

1. Introduction

- 1.1 This Policy details the Company’s policy regulating dealings by the Company’s Directors, Officers, Consultants and members of the senior management and other employees in shares, options and other securities (“the **Company’s Securities**”) issued by the Company, with the objective that no Director, Officer Consultant, or member of the senior management and or an employee will contravene the requirements of the Corporations Act or the ASX Listing Rules.
- 1.2 Any questions as to the operation or application of this Policy should be directed to the Company Secretary before undertaking any transaction(s) involving the Company’s Securities.

2. Purpose

- 2.1 The purpose of this Policy is to ensure that the Company’s Directors, Officers, Consultants, members of the senior management and other employees are aware of the legal restrictions on trading in the Company’s Securities while such a person is in possession of unpublished price-sensitive information concerning the Company.
- 2.2 Additionally, this Policy is intended to minimise the chance that misunderstandings or suspicions arise that the Company’s Directors, Officers, Consultants, members of senior management and other employees are trading the Company’s Securities while in possession of unpublished price-sensitive information.
- 2.3 The Policy recognises it is illegal for a person to trade in Company Securities when he / she possess unpublished price-sensitive information concerning the Company. This is regardless of whether the terms of this Policy have been complied with.

3. Insider Trading

- 3.1 Insider trading is the practice of dealing in a company’s securities (i.e. shares or options) by a person with some connection with the Company (e.g. an employee) who is in possession of information generally not available to the public, but maybe relevant to the value of the company’s securities (i.e. unpublished price-sensitive information). Moreover, it may also include the passing on of this information to another (e.g. to a relative or friend).
- 3.2 Insider trading laws apply to all the Company’s Directors, Officers, Consultants, members of senior management and other employees and the dealing in the Company’s Securities or advising or procuring another person to do so while in the possession of information that is not publicly known and which might have a material effect on the price or value of the Company’s Securities. This is a criminal offence which, may result in large fines and/or imprisonment.
- 3.3 It is also available to an aggrieved third party to seek damages in the form of a civil suit against the Company or the person guilty of Insider Trading for any loss suffered as a result of the unlawful trading.

4. Restrictions on Trading

- 4.1 Consistent with the legal prohibitions on insider trading, all of the Company’s Directors, Officers, Consultants, members of senior management and other employees are prohibited from trading in the

Company's Securities while in possession of unpublished price-sensitive information concerning the Company or any of its subsidiaries.

- 4.2 The Company's "price-sensitive information" is information which a reasonable person would expect to have a material effect on the price or value of the Company's Securities.
- 4.3 It is assumed for the purpose of this Policy, that the Company's Directors, Officers, Consultants, members of senior management and other employees are often in possession of price-sensitive information by virtue of their position.
- 4.4 The prohibition on insider trading applies not only to information in relation to the Company's Securities, but also extends to a situation where a person is in possession of inside information in relation to the securities of another company.

5. Blackout Periods

- 5.1 Specific "Blackout Periods" on trading in the Company's Securities apply to all the Company's Directors, Officers, Consultants, members of senior management and other employees as well as the immediate family members, companies, trusts and entities over which any of these persons has control ("Restricted Parties").
- 5.2 Accordingly, trading in the Company's Securities by Restricted Parties is prohibited in the following circumstances or periods:
- (a) if in possession of price-sensitive information (irrespective of whether during a Blackout Period);
 - (b) during the period following the end of the financial quarter up to the day after the release of the Quarterly financial and activity reports; or
 - (c) during any period when the Board prescribes a period when no trading in the Company's securities by its Directors, Officers, Consultants, members of senior management or other employees, is to occur.
- 5.3 A Blackout Period may be nominated or varied by the Board at anytime, notice of which is to be circulated to all Restricted Parties.
- 5.4 These requirements imposed by this Policy are separate from and additional to, the legal prohibitions contained in the Corporations Act dealing with insider trading and in addition all Restricted Parties are still required to seek prior written approval before dealing in the Company's Securities in accordance with clause 9 of this Policy.

6. Exceptions to restrictions on trading in Blackout Periods

- 6.1 A person may trade in the Company's Securities during a Blackout Period, provided that before doing so they secure prior written approval to do so satisfying one or more of the following criteria:
- (a) the person granting the approval is satisfied that the person seeking approval is not in possession of price sensitive information concerning the Company which, has not previously been released to the market and is in severe financial hardship; or

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- (b) the person granting the approval is satisfied that the person seeking approval is not in possession of price sensitive information concerning the Company which, has not been previously released to the market and there are other circumstances that are found to be exceptional; or
 - (c) where the trading is required to comply with an order of a court, comply with a court enforceable undertaking or some other legal or regulatory requirement.

