

CAMPBELL BROTHERS LIMITED

Securities Trading Policy

INTRODUCTION

Campbell Brothers Limited (the Company) is a company listed on the Australian Securities Exchange (ASX) and has obligations to ensure that the market is kept fully informed of information which may have a material effect on the price of the Company's securities which are traded on the ASX.

This policy outlines when directors, employees, consultants, contractors and advisors may deal in the Securities of the Company or in securities of other listed companies while performing duties for the Company as well as procedures to reduce the risk of insider trading.

PURPOSE

All directors, employees, consultants, contractors and advisors must be careful to ensure that if they hold or intend to trade in the securities of the Company, they do not breach in any way the insider trading provisions of the *Corporations Act*.

In the course of providing services for the benefit of the Company, it is possible that directors, employees, consultants, contractors and advisors will become aware of information that might have a material effect on the value of the issued securities of the Company before the release of that information to the ASX in accordance with the *Corporations Act*.

This policy sets out the Company's attitude to breaches of the insider trading rules by directors, employees, consultants, contractors or advisors and sets out guidelines and procedures to be adopted whenever a director, employee, consultant, contractor or advisor intends to trade in the securities of the Company.

The Company does not seek to discourage directors, employees, consultants, contractors or advisors from trading in the securities of the Company but the Company desires that such trading comply with the insider trading provisions of the *Corporations Act*.

EXPLANATION OF THE LAW RELATING TO INSIDER TRADING

The following notes briefly summarise the rules about insider trading. They are not intended to cover every aspect of them but are provided to assist you in being alert to potential difficulties.

'Insiders'

A person is an **insider** if they possess information that they know, or ought reasonably to know, is not generally available, and if it were generally available, a reasonable person would expect it to have a material effect on the price or value of the securities.

Note there are a number of elements in this statement -

- the person must possess information
- the information must at the relevant time not be generally available
- the person knows, or ought reasonably to know, it is not generally available
- the information is of a kind which, if it were generally available, a reasonable person would expect to have a material effect on the price or value of the securities
- the person knows, or ought reasonably to know, that if the information were generally available it might have a material effect on the price or value of the securities.

A company will be an **insider** if any of its officers possesses such information and came into possession of that information in the course of their duties.

A person in partnership is an **insider** if another member of the partnership possesses such information and came into possession of that information in their capacity as a member of the partnership.

A person who is in partnership is an **insider** if an employee of the partnership possesses such information and came into possession of that information in the course of their duties as an employee.

Insider trading prohibition

An **insider** must not:-

- subscribe for, purchase or sell securities or enter into an agreement to subscribe for, purchase or sell securities, or
- procure another person to do any of those things.

An **insider** must not communicate the insider information, or cause it to be communicated, to another person if the **insider** knows or reasonably ought to know that the other person would be likely to -

- subscribe for, purchase or sell securities or enter into an agreement to subscribe for, purchase or sell securities, or
- procure a third person to do so.

The terms 'sell' and 'purchase' have a wide meaning and include granting options and assigning rights to buy or sell securities. Trading includes each of these transactions.

Securities are defined to mean shares, debentures, interests in a managed investment scheme, units of shares and option contracts under which an option is acquired over any of the foregoing types of securities.

You should bear in mind that there are criminal penalties and possible civil actions for damages against people who engage in insider trading.

Some examples include:

1. trading in securities before the release of favourable financial results to the ASX
2. trading in securities of a company with knowledge of an impending takeover offer
3. procuring others to trade on your behalf based on price sensitive knowledge not yet disclosed to the ASX

Continuous disclosure obligations

The Company has obligations under both the *Corporations Act* and the Listing Rules of the ASX to make disclosure to the ASX, and thus to the market, of information about it that a reasonable person would expect to have a material effect on the price or value of the securities.

It is important that you understand the existence of these rules so that you have an understanding of the policy set out below.

1. GENERAL POLICY

In the course of carrying out your duties you may come into possession of information which may, if generally available, have a material effect on the price of securities of the Company and which:

- has not yet been disclosed to the ASX because it has not yet been communicated to the relevant officers of the Company, or
- may not yet require disclosure because of an exception in the Listing Rules or the *Corporations Act*.

Until that information is disclosed to the ASX, you may not trade in securities in the Company nor should the information be disclosed to any other persons.

The Company's policy is that any director, employee, consultant, contractor or advisor who breaches the insider trading rules is liable to have their services terminated. In addition, there are criminal penalties and possible civil actions for damages against persons who engage in insider trading.

If you are in doubt at all as to whether any intended trading in the securities of the Company may be in breach of the insider trading rules, you must consult your immediate supervisor or manager before trading in those securities.

2. DIRECTORS AND SENIOR EXECUTIVES

Without in any way limiting the prohibitions covered in the General policy, directors' and senior executives' transactions are limited, in the absence of agreement by the Board to the contrary, to those periods of 30 days after each yearly and half-yearly announcement, and Annual General Meeting, and then only after checking with the Chairman (in the case of Directors) or the Managing Director (in the case of Senior Executives). The Managing Director may determine from time to time other officers or persons to whom this policy applies.

3. ALS LABORATORY GROUP STAFF (ALS)

Without in any way limiting the prohibitions as covered in the General policy, because of the nature of ALS's work, staff are often privy to information which when released affects the price of client's shares. This is particularly so for smaller 'speculative' type exploration companies. In most cases ALS is privy to this information before the client is aware of the results, and certainly well in advance of the securities exchange and hence the general public being notified.

ALS is obliged to treat analytical data in the strictest confidence, therefore it is ALS's company policy that employees are not to trade in the shares of companies who at that time are clients of ALS.

4. HEDGING ARRANGEMENTS

Directors and executives must not enter into any hedging arrangement in relation to any unvested Securities of the Company.

5. MARGIN LOANS

Directors and senior executives must disclose to the Board any Securities in the Company that are held as security in a margin loan arrangement so as to assess whether the margin loan arrangement is material and requiring disclosure to the market.

This updated policy was approved and adopted by the Board on 30 September 2008.