



ACN 007 547 480
ABN 30 007 547 480

30 December, 2010

The Manager
Company Announcements Office
Australian Stock Exchange Limited
4th Floor
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

Revised Securities Trading Policy

Gullewa Limited (ASX: GUL) has revised its Securities Trading Policy in accordance with amendments to the ASX Listing Rules.

The Company has reviewed its securities trading policies and procedures to ensure compliance with ASX Listing Rules 12.9, 12.10 and 12.12, which includes:

- Specifying prohibited periods in which key management personnel are prohibited from trading;
- Providing for exceptional circumstances in which trading may be permitted during prohibited periods and the procedures for such trading; and
- Setting out the trading activities that are excluded from the policy.

Attached is a copy of Gullewa's updated Securities Trading Policy.

Yours faithfully

AW Howland-Rose
Executive Chairman



POLICY FOR TRADING IN COMPANY SECURITIES

1. The board of directors of Gullewa Limited (**Gullewa**) has adopted the following policy and procedure on dealing in Gullewa securities by the directors, officers and employees of Gullewa and its subsidiaries. It also applies where appropriate to Company contractors and consultants. For the purposes of this Policy references to "**the Company**" include a reference to Gullewa and its subsidiaries existing at the time.
2. This Policy imposes basic trading restrictions on all directors, officers and employees of the Company who possess inside or unpublished price sensitive information. In this Policy references to "directors, officers and employees" includes all associates (as that term is defined in the *Corporations Act 2001* (Cth) (**Corporations Act**)) of the directors, officers and employees which may include the family and spouse of the director, officer or employee and companies or trusts in which they have an interest.
3. This Policy applies additional trading restrictions on "**Restricted Persons**" who are defined in this Policy as:
 - (a) all directors and officers of the Company;
 - (b) all key management personnel of the Company as defined in Australian Accounting Standard AASB 124: Related Party Disclosure; and
 - (c) any other employees, contractors or consultants of the Company considered appropriate by the Managing Director or the Chairperson (**Chairperson**) of Gullewa;

(the above persons are referred to in this Policy as "**Key Management Personnel**"); and

 - (d) all associates (as defined in the *Corporations Act*) of the Key Management Personnel which may include the family and spouse of the Key Management Personnel and companies or trusts in which they have an interest.
4. Restricted Persons generally hold positions where it can be assumed that they will have inside information regarding the Company.



INSIDER TRADING

5. Directors, officers and employees who wish to trade in Gullewa securities must first have regard to the statutory provisions of the Corporations Act dealing with insider trading. Insider trading is the practice of dealing in a company's securities (i.e. shares or options) by a person with some connection with a company (e.g. an employee) in possession of information generally not available to the public, but may be relevant to the value of the company's securities. It will also include arranging for another person to trade, and the passing on of this information to another. Legally, it is an offence which carries severe penalties, including imprisonment.
6. A person must not:
 - (a) buy or sell (or arrange for another person to buy or sell) any of the securities of a body corporate (including Gullewa) at any time when in possession of unpublished price-sensitive information in relation to those securities.
 - (b) "tip" or communicate unpublished price-sensitive information in relation to a body corporate (including Gullewa) to another person who will or is likely to trade in the securities of that body corporate.
7. The prohibition on insider trading applies not only to information concerning Gullewa securities. If a person has inside information in relation to securities of another company, that person must not deal in those securities.
8. This Policy does not contain an exhaustive analysis of the restrictions imposed on, and the very serious legal ramifications of, insider trading. Directors, officers and employees of the Company who wish to obtain further advice in this matter should contact the Company Secretary.

REQUIREMENTS BEFORE TRADING

9. In addition to the restrictions or requirements set out in the Corporations Act and this Policy, Restricted Persons should not deal or give instructions for dealing in Gullewa securities without:
 - (a) first providing written notice of the intention to deal (**Clearance Request**) to the Chairperson (and in the case of the Chairperson intending to deal, notice must be given to the Managing Director), which shall include a declaration that he or she is not in possession of inside information. The Clearance Request must outline the name of the security holder, proposed transaction type (sale, purchase etc) and number of securities involved;



- (b) receiving a notice of receipt in return (**Clearance Notice**) stating that there is no reason to preclude the deal in Gullewa's securities as notified in the Clearance Request; and
 - (c) complying with any conditions (e.g. time limits) on dealing imposed by the Chairperson (and in the case of the Chairperson intending to deal, conditions imposed by the Managing Director).
10. The Clearance Request and Clearance Notice must be evidenced by written communication which includes mail, email or facsimile and will generally be answered within 48 hours. Where clearance is obtained trading must occur within 7 days of the date of receipt of the Clearance Notice or such other period (if any) specified in the Clearance Notice. The Company Secretary is to maintain a register of notifications and acknowledgements given in relation to trading in Gullewa's securities.
11. Following completion of the proposed dealing, the Restricted Person in question must immediately provide confirmation to the Company Secretary that the dealing has occurred including details of the deal (e.g. price per security, date etc.). Directors of the Company must notify the Company Secretary of any dealings in Gullewa securities within 3 business days of the date of any such dealings in order to comply with the requirements of the Corporations Act and the ASX Listing Rules.

