

30 June 2016

REVISED SECURITIES TRADING POLICY

Gateway Lifestyle Group (ASX: GTY) today released its updated Securities Trading Policy to the market as required by ASX Listing Rule 12.10. This policy supersedes the pre-existing Securities Trading Policy released by GTY on 11 June 2015.

A copy of the revised policy is attached and is also available on GTY's website at www.gatewaylifestyle.com.au.

For further information please contact:



Trent Ottawa
Chief Executive Officer



John Wong
Chief Financial Officer





SECURITIES TRADING POLICY

Securities Trading Policy

1. Introduction

Gateway Lifestyle Group (**GTY**) is committed to best practice corporate governance in relation to Dealings in GTY Securities. This requires that GTY actively promote ethical and responsible decision making in relation to Dealing in GTY Securities. To achieve this, the Board recognises the need, and the obligation under the ASX Listing Rules, to have a policy concerning the trading of GTY Securities and securities of other companies.

2. Key terms of this Policy

This Policy:

- prohibits Directors and Employees from Dealing in GTY Securities in a Closed Period;
- prohibits Directors and Employees from Dealing in GTY Securities at any time they are in possession of Inside Information;
- prohibits Insider Trading in GTY Securities or any other securities;
- prohibits short term or speculative trading in GTY Securities;
- requires all Directors and Employees to obtain clearance in accordance with this Policy before Dealing in GTY Securities; and
- excludes certain types of Dealings from operation of this Policy.

Directors and Employees are responsible for ensuring that they understand and comply with this Policy and, if they do not understand any part of this Policy to contact the Company Secretary.

Capitalised terms used in the Policy are defined in Schedule 1.

3. Who does this Securities Trading Policy apply to

This Policy applies to:

- executive and non-executive Directors; and
- all full time, part time and casual employees of GTY as well as contractors, consultants and advisers of GTY, excluding employees and contractors of OIG (collectively called "**Employees**").

Certain aspects of this Policy also apply to connected persons of Directors, which includes:

- a family member who may influence, or be influenced by, the Director in his or her dealings with GTY or GTY Securities, including the Director's spouse or partner (and their children or dependents), children and dependents; and

- a company or any other entity which the Director has the ability to control.

Directors must take appropriate steps to ensure that their connected persons do not breach this Policy.

4. What securities are covered by this Securities Trading Policy

This Policy applies to GTY Securities and securities in any other company as set out in paragraph 12.

5. What is Inside Information

"**Inside Information**" is information that:

- is not generally available to people who commonly invest in securities; and
- if it were generally available to the market, a reasonable person would expect it to have a material effect (upwards or downwards) on the price or value of a security .

It does not matter how the information is obtained. It could be learnt during the course of employment, overheard in a corridor or passed on at a social event. If it is not generally available and it could affect the price or value of a security it should be regarded as Inside Information.

6. What is Dealing

For the purposes of this Policy "**Dealing**" includes:

- trading in securities (i.e. subscribing for, buying, selling or entering into an agreement to do any of those things);
- mortgaging, charging, pledging or granting a lien over securities;
- entering into an agreement to apply for, acquire, dispose of, mortgage, charge, pledge or grant a lien over securities;
- procuring another person to apply for, acquire, dispose of, mortgage, charge, pledge or grant a lien over securities or to enter into an agreement to apply for, acquire, dispose of, mortgage, charge, pledge or grant a lien over securities;
- hedging or acquiring options over unvested securities; and
- advising, procuring or encouraging another person (such as a family member, friend, associate, colleague, broker, financial planner, investment adviser, family company or family trust) to Deal in securities.

7. Insider Trading Prohibition

All Directors (and their connected persons) and Employees in possession of Inside Information in relation to GTY are prohibited from:

- Dealing in GTY Securities; and

- communicating the Inside Information to anyone else including passing it on to another person such as a family member, friend, colleague or broker.

The activity outlined in this paragraph is prohibited under the Corporations Act and contravention may be treated as a criminal offence.

8. Front page test

In addition to these legal obligations, you should consider whether a Dealing could create a negative perception for yourself or GTY. A useful question to ask yourself is:

“If the market was aware of all the current circumstances, could my proposed transaction be perceived by the market as me (or my connected persons) taking advantage of my position in an inappropriate way? How would it look if my transaction was reported on the front page of the newspaper?”

This “front page test” will be considered in deciding whether to approve applications for clearance to Deal in this Policy.

