undertakings to accept, or the acceptance of, a takeover offer;
- Where there is a disposal of securities of the Company that is the result of a secured lender exercising their rights;
- Where a director, officers or employee or their related parties, who are not in possession of inside information in relation to the Company, may be given prior written approval to dispose of securities in the Company during a prohibited period (blackout) under the trading policy where the person is in severe financial hardship or there are other exceptional circumstances;
- The determination of what constitutes exceptional circumstances and whether or not the person in question is in severe financial hardship can only be determined by the Board under the policy for this purpose. The person seeking clearance to trade must satisfy the Board that they are in severe financial hardship or that their circumstances are otherwise exceptional and that the proposed sale or disposal of the relevant securities is the only reasonable course of action available and all other avenues have been exhausted. The Board should give careful consideration to the purpose of the listing rules and the discretion should be exercised with caution;

- The Board will also determine the duration of any prior written clearance to trade in exceptional circumstances during a prohibited period and the clearance is to be given in writing by the Chairman or Chief Executive Officer;
- Exceptional circumstances may include but be limited to:
  - If the person is required to dispose of Company securities pursuant to a court order, enforceable court undertakings such as bona fide family settlement or some other overriding legal or regulatory requirement to do so.

If one of these conditions is met then it may be that the insider trading provisions will not be triggered. The Company Secretary should be consulted prior to any purchase or disposal of securities so that advice can be provided as to whether any of these provisions are relevant to the Company.

## 13 Approval process – employees and officers

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### **Employees**

The approval process for trading in Company securities is as follows:

- Submit request form to the Company Secretary for approval;
- Once approved, the Company Secretary will submit the authorised form to the Chief Executive Officer for approval;
- Once Chief Executive Officer has authorised the form, it will be provided to the employee;
- The employee may acquire/dispose of securities;
- Upon the acquisitions/sale of securities, the employee must advise the Company Secretary immediately;
- The Company Secretary will enter the information in the appropriate Register of Interests (Appendix B).

### **Directors and Officers**

The approval process for directors and officers to trade is as follows:

- A Company director or officer must advise the Board, through the Company Secretary, of their desire to acquire/dispose of securities by either themselves or their related party. The advice must include the details of themselves or the related party (where relevant) and the number of securities;
- Once approved in writing by the Board, the director or officer or related party may acquire/dispose of the relevant securities;
- Upon acquisition/disposal of securities, a director or officer must notify the Company Secretary immediately. The Company Secretary will enter the information in the appropriate Register of Interests (Appendix B) or Register of Related Interests (Appendix C).

## 14 **Monitoring compliance with the policy**

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The Company Secretary is responsible for monitoring compliance with this policy on an annual basis or as required.

As part of the monitoring process, the Company Secretary will review the Register of Interests and the Security Holder's Register to identify any instances of non-compliance. The Breach Register and the Register of Related Interests will be reviewed to identify any systemic issues.

Any instances of non-compliance by directors, officers, employees and/or agents of the Company will be reported to the Board. Instances on non-compliance will also be treated as a potential or actual breach and dealt with according to the Breach Management Policy.

Where instances of non-compliance with the policy have been identified the Company Secretary in conjunction with the Chief Executive Officer is responsible for determining and/or recommending appropriate remedial action.

Intentional or reckless non-compliance with this policy is not tolerated by the Board. Depending on the nature and extent of non-compliance, remedial action could include:

- Additional training;
- Additional monitoring or supervision;
- Formal reprimand;
- Notification to relevant regulatory body or industry association;
- Termination of employment (in particularly serious cases).

In determining what remedial action will be appropriate, the Company Secretary in conjunction with the relevant business unit manager may have regard to the following matters:

- The number or frequency of similar previous instances of non-compliance by the officer, employee and/or agent (including or service providers);
- Whether the non-compliance was intentional or reckless;
- The impact the non-compliance has on the ability of the Company to maintain compliance with ASX listing rules and continue to be listed on ASX;
- The actual or potential loss arising to the Company or a client of the Company as a result of the non-compliance;
- Actions outlined in the Code of Conduct for the Company;
- Any other relevant facts associated with the non-compliance ;
- Any other relevant issues raised.

## 15 **Review of the policy**

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The Company Secretary shall review the contents of this policy at least annually to ensure it remains current and relevant to the operations of the Company.

As part of the review, the Company Secretary shall also ensure that any related policies or procedures are reviewed by relevant officers, employees and/or agents. The Company Secretary will maintain a schedule of reviews to be undertaken as part of the review of this policy.

The Company Secretary shall report the findings to the Board once the review has been finalised.

## 16 **Training on the policy**

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As the Board are committed to ensuring the continued compliance with this policy, a program of regular training sessions will be provided to staff both when they commence and on an ongoing basis.

### **Induction training**

The Company Secretary will provide training on the breach management policy and procedure as part of the induction training for all new directors, officers and employees. Attendance by staff will be recorded in the Training Register and it is the responsibility of the Company Secretary to review whether relevant staff have attended the training.

### **Ongoing training**

The Company Secretary will also provide refresher training on the policy and procedure at least annually (or as required, where a material change is made to the policy).

## 17 **Applying discretion to the policy**

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Notwithstanding any requirement contained in this policy, the Company Secretary can apply reasonable discretion in considering how to apply the requirements of the policy.

When applying discretion in relation to a particular matter, the Company Secretary shall have regard to the level of risk posed by that matter and the regulatory objectives of ensuring market integrity and consumer protection.

Whenever discretion has been exercised in relation to the policy, it should be recorded and reported to the Board.

## 18 **Related policies**

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The following policies contain provisions which are directly or indirectly related to the contents of this policy:

- Breach management policy;
- Risk management policy;
- Conflicts of interest policy;
- Continuous Disclosure Policy;
- Code of conduct;
- Compliance plan.

## 19 **Further information**

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If you need further information regarding this policy and how it is implemented please contact the policy owner.

## Appendix A – Legislative and regulatory references

The following sources of information have been used in developing this policy document:

Corporations Act:	Part 7.10 – Market misconduct and other prohibited conduct relating to financial products and financial services Division 3 s1042 A– s10430
Corporations Regulations:	Nil
AFS licence conditions:	Nil
ASIC policy/guides:	Nil
Industry standards:	ASX listing rules 12.9, 12.10 and 12.12 and ASX guidance note 27 – personal trading
Australian Standards:	Nil
Commitments made to ASIC:	Nil
Forms:	Nil

## Appendix B –Register of Interests

Date of Disclosure	Name of Officer	Nature of Relevant Interest (e.g. Material Ownership of >10%, or Directorship, or Other Conflict) Include sufficient detail to fully explain the Relevant Interest	Date Interest Commenced	Date Interest Ceased	Action taken



## Appendix C –Register of Related Interests

### REGISTER OF RELATED INTERESTS

Transaction Date	Name and Details of Primary Party	Name and Details of Related Party	Details of Relationship	Details of Transaction	Consideration	Details of how Board was Satisfied it is at 'arms length'