PROHIBITED TRADING PERIODS

12. In addition to the overriding prohibition against dealing in Gullewa's securities when a person is in possession of inside information, Restricted Persons are at all times prohibited from dealing in Gullewa securities during a Prohibited Period. A "**Prohibited Period**" for the purposes of this Policy means Closed Periods, any period imposed by Gullewa from time to time when the Company is considering matters which are subject to ASX Listing Rule 3.1A as resolved by the Board, and any other period as advised by Gullewa to ASX from time to time.
13. The "**Closed Periods**" for Gullewa are one week immediately leading up to and including each of the following days:
- (a) the day Gullewa's quarterly report is released;
 - (b) the day Gullewa's half year financial report is released;
 - (c) the day Gullewa's full year financial results are released; and
 - (d) the day of Gullewa's annual general meeting.



14. The Closed Periods may be varied by the board of Gullewa's directors and circulated with appropriate notice to all Restricted Persons.
15. Key Management Personnel have a personal responsibility to ensure their associates (as defined under the Corporations Act 2001) comply with the same respective restrictions as apply to them under this Policy.
16. In exceptional circumstances, and only in accordance with the procedure set out in paragraphs 9 to 11 of this Policy, a Restricted Person may be permitted to sell (but not to purchase) Gullewa's securities when that Restricted Person would be otherwise prohibited from doing so but not while there exists any matter which constitutes inside information in relation to Gullewa's securities that has not been previously released at the time of the Clearance Notice.
17. Examples of circumstances where clearance may be given include severe financial hardship where the Restricted Person has a pressing financial commitment that cannot be satisfied other than by disposing of securities; or the sale or disposal of securities under a court order or enforceable undertaking (such as a family court settlement).
18. The determination of whether exceptional circumstances exist for this purpose is made at the sole discretion of the person responsible for the Clearance Notice.
19. Restricted Persons are prohibited from trading during the Prohibited Periods in any financial products issued or created over or in respect of Gullewa's securities.

TRADING EXCLUDED FROM THIS POLICY

20. The following forms of trading activity are excluded from the operation of this Policy but remain subject to the insider trading provisions of the Corporations Act:
 - (a) transfers of securities which result in no change in the beneficial ownership of the securities;
 - (b) transfers of securities already held in a person's own name into a superannuation fund to which that person is a beneficiary;
 - (c) investments in or trading by a fund or other scheme where the assets of the fund or other scheme are invested at the discretion of a third party;
 - (d) the conversion of convertible securities where the expiry date of the securities occurs during a Prohibited Period;



- (e) the acquisition (but not disposal) of shares or options offered under an employee share or option scheme;
- (f) the acquisition of securities arises under an offer made to all or most security holders, including a security purchase plan, pro-rata rights or entitlements issue, bonus issue, dividend re-investment plan and equal access buy-back;
- (g) acceptance of, or agreement to accept, a takeover offer; and
- (h) disposal of securities that is a result of a secured lender exercising its rights, for example, under a margin loan arrangement.

MARGIN LOAN OR SIMILAR FUNDING ARRANGEMENTS

- 21. A Restricted Person who enters into a margin loan or similar funding arrangement in relation to Gullewa securities must bear in mind Gullewa's obligation to disclose the existence and terms of those arrangements to the market where that information would, or would be likely to, have a material effect on the price or value of securities issued by Gullewa.
- 22. Accordingly, any Restricted Person who enters into a margin loan or similar funding arrangement for a material number of Gullewa securities must immediately disclose the key terms of such arrangements to the Company Secretary.
- 23. Further, where there is, or the Restricted Person reasonably believes there will be, a margin call, event of default or other similar occurrence in relation to the arrangement, the Restricted Person must immediately inform the Company Secretary.

GENERAL

- 24. The requirements imposed by this Policy are separate from and additional to the legal prohibitions in the Corporations Act on insider trading.
- 25. This is an important document. It is the personal responsibility of each individual who is covered by its terms to read this Policy carefully, familiarise themselves with its terms and to comply with this Policy. If you do not understand any aspect of this Policy, or require further information, it is strongly recommended that you contact the Company Secretary.
- 26. Key Management Personnel will be provided with a copy of this Policy and, within 21 days of request, is required to return a copy of this Policy with a signed (a) acknowledgement that they have received, read and considered the Policy and (b) undertaking that they will comply with the Policy.