9. Prohibition from Trading in Closed Periods

All Directors (and their connected persons) and Employees are prohibited from Dealing in GTY Securities during a Closed Period.

10. What is a Closed Period

Closed Periods occur each year during:

- the period between the end of GTY’s financial year (30 June) and the trading day following the announcement of GTY’s annual results to the ASX; and
- the period between the end of GTY’s half year (31 December) and the trading day following the announcement of GTY’s half year results to the ASX.

In addition, the Company Secretary may, at the direction of the Board or the CEO, designate any other period to be a Closed Period.

11. Exceptions to Closed Period Trading

A Director (and their connected persons) or Employee, who is not in possession of Inside Information, may be given clearance to sell (but not buy) GTY Securities in a Closed Period if:

- they are in severe financial difficulty;
- the disposal is required under a court order; or
- there are other exceptional circumstances.

A person is in severe financial difficulty if they have a pressing financial commitment that cannot be satisfied other than by selling GTY Securities.



Employees must apply in writing to the Company Secretary seeking clearance to sell GTY Securities in a Closed Period.

Directors (including on behalf of their connected persons) must apply in writing to the Chairman (copying the Company Secretary) seeking clearance to sell GTY Securities in a Closed Period. The Chairman (including on behalf of his/her connected persons) must receive clearance from the Chairman of the Audit and Risk Management Committee.

The application must be accompanied by sufficient evidence that the sale is the only reasonable course of action in the circumstances.

All Dealings made in accordance with this provision of this Policy must be notified to the Company Secretary in accordance with this Policy. The Company Secretary will maintain a written record of all Dealings approved in accordance with this Policy.

Any approval given to sell GTY Securities during a Closed Period will remain valid for a period of five business days when written notification of the approval to sell is given.

12. Dealing in other companies' securities

Directors (and their connected persons) and Employees must not Deal in the securities in another company if they are aware of Inside Information in relation to that company. Directors (and their connected persons) and Employees may come into possession of Inside Information regarding another company where they are directly involved in client relationship management or negotiating contracts.

For example, where a person is aware that GTY is about to sign a major agreement with another company, that person should not buy GTY Securities or securities in the other company.

If you are in any doubt, consult with the Company Secretary.

13. Prohibition on short selling

Directors (and their connected persons) and Employees must not enter into any arrangements for short selling GTY Securities. "Short selling" refers to the practice of attempting to profit from an anticipated drop in the price of a company's securities by borrowing securities and then selling them in anticipation of later being able to buy the securities at a lower price to close out the short position at a profit.

14. Prohibition on Short Term Trading

All Directors (and their connected persons) and Employees are prohibited from Dealing in GTY Securities on a short term trading or speculative basis. Short term trading includes buying and selling GTY Securities on market within a three month period and entering into any other short term Dealings such as forward contracts.

15. Prohibition on Hedging Unvested Entitlements

Directors (and their connected persons) and Employees participating in an equity based incentive plan are prohibited from entering into any transaction which would have the effect of hedging or otherwise transferring to any other person the risk of any fluctuation in the value of any unvested entitlement in GTY Securities.

16. Permitted Dealings

Directors (and their connected persons) and Employees are entitled to Deal in GTY Securities at any time outside a Closed Period provided that they:

- have obtained clearance to Deal in GTY Securities in accordance with this policy;
- are not in possession of Inside Information; and
- are not involved in short term or speculative dealing.

17. Clearance to Deal

Employees must seek approval to Deal in any GTY Securities by first submitting a written request to the Company Secretary and must not Deal until receiving clearance in writing from the Company Secretary that the Dealing is permitted at that time.

Directors (and on behalf of their connected persons) must seek approval to Deal in any GTY Securities by first submitting a written request to the Chairman (copying the Company Secretary) and must not Deal until receiving clearance in writing from the Chairman that the Dealing is permitted at that time. The Chairman (including on behalf of his/her connected persons) must receive clearance from the Chairman of the Audit and Risk Management Committee.

Any clearance to Deal in accordance with this Policy will remain valid for a period of five business days from when written or email notification of the clearance is given.

The following rules apply to the application for clearance to trade:

- the relevant approver can determine that clearance will or will not be given at their discretion, without giving any reasons for the decision;
- clearance can be withdrawn if new information comes to light or new circumstances arise which means that clearance is no longer appropriate;
- a decision to refuse to give approval is final and binding; and
- if the relevant approver decides not to give approval, the Restricted Person must keep the outcome of their application confidential.

