



Resource
Development
Group

Share Trading Policy



1 Share Trading Policy

1.1 This share trading policy ("Policy") has been adopted by the Board in an effort to prevent the possible incidence of "insider trading" in the Company's shares by the Board, employees, and contractors of the Company. The Corporations Act 2001 ("Act") prohibits insider trading and imposes severe civil and criminal penalties on people who conduct "insider trading" activities. The Policy protects the Board, employees, and contractors of the Company from unwittingly breaching the Corporations Act; ignorance of the law is not a defence to this particular offence. An explanation of the specific terminology used in this Policy is set out below. Any breaches of this policy will be severely dealt with by the Company's Board and may result in immediate termination of employment or engagement terms with the Company.

1.1.1 When a person (the "insider") possesses "inside information" and the "insider" knows or ought reasonably to know, that:

- (a) the "information" is not "generally available"; or
- (b) if the "information" were "generally available", a reasonable person would expect it to have a "material effect" on the price or value of the Company's shares;

the insider must not (whether as principal or agent):

- (c) apply for, acquire, or dispose of the Company's shares, or enter into an agreement to apply for, acquire or dispose of the Company's shares; or
- (d) "procure" another person to apply for, acquire, or dispose of, the Company's shares.

To do so is insider trading.

1.1.2 In addition, the insider must not, directly or indirectly, communicate the "information", or cause the "information" to be communicated, to another person if the insider knows, or ought reasonably to know, that the other person would or would be likely to do either of the things stated in clause 1.1.1(c) and 1.1.1(d). To do so is insider trading.

1.1.3 "Information" includes matters of supposition, rumour and other matters that are insufficiently definite to warrant being made known to the public. It also includes matters relating to the intentions, or likely intentions, of a person.

1.1.4 "Inside information" means information that comes within clause 1.1.1(a) or 1.1.1(b).

1.1.5 Information is "generally available" if it is readily observable or has been made known in a manner which is likely to bring it to the attention of people who commonly invest in the



Company's shares (including deductions, conclusions and inferences made or drawn from that information) and a reasonable period for that information to be disseminated has elapsed since it was made known. This includes after 24 hours has passed since an announcement was made by the Company to ASX.

- 1.1.6 Information will have a "material effect" on the price or value of the Company's shares, if the information is likely to influence people who commonly acquire the Company's shares, in deciding whether or not to acquire or dispose of the Company's shares.
- 1.1.7 A person "procures", if that person incites, induces or encourages an act or omission by another person.
- 1.1.8 The Company is deemed to possess any knowledge which an officer of the Company possesses and which came into his or her possession in the course of his or her duties as such an officer. This deeming of knowledge also includes a matter or thing known by an officer of the Company, and if an officer is reckless as to a circumstance or result.

- 1.2 Any Company director, employee or contractor or other person professionally engaged by the Company now or in the preceding six months is prohibited from dealing in the Company's shares at any time, if that person is in possession of information that is not "generally available", but if it were, would be likely to "materially affect" the price or value of the Company's shares. This restriction is an overriding obligation. It applies during trading periods which may otherwise be permitted under this Policy, if that person is in possession of "price sensitive information" which is not "generally available".

Any person in possession of "price sensitive information" about the Company or any of its subsidiaries which is not "generally available" has a duty to keep that information confidential and must not in any way disclose or communicate that information to any person.

- 1.3 Any Company director, employee or contractor or other person professionally engaged by the Company now or in the preceding six months who are regarded by the Board as Senior Management of the Company or its subsidiaries, are subject to a blackout period on dealing in the Company's shares at certain times of the year ("Blackout Period").

Senior Management includes Directors, Company Secretary, CFO, COO, and their immediate support staff. It includes assistants reporting or supporting these roles, and any other roles which expose or are likely to expose individuals to information on the Company and its subsidiaries.

Each person in Senior Management has a personal responsibility to ensure that his or her immediate family or de facto family, controlled family company or trust ("Related Party") also comply with the embargo.

- 1.4 The Blackout Period is:



- 1.4.1 Up to and including six weeks prior to the announcement of the annual results, due to be lodged by no later than 30 September of each calendar year;
 - 1.4.2 Up to and including six weeks prior to the announcement of the half year results, due to be lodged by no later than 31 March of each calendar year; and
 - 1.4.3 as directed in writing by the Company's Board at any time in its sole discretion.
- 1.5 Senior management and their Related Parties are subject to a prohibition on short-term trading at all times. Short-term trading is a purchase and sale within a six month period.
 - 1.6 The Chairman may, in exceptional circumstances and only in advance, approve the trading by any Director their Related Parties in the Company's shares during a Black Out Period to the extent reasonably necessary to avoid or ameliorate documented hardship and suffering or as required by other extenuating circumstances in which the Director or the Related Party is placed, such as a court order, or severe health issues triggering financial hardship. An exemption will not be granted by the Chairman if it considers that the person in question has exposure to information that is not generally available, but if it were, would be likely to "materially affect" the price of the Company's shares;
 - 1.7 Where the Chairman is the person experiencing hardship referred to in clause 1.6, the Board may approve the trading by the Chairman, consistent with clause 1.6.
 - 1.8 The Managing Director or Chief Executive Officer may approve the trading by any other Senior Management, consistent with clause 1.6.
 - 1.9 Within 2 days of a director being appointed to the Board, resigning or being removed from the Board, or trading in the Company's securities, full details of the director's notifiable interests in the Company's securities and changes in such interest must be advised to the Company Secretary so that a record is kept within the Company and so that necessary ASX notifications will occur.

All directors must notify the Company Secretary of any margin loan or similar funding arrangement entered into in relation to the Company's securities and any variations to such arrangements, including the number of securities involved, the circumstances in which the lender can make margin calls, and the right of the lender to dispose of securities.