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OPPORTUNITIES  
COMPANY LIMITED

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13 February 2018

ASX Market Announcements  
ASX Limited  
20 Bridge Street  
Sydney NSW 2000

**Securities & Insider Trading Policies – updated version**

NAOS Small Cap Opportunities Company Limited advises that it has updated its Securities & Insider Trading Policies, a copy of which is attached to this announcement

Rajiv Sharma  
Company Secretary

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**NAOS Small Cap Opportunities Company Limited  
Securities and Insider Trading Policies**

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## Definitions

<b>Act or Corporations Act</b>	Corporations Act, 2001 (Cth)
<b>Annual General Meeting</b>	an annual general meeting of the Company
<b>ASX</b>	ASX Limited (ABN 98 008 624 691)
<b>ASX Recommendations</b>	the ASX Corporate Governance Council "Corporate Governance Principles and Recommendations" (as amended from time to time)
<b>Board</b>	board of Directors
<b>CFO or Chief Financial Officer</b>	chief financial officer or equivalent officer of the Company
<b>Chair or Chairman</b>	chair or chairman of the Board
<b>Company</b>	NAOS Small Cap Opportunities Company Limited (ABN 47 107 617 381)
<b>Company Secretary</b>	secretary of the Company
<b>Constitution</b>	constitution of the Company
<b>Director</b>	director of the Company
<b>Executive</b>	an executive officer (whether or not a Director) involved in the strategic and operational management of the Company and including the Company Secretary
<b>Insider Trading Policy</b>	the Company's insider trading policy as set out in section 2 of this document
<b>Listing Rules</b>	the ASX Listing rules as amended from time to time
<b>Managing Director</b>	The managing director of the Company as appointed from time to time
<b>Officer</b>	Has the same meaning as section 9 of the Corporations Act, 2001 (Cth)
<b>Securities</b>	Has the same meaning as section 92(4) of the Corporations Act, 2001 (Cth)
<b>Security Holder</b>	holder of Securities issued by the Company
<b>Shareholder</b>	holder of shares in the Company
<b>Securities Trading Policy</b>	The Company's securities trading policy as set out in section 1 of this document

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**NAOS Small Cap Opportunities Company Limited  
(ABN 47 107 617 381)**

## **1. Securities Trading Policy**

### **1.1. Policy**

The Board of the Company has established this Securities Trading Policy to apply to trading in the Company's Securities (including shares and options) on the ASX. This Securities Trading Policy applies to those persons defined below as "Restricted Persons" of the Company. Restricted Persons must restrict their buying and selling of Company's Securities within the Company trading window established by this Insider Trading Policy.

In addition to the requirements of this Securities Trading Policy, all Restricted Persons (as defined below) must also comply with the Insider Trading Policy of the Company in section 2 below.

### **1.2. Executive restrictions on trading**

This Securities Trading Policy and the restrictions on trading in Securities of the Company set out below applies to the following representatives of the Company (**Restricted Persons**):

- (a) the Board;
- (b) any person who is entitled to receive equity performance rights and/or options as part of any equity incentive based scheme of the Company;
- (c) any Executives; and
- (d) the Company Secretary of the Company.

The Restricted Persons of the Company are to be subject to restrictions on trading in the Company's Securities at certain times of the year. Restrictions also apply where any Restricted Persons are exposed to inside information in the course of their duties in accordance with the Insider Trading Policy (see section 6 below).

### **1.3. Associated Parties**

Each Restricted Person has a personal responsibility to ensure that his or her "associated parties" (being immediate family (including a spouse (or equivalent) or dependent), family company or trust) complies with the same respective restrictions as apply to Restricted Persons.

### **1.4. Prohibition on Restricted Persons dealing in Securities**

In addition to the overriding prohibition on dealing when a person is in possession of inside information in accordance with the Insider Trading Policy, Restricted Persons and their associated parties are prohibited (unless otherwise agreed to by the Board) from dealing in Securities during:

- (a) each period of 14 days immediately prior to the intended date upon which the Company releases its annual financial statements to the ASX;
- (b) each period of 14 days immediately prior to the intended date upon which the Company releases its half-yearly financial statements to the ASX;
- (c) each period of 14 days prior to the announcement of a dividend or any other capital management initiative of the Company.
- (d) the 7 calendar days of each month, prior to the announcement of the Company's NAV ; and

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- (e) each period 24 hours immediately after the date upon which the Company issues an ASX announcement of the Company's financial results or the holding of a Security Holders' meeting;

unless otherwise agreed by the Board.

For the avoidance of doubt, it is emphasised that Restricted Persons may not deal whilst in the possession of "Inside Information" (see section 2).

### **1.5. Board of Directors' discretion**

The Board has an absolute discretion to place an embargo on Restricted Persons and/or employees and /or their respective associated parties trading in the Company's Securities at any time.

### **1.6. Notification rules in relation to dealing in Securities**

Restricted Persons are required to notify the Company of intended dealings in Securities, by themselves or their associated parties, of the Company prior to such intended dealings. This should be done by written notice to the Company Secretary of the Company outlining:

- (a) name of the Security Holder;
- (b) type of proposed transaction (purchase, sale, etc.); and
- (c) number of Securities involved.

The Company Secretary will confer with the Chairman of the Board in relation to any proposed dealing.

The Chairman and the Company Secretary must keep a written record of any information received from an employee (including a Restricted Person) in connection with this policy and any clearance or refusal to grant clearance given under this policy.

