

Share Trading Policy: a guide for buying and selling Bulletproof shares

- All staff must comply with the prohibition on 'insider trading': never buy or sell Bulletproof shares when in possession of price sensitive information, not known to the market
- In addition, Key Management Personnel are restricted from buying or selling shares in certain Blackout Periods
- When trading in shares at other times, you should seek appropriate authority

1. Introduction

These guidelines set out the policy on the sale and purchase of shares in Bulletproof Group Limited by its Key Management Personnel.

Key Management Personnel are those that have authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).

For the purposes of this policy, Bulletproof's Key Management Personnel are its Directors and the direct reports to the CEO.

In addition, and in line with the current size, operations and open communications philosophy employed by Bulletproof, for the purpose of this policy Key Management Personnel currently includes all employees.

Directors and Key Management Personnel are encouraged to be long-term holders of the Company's shares. However, it is important that care is taken in the timing of any purchase or sale of such shares.

The purpose of these guidelines is to assist Directors and Key Management Personnel to avoid conduct known as 'insider trading'. In some respects, the Company's policy extends beyond the strict requirements of the law.

2. What types of transactions are covered by this policy?

This policy applies to both the sale and purchase of any shares of the Company and its subsidiaries on issue from time to time.

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3. What is Insider Trading?

Insider trading is a criminal offence. It may also result in civil liability. In broad terms, a person will be guilty of insider trading if:

- (a) that person possesses information which is not generally available to the market and, if it were generally available to the market, would be likely to have a material effect on the price or value of the Company's **shares** (i.e., information that is 'price sensitive'); and
- (b) that person:
 - i. buys or sells shares in the Company; or
 - ii. procures someone else to buy or sell shares in the Company; or
 - iii. passes on that information to a third party where that person knows, or ought reasonably to know, that the third party would be likely to buy or sell the shares or procure someone else to buy or sell the shares of the Company.

Dealing through third parties

The insider trading prohibition extends to dealings by individuals through nominees, agents or other associates, such as family members, family trusts and family companies.

Information however obtained

It does not matter how or where the person obtains the information – it does not have to be obtained from the Company to constitute inside information.

Employee share schemes

The prohibition does not apply to acquisitions of shares or options by employees made under employee share or option schemes, nor does it apply to the acquisition of shares as a result of the exercise of options under an employee option scheme. However, the prohibition does apply to the sale of shares acquired under an employee share scheme, or acquired following the exercise of an option granted under an employee option scheme.

4. Guidelines for trading in the Company's Shares

Directors and Key Management Personnel must not, except in exceptional circumstances, deal in shares of the Company in a Blackout Period, which is the time from the close of a reporting period, until two days after the release of the results to the market in respect of that reporting period.

The Company's primary reporting periods are up to 31 December and 30 June in each year, but will also initially include quarterly cash reporting periods (up to 31 March and 30 September each year).

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In addition, Directors and Key Management Personnel must not enter into or maintain margin loan arrangements over shares of the Company due to the risk of forced sale of those shares, in breach of this policy.

No short-term trading in the Company's shares

Directors or Key Management Personnel should never engage in short-term trading of the Company's shares except for the exercise of options where the shares will be sold shortly thereafter.

Shares in other companies

Buying and selling shares of other companies with which the Company may be dealing is prohibited where an individual possesses information which is not generally available to the market and is 'price sensitive'. For example, where an individual is aware that the Company is about to sign a major agreement with another company, they should not buy shares in either the Company or the other company.

Exceptions

Directors or Key Management Personnel may at any time:

- (a) acquire ordinary shares in the Company by conversion of securities giving a right of conversion to ordinary shares;
- (b) acquire Company shares under a bonus issue made to all holders of shares of the same class;
- (c) acquire Company shares under a dividend reinvestment, or top-up plan that is available to all holders or shares of the same class;
- (d) acquire, or agree to acquire or exercise options under a Company Share Option Plan;
- (e) withdraw ordinary shares in the Company held on behalf of the a Director or Key Management Personnel in an employee share plan where the withdrawal is permitted by the rules of that plan;
- (f) acquire ordinary shares in the Company as a result of the exercise of options held under an employee option scheme;
- (g) transfer shares of the Company already held into a superannuation fund or other saving scheme in which the restricted person is a beneficiary;
- (h) make an investment in, or trade in units of, a fund or other scheme (other than a scheme only investing in the shares of the Company) where the assets of the fund or other scheme are invested at the discretion of a third party;

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- (i) where a restricted person is a trustee, trade in the shares of the Company 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;
- (j) undertake to accept, or accept, a takeover offer;
- (k) trade 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;
- (l) dispose of shares of the Company resulting from a secured lender exercising their rights, for example, under a margin lending arrangement;
- (m) exercise (but not sell shares following exercise) an option or a right under an employee incentive scheme, or convert 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 or the Company has had a number of consecutive prohibited periods and the restricted person could not reasonably have been expected to exercise it at a time when free to do so; or
- (n) trade under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this Policy.

5. Approval and Notification Requirements

Approval requirements – Directors

Any Director wishing to buy, sell or exercise rights in relation to the Company's shares must obtain the prior approval of the Chairman or the Board before doing so.

If the Chairman wishes to buy, sell or exercise rights in relation to the Company's shares, the Chairman must obtain the prior approval of the Board before doing so.

Approval requirements – Key Management Personnel

Any Key Management Personnel wishing to buy, sell or exercise rights in relation to the Company's shares must obtain the prior approval of the CEO before doing so.

Notification

Any Director or Key Management Personnel who buys, sells, or exercises rights in relation to Company shares must promptly notify the Company Secretary of the details of the transaction.

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Exemption from Blackout Period restrictions due to exceptional circumstance

Directors or Key Management Personnel who are not in possession of inside information in relation to the Company may be given prior written clearance by the CEO (or in the case of a Director the Chairman, or in the case of the Chairman all of the other members of the board) to sell or otherwise dispose of Company shares in a Blackout Period where the person is in severe financial hardship or where there are exceptional circumstances as set out in this policy.

Severe financial hardship or exceptional circumstances

Directors or Key Management Personnel may be in severe financial hardship if they have a pressing financial commitment that cannot be satisfied other than by selling the shares of the Company. Exceptional circumstances may apply if the person is required by a court order or similar to transfer or sell shares of the Company, or there is some other overriding legal or regulatory requirement to do so.

In the interests of an expedient and informed determination, any application for an exemption allowing the sale of Company shares in a Blackout Period based on financial hardship or exceptional circumstances must be made in writing stating all of the facts and be accompanied by copies of relevant supporting documentation, including contact details of the person's accountant, bank, court or other supporting legal documentation (where applicable).

Any exemption, if issued, will be in writing and shall contain a specified time period during which the sale of shares can be made.

6. ASX notification for Directors

The ASX Listing Rules require the Company to notify the ASX within five business days after any dealing in shares of the Company which results in a change in the relevant interests of a Director in the shares of the Company. The Company has made arrangements with each Director to ensure that the Director promptly discloses to the Company Secretary all the information required by the ASX.

7. Effect of Compliance with this Policy

Compliance with these guidelines for trading in the Company's shares does not absolve any individual from complying with the law, which must be the overriding consideration when trading in the Company's shares.

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