

ACADEMIES AUSTRALASIA GROUP LIMITED

SECURITIES TRADING POLICY

1. Introduction

- 1.1 This document sets out the policy of Academies Australasia Group Limited ('the Company') on trading in the Company's securities by key management personnel.
- 1.2 It also addresses the subject of 'Insider Trading' – i.e. trading while in possession of price sensitive information. Employees must not trade in the Company's securities while in possession of price sensitive information. This prohibition applies to *all employees, at all times*.
- 1.3 In this document, 'Trade' or 'Trading' refers to the acquisition or disposal of any of the Company's securities, directly or indirectly.
- 1.4 The contents of this document are important and must be taken seriously. Non-compliance by any employee may be regarded as a breach of their condition of employment and may result in termination of their service.

2. Securities Trading By Key Management Personnel

2.1 Policy

- 2.1.1 For the purpose of this policy, key management personnel is defined as 'Designated Persons'. Designated persons may not trade in the Company's securities during 'Closed' periods.
- 2.1.2 All Designated Persons must also comply with the law in respect to Insider Trading.

2.2 Restrictions on Trading by Designated Persons

2.2.1 Designated Person means:

- (a) a member of the Company's Board of Directors or the Board of Directors of a subsidiary company, including any managing director or chief executive officer of the Company or a subsidiary company;
- (b) the Company Secretary of the Company or of a subsidiary company; and
- (c) any senior management personnel who are directly involved in financial management or corporate finance operations (including investments, mergers, acquisitions and divestments) in the Company or in a subsidiary company.

- 2.2.2 This policy applies to all shares, options, debentures, bonds, notes and other traded securities in the Company including derivatives and financial products issued or created over any of these securities.

2.3 Associated Parties

This policy also applies to any associate (including spouse, partner, dependant, family company and trust) over which the Designated Person has control.

2.4 Closed Periods

2.4.1 Designated Persons are prohibited from trading in the Company's securities from the date of the close of the Company's books at half and full year end, until the release of the financial results for the half and full year, respectively. Financial results for the half year are those released to ASX as the 'Half Year Report', while financial results for the full year are those released to ASX as the 'Annual Report' (ie not the Preliminary Final Report).

2.4.2 The following transactions are excluded from the prohibition referred to in paragraph 2.4.1:

- (a) transfers of securities already held into a superannuation fund or other saving scheme in which the Designated Person is a beneficiary;
- (b) an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in the securities of the entity) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (c) where the Designated Person is a trustee, trading in the securities of the entity by that trust provided the restricted person is not a beneficiary of the trust and any decision to trade during a prohibited period is taken by the other trustees or by the investment managers independently of the Designated Person;
- (d) undertakings to accept, or the acceptance of, a takeover offer;
- (e) trading under an offer or invitation made to all or most of the security holders, such as, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;
- (f) a disposal of securities of the entity that is the result of a secured lender exercising its rights, for example, under a margin lending arrangement. *[A Designated Person who enters into a margin lending or securities lending arrangement or otherwise grants a mortgage, charge, lien or other encumbrance over the securities of the Company where control over the right to dispose of those securities may be lost, must report the transaction immediately to the Company Secretary and provide such other details as are from time to time requested by the Company. A Designated Person must immediately notify the Company Secretary in writing if he or she receives a margin call that can only be satisfied by the sale of the Company's securities.]*
- (g) the exercise (but not the sale of securities following exercise) of an option or a right under an employee incentive scheme, or the conversion of a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a prohibited period and the Designated Person could not reasonably have been expected to exercise it at a time when free to do so; and

- (h) trading under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in the trading policy and where:
 - i) the Designated Person did not enter into the plan or amend the plan during a prohibited period;
 - ii) the trading plan does not permit the Designated Person to exercise any influence or discretion over how, when, or whether to trade; and
 - iii) the entity's trading policy does not allow the Designated Person to cancel the trading plan or cancel or otherwise vary the terms of his or her participation in the trading plan during a prohibited period other than in exceptional circumstances.

2.4.3 A Designated Person, 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 securities of the Company during a prohibited period under the trading policy where the Designated Person is in severe financial hardship or there are other exceptional circumstances.

2.4.3.1 A person may be in severe financial hardship if he or she has a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant securities of the entity. A tax liability of such a person would not normally constitute severe financial hardship unless the person has no other means of satisfying the liability. A tax liability relating to securities received under an employee incentive scheme would also not normally constitute severe financial hardship or otherwise be considered an exceptional circumstance for the purpose of obtaining prior written clearance to sell or otherwise dispose of securities during a prohibited period.

2.4.3.2 The Company may consider it an exceptional circumstance if the person is required by a court order, or there are court enforceable undertakings, for example, in a bona fide family settlement, to transfer or sell the securities of the entity or there is some other overriding legal or regulatory requirement for him or her to do so.

