



A D E L A I D E
E N E R G Y
L I M I T E D

SECURITIES TRADING POLICY
ADELAIDE ENERGY LIMITED ACN 116 256 823

1) The Insider Trading Prohibition

The Corporations Act states that it is an offence for a person who possesses information that is not generally available and knows or ought reasonably to know that it is not generally available and if it were it would have a material impact on the price or value of a security (including an options) issued by a company (**Inside Information**), to:

- (a) trade in (ie apply for, acquire or dispose of, or enter into an agreement to do any of these things) securities issued by that company;
- (b) procure another person (eg a family member, friend, or family company, superannuation fund or trust) to trade in securities issued by that company; or
- (c) communicate the information to another person if you know or ought reasonably to know that the person may use the information to trade in or procure another person to trade in securities issued by that company.

(Insider Trading Prohibition).

In the application of the Insider Trading Prohibition to Adelaide Energy Limited ACN 116 256 823 (**Company**), it is the responsibility of each Representative to ensure that they do not breach the Insider Trading Prohibition. Breaches of the Insider Trading Prohibition are considered serious; may result in civil and criminal consequences under the Corporations Act; and will result in disciplinary action being taken by the Company.

2) Prohibited Period

- (a) Subject to clauses 1, 3 and 5, Representatives are prohibited from trading in the Company's Securities throughout the year except during the following periods:
 - (i) during the four week period commencing immediately after the release of the Company's half-year and annual results to the ASX; and
 - (ii) during a four week period commencing immediately after the annual general meeting of the Company

(Prohibited Period).

3) Written Consent

If Representatives propose to deal in the Company's Securities (which includes entering into an agreement to deal) they must first:

- (a) complete and forward a "Notification Form to Deal in the Company's Securities" in the form of Part A of Schedule 1 of this Securities Trading Policy, to the "Notification Officer(s)" (as defined in Schedule 2); and
- (b) receive confirmation in the form of Part B of Schedule 1 signed by the Notification Officer(s) in their discretion to allow them to deal in the Company's Securities.

The notification must state that the proposed dealing in the Company's Securities is not a result of access to, nor the receipt of, Inside Information.

Notification of any dealing in the Company's Securities under this paragraph and the completion of Part B of the Notification Form to Deal in the Company Securities does not constitute approval of the dealing by or on behalf of the Company.

4) Confirmation

In addition to providing advance notice under section 3 of this Securities Trading Policy, Representatives must confirm via written or email notice to the relevant Notification Officer(s) when the dealing in the Company Securities has occurred, the number of the Company's Securities affected and the relevant parties to the dealing.

5) Waivers

In exceptional circumstances the Board may waive the requirements of the Securities Trading Policy to allow Representatives to trade in the Company's Securities, provided to do so would not be illegal. Exceptional circumstances may include the following:

- A Representative in severe financial hardship where the Representative has a pressing financial commitment which cannot be satisfied otherwise than by selling the relevant Company's Securities.
- A Representative is the subject of a court order, or there are enforceable undertakings to transfer or sell the relevant Company's Securities or there is some other overriding legal or regulatory requirement for them to do so.

The Board recognises that by nature of exceptional circumstances, it is envisaged that there may be other circumstances that have not been identified in this policy that may be deemed exceptional by the Board.

Representatives who apply for a waiver under exceptional circumstances must obtain written consent in accordance with Section 3 of this Securities Trading Policy prior to trading in the Company's Securities.

Other trading that is specifically **excluded** from the operation of this Securities Trading Policy (and is thereby permissible) includes the following:

- Transfers of the Company's Securities already held, into a superannuation fund or other saving scheme in which the Representative is a beneficiary.
- 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.
- Where a Representative is a trustee, trading in the Company's Securities by that trust provided the Representative is not a beneficiary of the trust and any decision to trade during a prohibited period is taken by other trustees or by the investment managers independently of the Representative.
- Undertakings to accept, or the acceptance of a takeover offer.
- 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 Board. This includes decisions relating to whether or not to take up the entitlements and sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata rights issue.
- The exercise (but not the sale of the Company's Securities following exercise) of an option or a right under an employee incentive scheme, or the conversions of convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a Prohibited Period and the Representative could not reasonably have been expected to exercise it at a time when free to do so.

Ultimate discretion rests with the Chairman of the Board in respect of granting a waiver to the requirement of this Securities Trading Policy to allow

Representatives to trade in the Company's Securities, provided to do so would not be illegal.

6) Financial Arrangements

Directors of the Company are prohibited from entering into financial arrangements such as margin loans, stock lending or any other arrangements involving the Company Securities where the lender or other third party is granted a right to sell, or compel the sale of all or part of the Director or employee's securities held in the Company. Where such arrangements were entered into on or before 1 January 2011, the above prohibition does not apply. However, the details of such arrangements must be promptly notified in writing to the Company Secretary if notification has not been previously given, in order to assess whether the existence of such arrangements must be disclosed to the market.

7) Dealing in securities of other companies

Representatives must not deal in securities of other companies if they possess Inside Information in relation to the relevant company.

8) ASX Notification of trading in securities for Directors

Directors are obliged to lodge form Appendix 3Y (Change of Directors Interest) within 5 days from the date of any transaction involving Company Securities. The Company Secretary will make the lodgement on the ASX Company Announcement Platform following the provision of any necessary information.

9) Reference Documentation

Schedule 1 – Notification form to deal in the Company Securities

Schedule 2 – Notification Officers

10) Definitions

In this Securities Trading Policy, unless the context otherwise requires, the following expressions have the following meanings respectively:

ASX means the Australian Securities Exchange.

Board means the board of directors of the Company.

Chairman means the chairman of the Board.

Company means Adelaide Energy Limited (ACN 116 256 823).

Company Secretary means the company secretary of the Company.

Company Securities include shares, options, warrants and other financial products of the Company

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Listing Rules means the official listing rules of ASX.

Representatives means the Directors, the Company Secretary, all other officers of the Company, and all employees.

11) Implementation

Adopted by the Board on 31 December 2010 and will be reviewed by the Board on an annual basis.

SCHEDULE 1 – NOTIFICATION FORM TO DEAL IN THE COMPANY'S SECURITIES

Part A – For completion by Representative

Name of Representative	
Description of Securities (eg number of Securities)	
Nature of agreement/dealing (sale/purchase/subscription)	
Proposed date of transaction (eg order 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 the Company's Securities; and
- (b) the transaction in the Company Securities described above does not contravene the Securities Trading Policy of the Company.

Signed:

Dated:

Part B – For completion by Notification Officer

I confirm receipt of the Representative Notification under Part A of this schedule and hereby consent to the Representative trading in the Company's Securities in accordance with the terms set out in Part A of this schedule and on the basis of the information provided by the Representative in Part A.

Name:

Dated:

The completed form is sent to the Company Secretary or other applicable Notification Officer(s).

SCHEDULE 2 – NOTIFICATION OFFICERS

In this policy the relevant Notification Officer(s) for each of the Representative is set out in the table below: -

Representative	Notification Officer(s)
Chairman	Chairman of the Audit and Risk Committee*
Managing Director or Chief Executive Officer	Chairman*
Non-executive Directors	Chairman*
Company Secretary	Chairman*
All other Representatives	Chairman*

*Where the relevant notification officer(s) are not available, the Representative must receive confirmation signed by two directors (other than the relevant Representative).