



LINC ENERGY LIMITED (“Company”) SECURITIES TRADING POLICY

Approved by the Board of Linc Energy Limited on 20 December 2010

Securities Trading Policy

Scope

This Policy applies to Key Management Personnel, who comprise:

- (a) directors (meaning any person or organisation appointed to the position of director of the Company, their family or any other person or organisation deemed to be an associate of the director as defined under the Corporations Act or ASX Listing Rules);
- (b) officers (meaning any person appointed to the position of Secretary of the Company or other person deemed to be an officer as defined under the Corporations Act or ASX Listing Rules, their family or any other person or organisation deemed to be an associate of the officer as defined under the Corporation Act or ASX Listing Rules); and
- (c) employees (meaning any employee whose employment is governed through an employment contract with the Company or who the Board deems this policy to cover, their family or any other person or organisation deemed to be an associate of the employee as defined under the Corporations Act or ASX Listing Rules or any employee who may have access to Price Sensitive Information.

For the purposes of this Policy, Price Sensitive Information is information that relates to the financial affairs of the Company, which may give the person proposing to deal in the securities an advantage over other persons holding the securities and which if it were generally available would likely materially affect the price of the securities.

Requirements of Law

Key Management Personnel shall be made aware of the requirements of law covering and limiting the trading in the Company’s securities including the law relating to use of “confidential information” and “insider trading”.

Requirements of this Policy

Key Management Personnel shall be made aware of the requirements of this policy and any subsequent changes made to this policy from time to time.

No Short Term Trading

Key Management Personnel are not permitted to engage in short term trading of the Company’s securities.

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No trading in derivative products

Key Management Personnel are prohibited from trading in financial products issued or created over or in respect of the Company's securities.

Trading Windows or Closed Periods

Key Management Personnel SHALL NOT trade in the Company's securities during the following periods (each a Prohibited Period):

1. In the 30 day period preceding the announcement of the Company's results for the full financial year or half-year financial results (Closed Period).
2. At any other time when the person is in possession of Price Sensitive Information or where the Company determines it is considering matters which are subject to ASX Listing Rule 3.1A.

Key Management Personnel may generally deal in the securities of the Company where:

- trading occurs under an offer to all or most security holders of the Company;
- trading results in no change in beneficial interest in the securities;
- an investment or trading decision in relation to the securities is exercised by a third party; or
- the restricted person has no control or influence with respect to trading decisions.

Examples of trading that are excluded from this Policy (subject to the overriding requirement that a person comply with the insider trading provisions of the Corporations Act) include:

- transferring securities already held into a superannuation fund or similar saving scheme in which the restricted person is a beneficiary;
- investing or trading in a fund or scheme where the investment decisions are made by a third party, provided that the fund or scheme does not invest exclusively in the listed entity's securities;
- trading in securities by a restricted person as a trustee – who is not also a beneficiary of the trust – and the decision to trade is made by other trustees or investment managers independently of the restricted person;
- accepting a takeover offer;
- trading under an offer or invitation made to all or most security holders, including dividend reinvestment plans, share purchase plans and rights issues and an equal access buy-back, where the timing and structure of the plan has been approved by the Board;
- disposing of securities under a margin lending arrangement;

For personal use only



- exercising options or converting convertible securities if the final exercise or conversion date falls within the Company's Prohibited Period and the Prohibited Period has been exceptionally or unexpectedly long; and
- trading under a non-discretionary trading plan for which prior written clearance has been obtained, where the restricted person has no influence on trading decisions and the cancellation of the trading plan is not permitted by this Policy (except in "exceptional circumstances").

Trading while in the possession of Price Sensitive Information is still prohibited by the Corporations Act, even if the trading might otherwise be permitted by this Policy.

Notification

Key Management Personnel shall notify the Managing Director or the Company Secretary of any intention to trade in the Company's securities and subsequently notify them once any trading has occurred immediately following the transaction.

Exceptional Circumstances

Key Management Personnel not in possession of Price Sensitive Information which has not been released to the market may in exceptional circumstances be given prior written clearance to deal in the Company's securities during a Prohibited Period by:

- in the case of employees, officers and senior management- the Managing Director;
- in the case of Directors (other than the Chairman)- the Chairman (or in his absence the Chairman of the Audit and Risk Management Committee); or
- in the case of the Chairman- the Chairman of the Audit and Risk Management Committee (or in his absence another member of the Audit and Risk Management Committee),

Exceptional circumstances for the purpose of this Policy is a severe financial hardship or a pressing financial commitment that cannot be satisfied otherwise than by selling the Company's securities. For example court orders or court enforceable undertakings requiring the sale of securities may constitute exceptional circumstances.