2.4.3.3 The determination of whether the person in question is in severe financial hardship or whether a particular set of circumstances falls within the range of exceptional circumstances identified in this policy shall only be made by the Chairman of the Board of the Company or, in his absence or when he is involved, the Chairman of the Audit Committee (hereinafter referred to as the Designated Officer). In recognition of the case that exceptional circumstances, by their nature, cannot always be specified in advance, it is envisaged that there may be other circumstances, which have not been identified in this policy document, that may be deemed exceptional by the Designated Officer, where prior written clearance is granted to permit trading.

2.4.3.4 The Designated Person seeking clearance to trade must satisfy the Designated Officer that they are in severe financial hardship or that their circumstances are otherwise exceptional and that the proposed sale or disposal of the relevant securities is the only reasonable course of action available.

2.4.3.5 If the Designated Officer is in any doubt in making such determinations on behalf of the Company, consideration shall be given to the purpose of the listing rules and the discretion should be exercised with caution.

2.4.3.6 Where a Designated Person wishes to trade during a closed period either because of severe financial hardship or exceptional circumstances they must write to the Company Secretary with details of their request including:

- (a) a statement explaining why they believe that they do not have possession of any price sensitive information which has not been released to the market;
- (b) details about the securities proposed to be traded (number and price);
- (c) the reason(s) why the request is made including an explanation as to the severe financial hardship or other exceptional circumstances;
- (d) confirmation that they understand that if the request is approved, the trading must be completed within 5 business days from the date of grant of the approval or up to the time that they become aware of price sensitive information which has not been released to the market (whichever is the earlier), and that if they do not complete the trading by those deadlines, they must seek fresh approval.

2.4.3.7 Upon receipt of the information referred to in paragraph 2.4.3.6, the Company Secretary shall transmit the request to the Designated Officer. The Designated Officer shall either approve or reject the request. Approval will only be given if the application is substantiated by sufficient evidence (in the opinion of the Designated Officer) and in the opinion of the Designated Officer the request trading is the most reasonable course of action available in the circumstances. All written correspondence on this matter may be by email.

2.4.4 Where the Company has announced to ASX that it is carrying out due diligence on a potential sale or acquisition, and has not announced that that sale or acquisition will or will not be carried out, a Designated Person must obtain the clearance of the Designated Officer before they may trade - regardless of whether the proposed trade is outside the Closed Period.

2.4.5 Where a Designated Person, or any other member of the staff, is aware that the Company is looking into a possible sale or acquisition, that Designated Person or other member of staff must obtain the clearance of the Designated Officer before they may trade - regardless of whether the proposed trade is outside the Closed Period.

2.5 Directors to notify ASX of shareholding

2.5.1 The Directors of the Company are required to notify the Company Secretary in writing within 2 business days after any change in their interest in the securities of the Company.

2.5.2 All other Designated Persons are required to notify the Company Secretary in writing within 5 business days after any changes in their interest in the securities of the Company.

3. Insider Trading

3.1 Policy

3.1.1 All employees of the Company, and its subsidiaries, must not deal in the Company's securities, including derivatives or financial products issued or created over any of these securities, while in possession of price sensitive information ('Inside Information').

- 3.1.2 This prohibition applies to *all employees, at all times*.
- 3.1.3 In broad terms, a person may be guilty of insider trading if:
- (a) that person possesses Inside Information – ie information which has not been made public and which, if it were made public: would be likely to have a material or significant effect on the price or value of the Company’s securities; or would, or would be likely to, influence an investment decision by those who commonly invest in securities; and
 - (b) that person: deals in securities of the Company; encourages or procures someone else to deal in securities in the Company; or directly or indirectly communicates that information to another person where the communicator knows, or ought to know, that the recipient would be likely to deal in the securities or procure someone else to deal in the securities of the Company.
- 3.1.4 Insider trading is a *criminal offence*. Penalties include substantial fines and a jail term of up to 5 years. 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.

3.2 Security Analysts, Institutional Investors and Journalists

- 3.2.1 Selective disclosure of non-public information may result in a breach of the insider trading rules.
- 3.2.2 The mere conveyance of the material non-public information gives rise to liability. It is possible to convey information in breach of this policy and the Corporations Act by expressing subjective attitudes about the Company’s performance or by calling attention to selective information not available as an aggregate to the general public. It is essential to avoid the indirect conveyance of information by any means whatsoever.
- 3.2.3 If during the course of a discussion with an analyst, investor, journalist or other outsider, material non-public information concerning the Company is disclosed, inadvertently or otherwise, the recipient of the information should be informed of its non-public nature and cautioned against its use unless and until the Company has made full public disclosure of that information. The Company Secretary should be notified of the situation immediately so that a decision can be made regarding disclosure of the information. No public comments should be made regarding any previously undisclosed operating results or other developments unless authorised by the Company

4. Policy Review

The policy contained in this document will be reviewed regularly by the Board of the Company, having regard to the changing circumstances of the Company. Any material change will be released to the ASX promptly.

5. Disclosure of Policy

This Policy will appear within the Company’s corporate governance policy, which is on the Company’s web page.

6. **Questions**

Any questions about this Policy should be directed to the Company Secretary.