6.2 The procedure for a person to seek written approval to trade in the Company's Securities during a Blackout Period is as per the terms of clause 9 of this Policy.

7. Employee, consultant or executive shares and option plans

- 7.1 The insider trading restrictions and Blackout Periods will not usually restrict participation in the Company's employee, consultant and executive share and option plans in accordance with the Rules or terms of the relevant plan or options. Dependent on the circumstances at the time, any potential application of the provisions of this Policy will be advised in response to a notice to exercise options.
- 7.2 This Policy does apply however to any sale of Company Securities acquired on the exercise of options, or granted pursuant to any Performance Rights Plan including sales as part of a Broker assisted cashless exercise of an option, or any other market sale for the purposes of generating the consideration needed to pay the exercise price of an option.
- 7.3 Hedging practices including put/call arrangements over "in the money" options to hedge against a future drop in share price are specifically prohibited. The Board considers such hedging to be against the spirit of a share option plan and inconsistent with shareholder objectives.

8. Associated Entities

- 8.1 Restricted Parties are prohibited from dealing in the securities of outside companies which they may gain price-sensitive information about, by virtue of their position with the Company. This includes trading in securities of Joint Venture Partners, customers and suppliers, where price-sensitive information in relation to these entities is held.

9. Prior approval required

- 9.1 Directors must not deal in the Company's Securities without first seeking and obtaining a written acknowledgement from the Chair of the Company (or in his absence the Company Secretary) prior to any trade, at which time they must confirm that they are not in possession of any unpublished price-sensitive information. For clarity the Chairman is required to seek written acknowledgement from the Company Secretary and vice versa.
 - 9.2 Officers, Consultants, members of senior management and other employees must not deal in the Company's Securities without first seeking and obtaining a written acknowledgment from the Company Secretary (or in his absence the Managing Director), prior to any trade at which time they must confirm that they are not in possession of any unpublished price-sensitive information.
 - 9.3 Any Director, Officer, Consultant, member of senior management or other employee seeking permission to trade in the Company's Securities shall make application for written acknowledgement to do so in the form of the annexed application or such form as the Board may from time to time
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prescribe.

- 9.4 Any written permission granted under this Policy will be valid for a period of 5 business days from the time which the permission is granted or such other period as may be determined by the officer granting the permission. If for any reason the trade or transaction does not proceed, the Company's representative granting the permission is to be advised.

10. Record of transactions

- 10.1 The Company Secretary is to maintain a register of notifications and acknowledgements given in relation to trading in the Company's securities including copies of the applications in the form of the notice **annexed** to this Policy.

11. General

- 11.1 Any reference in this Policy to the "**Company**" is a reference to Tlou Energy Limited ACN 136 739 967 and any reference to the "**Group**" is a reference to the Company and its subsidiaries.
- 11.2 Any reference to the "**Board of Directors**" is a reference to the Board of the Company and any reference to "**Director**" is a reference to the Directors of the Board of the Company.
- 11.3 All Directors, senior executives, employees, consultants, contractors and professional advisors must familiarise themselves with and comply with this Policy.
- 11.4 The Company will review this Policy regularly to take into account any legislative changes and best practices relating to the Policy. Any amendment to this Policy must be authorised by the Board of Directors. The Company Secretary will communicate any amendments to all relevant parties.
- 11.5 Any queries regarding the application of this Policy should be referred to the Company Secretary.

Note: insider trading obligations continue post-employment whilst you hold inside information

APPROVAL

This Policy was adopted by the board on 2012

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Chair of Tlou Energy Limited



Tlou Energy Limited (the Company)
SECURITIES TRADING POLICY

Annexure

**APPLICATION FOR CONSENT TO TRADE
IN THE SECURITIES OF TLOU ENERGY LIMITED
OR A RELATED ENTITY**

Name of Applicant:

Details of Securities Transaction

Company Name:

Type of Securities:

Name of Entity
Acquiring Securities:

Proposed Number
of Securities:

Nature of Applicant's
Interest in Acquiring Entity:

Type of Transaction:

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I, the Applicant, confirm that as far as I am aware, I am not in possession of any unpublished price-sensitive information in relation to Tlou Energy Limited, its subsidiaries or related companies.

If this should change before the security transaction detailed above is completed, I undertake not to proceed with the same.

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Signed by the Applicant

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Dated

Permission to trade in the Company's securities is given on the basis that the transaction is completed by no later than the close of business on _____.

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Signed by
Chairman / Company Secretary / Managing Director

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Dated