18. Notification of Dealing

Directors and Employees Dealing in GTY Securities in accordance with this Policy must notify the Company Secretary of the details of the Dealing within two business days of the Dealing. The Company Secretary is required to notify the ASX of all Dealings in GTY Securities by directors within five business days of the Dealing.

19. Margin Loans on GTY Securities

No Director (or their connected persons) or Employees may enter into a margin loan or similar funding arrangement to acquire any GTY Securities, or grant lenders any rights over their GTY Securities.

20. Excluded Dealings

The following Dealings by a Director (and their connected persons) or Employee are excluded from this Policy:

- participation in an employee, executive or director equity plan operated by GTY (however where GTY Securities cease to be held under the terms of that plan, any dealings in those GTY Securities must only occur in accordance with this Policy);
- the following categories of trades:
 - acquisition of GTY Securities through a dividend reinvestment plan;
 - acquisition of GTY Securities through a share purchase plan available to all retail shareholders;
 - acquisition or disposal of GTY Securities through a pro-rata issue; and
 - the disposal of GTY Securities through the acceptance of a takeover offer, scheme of arrangement or equal access buy-back;
- dealings that result in no effective change to the beneficial interest in the GTY Securities (for example, transfer of GTY Securities already held into a superannuation fund of which the person is a beneficiary); and
- trading under a pre-approved non-discretionary trading plan if the plan was not entered into or amended during a closed period, it does not permit the person to exercise influence or discretion in relation to trading under the plan and the plan cannot be cancelled during a closed period, other than in exceptional circumstances.

However, given such dealings remain subject to the insider trading rules in the Corporations Act, Directors and Employees should consider any legal or reputational issues (and discuss any concerns they have with the Company Secretary) before proceeding.

21. Tipping

Directors and Employees must not directly or indirectly provide Inside Information to another person where they know, or ought to know, that that person is likely to deal in GTY Securities or encourage someone else to deal in GTY Securities. Failure to comply with this provision will amount to a breach of the Corporations Act, which could result in civil or criminal sanctions. It will also constitute a breach of your duty of confidentiality to GTY, which may result in disciplinary action.

22. Breach of this Policy

GTY considers a breach of this policy a serious matter and reports of any breach will be investigated fully.

Disciplinary action including termination for misconduct may be taken against a Director or Employee who breaches this policy.

A breach of this policy may constitute a breach of the law.

This Securities Trading Policy is available on GTY 's website
www.gatewaylifestyle.com.au

Updated Policy adopted by the Board on 24 June 2016.



SCHEDULE 1 – DEFINITIONS

For the purposes of this Policy:

ASX means ASX Limited;

Listing Rules means the listing rules of ASX;

Board means the board of directors of Gateway Lifestyle Operations Limited;

Chairman means the chairman of Gateway Lifestyle Operations Limited;

Chief Executive Officer or **CEO** means the chief executive officer of Gateway Lifestyle Operations Limited, who may also be the Managing Director;

Company Secretary means the company secretary of Gateway Lifestyle Operations Limited;

Connected persons means

- a family member who may influence, or be influenced by, the Director in his or her dealings with GTY or GTY Securities, including the Director's spouse or partner (and their children or dependents), children and dependents; and
- a company or any other entity which the Director has the ability to control.

Corporations Act means the *Corporations Act 2001* (Cth);

Dealing is defined in paragraph 6 of this Policy;

Directors means the directors of any company in the Gateway Lifestyle Group;

Gateway Lifestyle Group or **GTY** means the stapled group comprising Gateway Lifestyle Operations Limited and its Subsidiaries and the responsible entity of the Trust, the Trust and the entities which the Trust controls;

GTY Securities means the shares in Gateway Lifestyle Operations Limited and the units in the Trust stapled together and quoted on the ASX, and any other shares, units, options, derivatives, managed investment products, superannuation products or other financial products of Gateway Lifestyle Operations Limited or the Trust that are able to be traded on a financial market;

Inside Information is defined in paragraph 5 of this Policy;

Managing Director means the Managing Director of Gateway Lifestyle Operations Limited;

OIG means One Investment Group Pty Limited and each Subsidiary of One Investment Group Pty Limited;

Subsidiaries has the meaning given in the Corporations Act;

Trust means Residential Parks No.2 Trust.