

SECURITIES DEALING POLICY

1. PURPOSE

This policy:

- explains Ruralco's policy and procedures for the buying and selling of securities* (shares), and
- recognises that some types of dealing in securities are prohibited by law.

The Board encourages directors and employees of the Group to hold securities in Ruralco to further align their interests with shareholders. However, it is important that public confidence is maintained in the reputation of the Group, its directors and employees, and in the trading of Ruralco's securities.

This policy applies to all directors and employees of the Group and their "Connected Persons". However, some parts of this policy only apply to senior members of management and the directors who are referred to "Designated Persons".

Employees and directors must take appropriate steps to ensure that their Connected Persons do not breach this policy.

CONNECTED PERSONS

A **Connected Person** means, for each employee and director:

- a family member who may be expected to influence, or be influenced by, the employee or director in his or her dealings with Ruralco or Ruralco securities (this may include spouses, partners and children, children of partners, or dependents of employees or directors or of their partner), and
- a company or any other entity which the employee or director has an ability to control.

DESIGNATED PERSONS

A **Designated Person** means:

- a director
- any other Ruralco key management personnel (**KMP**)
- all employees at a "General Manager" level or higher, Commercial Managers and Group Senior Financial Accountants, and
- any other persons who regularly possess "Inside Information" (defined below) and who have been advised by the Group General Counsel & Company Secretary that they are a Designated Person for the purposes of this policy.

OVERVIEW OF THE KEY REQUIREMENTS OF THIS POLICY AND TO WHOM THEY APPLY

RELEVANT DEALING RESTRICTION	WHO IS COVERED BY THE RELEVANT RESTRICTION?	ARE CONNECTED PERSONS COVERED?	FOR FURTHER DETAILS SEE...
Insider trading	All employees and directors	Yes	3
Additional dealing restrictions (and notification process)	Designated Persons	Yes	4.1-4.3
Short term dealing	Designated persons	Yes	4.5
Margin lending arrangements	Designated persons	Yes	4.6
Hedging	All employees and directors	Yes	5

* Security includes any of the following issued by Ruralco or by an entity Ruralco controls:
 - shares, options, debentures, performance rights or agreements to issue any of these; and
 - securities or contracts of any kind issued by third parties that relate to shares or debentures of Ruralco such as put or call options, warrants, derivatives and contracts for differences.

2. RESTRICTIONS APPLYING TO ALL EMPLOYEES

2.1 WHAT ARE THE RULES ABOUT INSIDER TRADING?

The *Corporations Act 2001* (Cth) provides that a person who has Inside Information about a company must not:

- buy or sell securities in a company, or enter in an agreement to buy or sell securities, or exercise options over securities, or otherwise apply for, acquire or dispose of securities (**deal**)
- encourage someone else to deal in securities in that company, or
- directly or indirectly provide that Inside Information to another person where they know, or ought to know, that that person is likely to deal in securities or encourage someone else to deal in securities of that company (**tipping**).

INSIDE INFORMATION

Inside Information is information that:

- is not generally available to the market; and
- if it were generally available to the market, a reasonable person would expect it to have a material effect (upwards or downwards) on the price or value of a security.

Inside Information may include matters of supposition, matters that are not yet certain and matters relating to a person's intentions.

2.2 NO DEALING WHILE IN POSSESSION OF INSIDE INFORMATION

Employees, directors and Connected Persons must not deal in Ruralco's securities if:

- they are aware of Inside Information in relation to Ruralco, or
- Ruralco has notified employees or directors that they (or their Connected Persons) must not deal in securities (either for a specified period, or until Ruralco gives further notice).

2.3 THE "MARKET PERCEPTION" TEST

It is important that public confidence in the Group is maintained. It would be damaging to the Group's reputation if the market or the general public perceived that directors and employees might be taking advantage of their position in the Group to make financial gains (by dealing in securities on the basis of Inside Information). The question to ask is:

If the market was aware of all the current circumstances, could I be perceived to be taking advantage of my position in an inappropriate way? How would it look if the transaction were reported on the front page of the newspaper?

Where any approval is required for a dealing under this policy, approval will not be granted where the dealing would not satisfy this test.

2.4 DEALING IN OTHER COMPANIES' SECURITIES

The insider trading restriction in the Corporations Act prohibits dealings not only in Ruralco's securities but also those in other listed companies.

Directors and employees may come into the possession of Inside Information regarding another company where they are directly involved in client relationship management or negotiating contracts. For example, where a person is aware that Ruralco or a member of the Group is about to sign a major agreement with another company.

Directors, employees and their Connected Persons must not deal in the securities in another company if they are aware of Inside Information in relation to that company, no matter how they came into the possession of the Inside Information.

3. ADDITIONAL RESTRICTIONS APPLYING TO DESIGNATED PERSONS

3.1 DEALING RESTRICTED TO TRADING WINDOWS

Whilst trading is unlawful at any time if the person has Inside Information, there are additional restrictions that apply to Designated Persons under this policy.

