

## Securities Trading Policy

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This policy sets out the Company's policy regarding the sale and purchase of Company securities by its Directors and employees.

A reference in this policy to "securities" includes shares, options, warrants and any other security on issue from time to time. This policy is separate to and additional to the legal constraints imposed by common law, the Corporations Act and ASX Listing Rules.

The purpose of this policy is to assist Directors and employees to avoid conduct known as 'insider trading', and to avoid any adverse influence of unfair dealings by Directors and employees being drawn.

This policy provides:

- a description of what conduct may constitute insider trading.
- a description of the times when Company policy prohibits trading in the Company's securities
- the steps for Directors and certain "Restricted Employees" to take when buying or selling securities in the Company.

## **1.0 WHO DOES THIS POLICY APPLY TO?**

This policy applies to all directors and employees of the Company or the Company's subsidiaries as well as consultants and contractors who have access to confidential and sensitive information and includes Connected Persons.

This policy also places additional restrictions on Restricted Persons. A 'Restricted Person' is a person who is:

- senior executives and managers that are invited to participate in the Company's Performance Incentive Program
- all personnel involved in the preparation of the Company's statutory financial information
- any other personnel determined by the Board from time to time.

The Company may from time to time identify that certain other parties are to be subject to the policy where it is considered appropriate.

A 'Connected Person' means a spouse or partner, child or step-child under 18 years, an unlisted body corporate which the Lycopodium personnel controls or is a director of a trust of which the Lycopodium personnel is a trustee and of which he or she or any of the persons referred to above is a beneficiary or any other person over whom the Lycopodium personnel has significant influence or control.

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## 2.0 INSIDER TRADING

### 2.1 Prohibition

In broad terms, a person will be guilty of insider trading if:

- that person possesses information that is not generally available to the market and, if it were generally available to the market it would, or would be likely to have a material effect in the price or value of a company's securities (i.e. price sensitive information)
- and that person:
  - buys or sells securities in the Company
  - procures someone else to buy or sell securities in the Company or
  - passes on that information to a third party where that person knows, or ought reasonably to know, that the third party would be likely to buy or sell the securities or procures someone else to buy or sell the securities of the Company.

Information is 'generally available' where the information is:

- readily observable
- made known in a manner that would, or would be likely to, bring it to the attention of people who commonly invest in the Company's securities or securities of a kind similar to the Company's securities, and a reasonable time period has elapsed to allow the information to be disseminated, or able to be deduced, concluded or inferred from those types of information.

Insider trading is prohibited at any time if the person possesses any inside information, irrespective of whether this Policy provides that dealing could occur in a trading window or outside a closed period, whether it is excluded from the operation of the Policy or whether any specific authority to trade has been given.

### 2.2 Penalties

Insider trading is a criminal offence.

The criminal penalties for a breach of the insider trading prohibition include:

- For an individual – a fine of up to \$220,000 and a jail term of up to five (5) years.
- For a corporation – a fine of up to \$1,100,000.
- In addition, the insider trader, and any other persons involved in the contravention may also be liable to compensate third parties for any resulting loss.

## **2.3 Dealing Through Third Parties**

A person does not need to be a Director or employee of the Company to be guilty of insider trading in relations to securities in the Company. The prohibition extends to dealings by Directors and employees through nominees, agents, or other associates, such as family members, family trusts and family companies.

## **3.0 POLICY FOR TRADING IN THE COMPANY'S SECURITIES**

### **3.1 No Trading in a Closed Period by Directors and 'Restricted Employees'**

Directors and 'Restricted Employees' must not deal in the Company's securities during a 'closed period'. A closed period is defined as:

- the period from the close of the financial year until the release of the Company's annual results
- the period from the close of the half year until the release of the Company's half year results and
- other periods designed by the resolution of the Board as a 'Closed Period'.

### **3.2 No Short-Term Trading in the Company's Securities**

No Directors and Restricted Employees are to be engaged in short term trading (defined as less than 12 months) of the Company's securities.

### **3.3 No Hedging**

Directors and personnel are prohibited from engaging in hedging arrangements, deal in derivatives or enter into other arrangements which vary the economic risk relating to the Company's securities.

## **4.0 PERMITTED DEALINGS**

Certain types of dealing are excluded from the operation of this Policy and may be undertaken at any time (subject to complying with the insider trading prohibitions) including the following:

- Employee incentive schemes – the restrictions in this Policy do not prohibit Restricted Employees from acquiring securities or exercising an option or right acquired under an employee incentive scheme.
- Dividend reinvestment plan – the restrictions in this Policy do not prohibit Restricted Employees from acquiring securities under any dividend reinvestment plan.
- Rights offers, share purchase plans and by-backs – trading under an offer or invitation made to all or most of the security holders such as rights issue, a security plan purchase where the plan that determines the timing and the structure of the offer has been approved by the Board.

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## 5.0 EXCEPTIONAL CIRCUMSTANCES

A director, officer, or their associate, who is not in possession of inside information in relation to the Company, may be given prior written clearance to sell or otherwise dispose of the Company's securities during a closed period under this Policy, where the restricted person is in severe financial hardship or there are other exceptional circumstances.