### **1.7. Directors to notify ASX of Security Holding**

The Directors are required to complete, or request that the Company Secretary complete necessary forms to the Company to be filed with the ASX in respect of their Security Holdings in the Company for the purposes of section 205G of the Corporations Act and the Listing Rules.

### **1.8. Exceptional Circumstances**

Where, in exceptional circumstances, and it is the only reasonable course of action available to a Restricted Person (e.g. a pressing financial commitment that cannot be satisfied otherwise) clearance may be given for the Restricted Person to sell (but not to purchase) Securities in the Company when that person would otherwise be prohibited from doing so. In this section 5.8, "exceptional circumstances" means severe financial hardship, a court order (or court enforceable undertaking), or some other overriding legal or regulatory requirement, to transfer or sell Securities in the Company, or other circumstances that may be deemed exceptional by the Chairman. For example, a Restricted Person may be in severe financial hardship if he or she has a pressing financial commitment that cannot otherwise be satisfied.

The Chairman may not give clearance under the exception in section 1.8 if there is a matter about which there is inside information in relation to Securities in the Company (whether or not the Restricted Person knows about the matter) when the Restricted Person requests clearance or proposes to deal in Securities in the Company.

The Chairman will decide if circumstances are exceptional.

Any clearance given by the Chairman in accordance with section 1.8 must be in writing (which may be in the form of an email). The Chairman must determine, and specify in the written clearance, the maximum duration of the clearance.

### 1.9. Trading not subject to this Securities Trading Policy

The following dealings are not subject to the provisions of this Securities Trading Policy in respect of the Company:

- (a) undertakings or elections to take up entitlements under a rights issue or other offer (including an offer of shares in lieu of a cash dividend);
- (b) the take up of entitlements under a rights issue or other offer (including an offer of shares in lieu of a cash dividend);
- (c) allowing entitlements to lapse under a rights issue or other offer (including an offer of shares in lieu of a cash dividend);
- (d) the sale of sufficient entitlements to allow take up of the balance of the entitlements under a rights issue;
- (e) undertakings to accept, or the acceptance of, a takeover offer or pursuant to a scheme of arrangement implemented in accordance with section 411 of the Corporations Act;
- (f) transfer of shares arising out of the operation of an employee scheme into a savings scheme investing only in securities of the Company following:
  - (i) the exercise of an option under a savings related share option scheme; or
  - (ii) release of shares from a profit sharing scheme;
- (g) the cancellation or surrender of an option under an employee scheme;
- (h) the purchase of Securities or the communication of information pursuant to a requirement imposed by law;
- (i) transfers of Securities by an independent trustee of an employee share scheme to a beneficiary who is not a person;
- (j) bona fide gifts to a Director by a third party;
- (k) transfers of securities of the entity already held into a superannuation fund or other saving scheme in which the Restricted Person is a beneficiary;
- (l) 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;
- (m) where a Restricted 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 restricted person;
- (n) 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; and
- (o) transfers of securities where there is no change in the beneficial interest;

## **2. Insider Trading Policy**

### **2.1. Policy**

The Board has established the following Insider Trading Policy to apply to trading in the Company's Securities on the ASX.

This Insider Trading Policy applies to all Directors, Officers, Executives and employees of the Company. All Directors, Officers, Executives and employees of the Company must not deal in the Company's Securities while in possession of price sensitive information.

In addition, the Securities Trading Policy (see above) sets out additional restrictions which apply to Directors, Officers and Executives of the Company.

The law imposes a number of significant restrictions on employees of the Company when they deal in their Company's Securities. As fiduciaries, these persons must not utilise their position for their own gain or for the gain of any person other than the Company.

The Corporations Act imposes severe penalties (both criminal and civil) on persons who conduct insider trading activities. Any perception of improper conduct by employees of the Company also has the potential to substantially damage the Company's reputation.

The Company has established this Insider Trading Policy in an effort to prevent the incidence of insider trading in the Company's Securities. This Insider Trading Policy provides a general summary of the law in Australia in relation to insider trading, and as such operates in addition to the legal requirements. It is the personal responsibility of each Director, Executive and employee to comply with this Insider Trading Policy.

### **2.2. Overview of the insider trading provisions in the Corporations Act**

It is illegal for anybody to deal in any Securities of a body corporate (including the Company), when in possession of information that the person knows, or ought reasonably to know:

- (a) is not generally available (including information that the Company has not disclosed to the market in accordance with the Company's Continuous Disclosure Policy); and
- (b) might have material effect on the price or value of those Securities if it was generally available (Inside Information).

This prohibition extends to procuring another person to deal, and, in the case of Securities of listed corporations, extends to communicating the inside information to another person, if the person knows, or ought reasonably to know, that the other person would, or would be likely to, deal in the Securities in question or procure another person to do so. To communicate Inside Information to another person is also an offence which carries both civil and criminal penalties.

An employee or Executive in possession of Inside Information about the Company has a duty to keep that information confidential and must not in any way disclose or communicate that information to any person.

### **2.3. Dealing with security analysts, institutional investors and journalists**

An Officer, employee or Executive may be exposed to others outside the Company such as security analysts, institutional investors and journalists. It is important that all Directors, Officers, Executives and employees be aware that selective disclosure of non-public information may result in a breach of the insider trading rules.

It is important to emphasise that it is the mere fact of conveyance of the material non-public information that gives rise to liability, not the manner in which it is conveyed.

It is possible to convey information in breach of this Insider Trading 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.

If during the course of a discussion with any analyst, 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 the 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.

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