Subject to section 3.2, the notification process in section 3.3, and the Board's power to determine at any time that a trading window is closed, Designated Persons and their Connected Persons must not deal in Ruralco securities at any time except during the following trading windows:

EVENT	TRADING WINDOW
Ruralco releases half year or full year results	Between 48 hours and 28 days after the announcement to ASX
Ruralco holds its Annual General Meeting	Between 48 hours and 28 days after the meeting
Ruralco issues a "cleansing notice" under section 708AA or 708A of the Corporations Act	Between 48 hours and 28 days after the notice is issued to ASX
Ruralco has a prospectus or other disclosure document on issue under which people can subscribe for securities	During the period the document is on issue
Any other period	As determined by the Board from time to time

3.2 NOTIFICATION PROCESS

During any trading window, Designated Persons must provide prior notification of any proposed dealing in Ruralco's securities to the Group General Counsel & Company Secretary who will forward it to the relevant **Notification Officer** as set out below:

- **For the Chair of the Board:** notification must be given to the Chair of the Audit, Risk & Corporate Governance Committee
- **For a Director (including the Managing Director):** notification must be given to the Chair of the Board
- **For the Group General Counsel & Company Secretary:** notification must be given to the Chair of the Audit, Risk & Corporate Governance Committee, and

- **For all other Designated Persons:** notification must be given to the Group General Counsel & Company Secretary.

3.3 EXCEPTIONAL CIRCUMSTANCES

If a Designated Person needs to deal in securities outside a trading window due to exceptional circumstances and is not in possession of any Inside Information they may apply for approval to deal by contacting the Group General Counsel & Company Secretary. The request will be forwarded to the relevant Notification Officer for approval as set out in section 3.2. Exceptional circumstances may include severe financial hardship or compulsion by court order.

Approval to deal will only be granted if the Designated Person's application is accompanied by sufficient evidence that the dealing is the most reasonable course of action available in the circumstances.

If approval is granted, the dealing must be completed within 5 working days of the date of approval, unless otherwise allowed by the Board.

Unless otherwise specified in the approval, any dealing permitted under this section 3.3 must comply with the other sections of this policy (to the extent applicable).

3.4 DIRECTORS – CONFIRMATION OF TRADE REQUIRED

Following any trade, Directors must promptly notify the Group General Counsel & Company Secretary, ideally by close of business on the day the trade is entered. This is to assist Ruralco to comply with its disclosure obligations under the ASX Listing Rules.

3.5 NO SHORT-TERM OR SPECULATIVE DEALING

Designated Persons must not deal in Ruralco's securities on a speculative or short-term trading basis. Short-term trading includes buying and selling securities on market within a 3 month period, entering into other short term dealings (for example, forward contracts) and short selling.

Selling shares received following the vesting of entitlement under an employee, executive or director equity plan within 3 months of the vesting date is not a short-term dealing.

3.6 MARGIN LENDING ARRANGEMENTS

Designated Persons must not under any circumstances:

- enter into a margin lending arrangement in respect of Ruralco's securities, or
- transfer securities in Ruralco into an existing margin loan account.

Other Ruralco employees should note that margin lending and other similar arrangements could result in a forced sale of securities in breach of insider trading laws or this policy, such as during a period when you are in possession of or could be perceived to be in possession of inside information.

4. HEDGING

Designated Persons and other Ruralco employees must not enter into hedging or other financial arrangements which operate to limit the economic risk associated with holding Ruralco securities where those securities have not vested or they are subject to a holding lock or other similar restriction on dealing.

5. EXCLUDED DEALINGS

Sections 3.1, 3.2, 3.3 and 3.5 of this policy do not apply to:

- participation in an employee, executive or director equity plan operated by Ruralco. However, where securities in Ruralco granted under an employee, executive or director equity plan cease to be held under the terms of that plan, any dealings in those securities must only occur in accordance with this policy
- the following categories of trades:
 - acquisition of Ruralco securities through a dividend reinvestment plan
 - acquisition of Ruralco securities through a share purchase plan available to all retail shareholders
 - acquisition of Ruralco securities through a rights issue, and
 - the disposal of Ruralco securities through the acceptance of a takeover offer, scheme of arrangement or equal access buy-back
- dealings that result in no effective change to the beneficial interest in the securities (for example, transfers of Ruralco securities already held in a superannuation fund or trust of which the director, employee or their Connected Person is a beneficiary)
- trading under a pre-approved non-discretionary trading plan, where:
 - the employee, director or Connected Person did not enter into the plan or amend the plan during a blackout period
 - the plan does not permit the employee, director or Connected Person to exercise any influence or discretion in relation to trading under the plan, and
 - the plan cannot be cancelled during a blackout period, other than in exceptional circumstances, and
- a disposal of Ruralco securities by employees (other than Designated Persons) that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement.

6. WHAT HAPPENS IF THIS POLICY IS BREACHED?

Breaches of this policy will be regarded by Ruralco as serious and subject to disciplinary action (including forfeiture of shares and suspension or termination of employment).

The Corporations Act imposes serious penalties for individuals and corporations who breach the insider trading laws.

7. QUESTIONS ABOUT THIS POLICY

If you have any questions about this policy, please contact the Group General Counsel and Company Secretary:

Registered Office

- 📍 Level 5, Building A, 26 Talavera Road, Macquarie Park NSW 2113
PO Box 64, North Ryde BC 1670
- ☎ (02) 9952 6555
- 📠 (02) 9952 6599
- ✉ companysecretary@ruralco.com.au

Approved by the Board on 23 August 2018.