Exceptional circumstances, in this instance would include, but is not limited to:

- Severe financial hardship and has a pressing financial commitment that cannot be satisfied otherwise than by selling the Company's securities.
- Required by a court order, or there are court enforceable undertakings, to transfer or sell the Company's securities or there is some other overriding legal or regulatory requirement for them to do so.
- Other circumstances, which may be deemed exceptional by the Chairman or the Managing Director (where the Chairperson is the person involved) and whereby prior written clearance is granted to permit trading.

If an exceptional circumstance, as outlined above, is deemed to exist, the person must obtain written approval from the Chairman, or if the Chairman is involved, the Managing Director, to trade in the Company's securities. This approval shall be valid for a period of no longer than two weeks and is to be reported at the next Board meeting.

## 6.0 PROCEDURE FOR OBTAINING WRITTEN CLEARANCE PRIOR TO TRADING

Restricted Employees must not trade in Company Securities at any time, including in the exceptional circumstances referred to in Section 5, unless a Restricted Employee first obtains prior written clearance from:

- in the case of employees, and other parties identified by the Company from time to time, the Lycopodium Limited Managing Director or in his/her absence, the Company Secretary.
- in the case of a director or officer, the Chair or in his/her absence, the Lycopodium Limited Managing Director.
- in the case of the Lycopodium Limited Managing Director, the Chair or, in his/her absence, the Chair of the Audit Committee.
- in the case of the Chair, the Chair of the Audit Committee.

(each an Approving Officer)

A request for prior written clearance under this policy should be made in writing using the form attached to this policy entitled 'Request for Prior Written Clearance to Trade in Company Securities' and given to the Approving Officer. The request may be submitted in person or by email.

The Approving Officer may, in their reasonable discretion, require further details from the requester, and may take the time they consider necessary to consider the request, including time to seek legal opinion. Any request for written clearance can be given or refused by the Approving Officer in their absolute discretion.

Any written clearance granted under this policy will be valid for the period of 3 business days from the time which it is given, or such other period as may be determined by the Approving Officer. The expiry time of the clearance will be stated in the clearance granted. Written clearance under this policy may be given in person or by email. Written clearance can be withdrawn by the Approving Officer at anytime prior to the order for dealing being lodged or otherwise authorised if new information comes to light or there is a change in circumstances.

Where written clearance is given pursuant to this Section, the Restricted Employee must notify the Company Secretary of the details of that written clearance for record keeping purposes.

Unless otherwise specified in the approval notice, any dealing permitted under this Section must comply with other Sections in this policy (to the extent applicable). If before carrying out the trade, the Restricted Employee comes into possession of Inside Information or a Prohibited Period commences, that person must not carry out the trade, notwithstanding that it has been approved.

Where a waiver is refused, it is final and binding on the Restricted Employee and the Restricted Employee must keep all information relating to the waiver confidential.

It should be noted that written clearance granted under this policy is never an endorsement of the proposed trade or a confirmation regarding the absence of Inside Information. Individuals remain responsible for their own investment decisions and their compliance with the law (including the insider trading prohibitions) and this policy.

## **7.0 ASX NOTIFICATION**

The Corporations Act obliges a director to notify the ASX within five business days after any dealing in the Company's securities (either personally or via a third party) which results in a change in the relevant interests of the Director in the Company's securities.

The Directors have agreed with the Company to provide notice of such dealings to the Company as soon as possible after such dealings, to enable the Company to comply with its obligations under the Listing Rules.

## **8.0 RESPONSIBILITIES**

Compliance with these guidelines for trading the Company's securities does not absolve any individual from complying with the law, which must be the overriding consideration when trading in the Company's securities.

The Company Secretary is responsible for maintaining this policy and that it is communicated to Directors and personnel.

This policy was approved by the Lycopodium Board on 25 November 2022.

**MICHAEL CARATTI**

A handwritten signature in black ink, appearing to read "Michael Caratti". The signature is written in a cursive style with a large initial 'M'.

**CHAIRMAN**



**APPENDIX A**

**REQUEST FOR PRIOR WRITTEN CLEARANCE TO TRADE IN COMPANY  
SECURITIES**

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I, \_\_\_\_\_, a director/ an officer/ an employee/ a consultant/ a contractor (delete as appropriate) of the Company, request prior written clearance to trade in securities of the Company in accordance with the terms of the Company's Securities Trading Policy and provide the following information:

**1. Details of Securities**

Nature of dealing: \_\_\_\_\_

Number of securities (purchase): \_\_\_\_\_

Number of securities (sale): \_\_\_\_\_

Number of options, performance rights or other convertible securities to be exercised: \_\_\_\_\_

Class of securities: \_\_\_\_\_

Name of registered holder: \_\_\_\_\_

**2. Reason for Request**

Standard request to trade

OR

Request to trade in exceptional circumstances

Please provide complete details of the circumstances which you wish to be considered as exceptional

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

I confirm that I have read and understood the Company's Securities Trading Policy and that the proposed dealing does not breach that policy, or any legal obligations referred to in it, and in particular, that I am not in any possession of any inside information in relation to the Company.

I acknowledge that in accordance with the Company's Securities Trading Policy, I cannot trade in the Company's securities until clearance is given and I understand that any clearance given will be valid only for the period stated in the clearance.

Signed: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

**OFFICE USE – Clearance to be completed by Approving Officer**

Clearance given by:		
_____	_____	_____
Name of Approving Officer	Signature of Approving Officer	Date
Clearance Valid for:		
<input type="checkbox"/>	3 business days from the date of clearance (default period)	
<input type="checkbox"/>	___ business days from the date of clearance	