



# SECURITIES TRADING POLICY

Effective: 21 July 2016

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## 1. INTRODUCTION

- 1.1 Securities of the Company are listed on ASX and AIM.
- 1.2 This policy outlines:
  - (a) when Key Management Personnel (**KMP**), Applicable Employees and other Employees may deal in Company Securities;
  - (b) when KMP, Applicable Employees and other Employees may deal in listed securities of another entity (because they may obtain Inside Information about another entity's securities while performing their duties for the Group); and
  - (c) procedures to reduce the risk of insider trading.
- 1.3 This Securities Trading Policy has been prepared to address the requirements of the ASX and AIM Listing Rules which require the Company to provide a framework to KMP, Applicable Employees and Employees when Dealing in Securities of the Company. The Securities Trading Policy has been prepared taking into consideration the following:
  - (a) The size, nature and stage of the development of the Company's projects;
  - (b) obligations under the Corporations Act not to Deal in Company Securities whilst in possession of Inside Information;
  - (c) rights of shareholders under the Constitution of the Company to freely trade their shares; and
  - (d) contractual and statutory rights embedded in the Securities.

## 2. BREACH OF POLICY

- 2.1 A breach of this Policy by an Employee is serious and may lead to disciplinary action, including dismissal in serious cases. It may also be a breach of the law.
- 2.2 Insider trading is a serious matter which is a criminal offence. It is punishable by substantial fines or imprisonment or both.
- 2.3 Insider trading may also attract civil penalties. A court may impose substantial pecuniary penalties for insider trading and order payment of compensation to persons who suffer loss or damage because of insider trading.

## 3. WHEN EMPLOYEES MAY DEAL

An Employee (who is not a KMP or Applicable Employee) may Deal in Company Securities or the Securities of a Transaction Entity if he or she does not have information that he or she knows, or ought reasonably to know, is Inside Information in relation to Company Securities or the Securities of a Transaction Entity.

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### **4. WHEN EMPLOYEES MAY NOT DEAL**

An Employee who is not a KMP or Applicable Employee may not Deal or procure another person to Deal in Company Securities or the Securities of a Transaction Entity if he or she has information that he or she knows, or ought reasonably to know, is Inside Information in relation to Company Securities or the Securities of a Transaction Entity.

### **5. WHEN A KMP OR APPLICABLE EMPLOYEE MAY DEAL**

Subject to the requirements of this Policy (including Closed Periods), a KMP or Applicable Employee may Deal in Company Securities or the Securities of a Transaction Entity if he or she does not have information that he or she knows, or ought reasonably to know, is Inside Information in relation to Company Securities or the Securities of a Transaction Entity.

### **6. WHEN A KMP or APPLICABLE EMPLOYEE MAY NOT DEAL IN COMPANY SECURITIES**

6.1 Subject to Clauses 7 and 8 of this Policy, a KMP or Applicable Employee may not Deal or procure another person to Deal in Company Securities:

- (a) if he or she has information that he or she knows, or ought reasonably to know, is Inside Information in relation to Company Securities;
- (b) during a Closed Period;
- (c) if he or she has information that he or she knows, or ought reasonably to know, has not been announced to the market under ASX Listing Rule 3.1A or in accordance with AIM Listing Rule 11 in relation to Company Securities.

6.2 A KMP or Applicable Employee may not Deal or procure another person to Deal in the Securities of a Transaction Entity if he or she has information that he or she knows, or ought reasonably to know, is Inside Information in relation to the Securities of a Transaction Entity.

6.3 KMP or Applicable Employees are prohibited at all times from Dealing in financial products issued or created over or in respect of the Company's Securities. For the avoidance of doubt this clause does not apply to an option over unissued capital granted by the Company.

6.4 KMP or Applicable Employees are prohibited at all times from entering into margin lending or similar arrangements in respect to Company Securities they hold or in which they have a Relevant Interest.

### **7. EXCLUDED TRADING**

Subject to compliance with AIM Listing Rule 21, this Policy does not prohibit Dealing in the Company's Securities during a Closed Period as outlined in Schedule 2.

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### **8. EXCEPTIONAL CIRCUMSTANCES**

- 8.1 the Approving Officer may give clearance during a Closed Period for a KMP or Applicable Employee to sell (but not buy) Company Securities in Exceptional Circumstances.
- 8.2 The Approving Officer may not give clearance under the exception in clause 8.1 without obtaining permission from AIM.
- 8.3 The Approving Officer may not give clearance under the exception in clause 8.1 if there is a matter about which there is Inside Information in relation to Company Securities (whether or not the KMP or Applicable Employee knows about the matter) when the KMP or Applicable Employee requests clearance or proposes to Deal in Company Securities.
- 8.4 The KMP or Applicable Employee seeking clearance to Deal in the Securities must outline in writing to the Approving Officer the circumstances of their severe financial hardship or as to why their circumstances are otherwise exceptional and that the proposed Dealing in the Securities is the only reasonable course of action available.
- 8.5 The Approving Officer will decide if the Exceptional Circumstances exist.
- 8.6 A list of matters that may constitute Exceptional Circumstances is contained in Schedule 3.

### **9. CLEARANCE FROM THE APPROVING OFFICER**

- 9.1 At least 2 Business Days prior when a KMP or Applicable Employee intends to Deal in Company Securities, the KMP or Applicable Employee must first inform the Approving Officer (and at the same time the Company Secretary) by submitting a completed Securities Trading Request Form (See Schedule 6). If the KMP or Applicable Employee is not able to fax or email a scanned copy of the Securities Trading Request Form, then the KMP or Applicable Employee may send an email with the same information in it to the Approving Officer.
- 9.2 The Approving Officer must approve or reject the Securities Trading Request as soon as practicable (generally within 2 Business Days). The KMP or Applicable Employee must not Deal in Company Securities until it has received the clearance from the Approving Officer.
- 9.3 The Approving Officer may not give clearance if:
- (a) there is a matter about which there is or may be Inside Information in relation to Company Securities (whether or not the KMP or Applicable Employee knows about the matter) when the KMP or Applicable Employee requests clearance or proposes to deal in Company Securities; and
  - (b) the Securities Trading Request form is lodged during a Closed Period;
  - (c) the proposed Dealing is during a Closed Period;
  - (d) the Approving Officer has any other reason to believe that the proposed Dealing breaches this Policy.

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- 9.4 In making a determination under 9.3(a) about the existence of Inside Information the Approving Officer should exercise caution and refuse the clearance if there is any possibility that Inside Information may exist.
- 9.5 Irrespective of any clearances given under this Policy, the Employee or KMP is not to Deal with Company Securities whilst in possession of Inside Information.
- 9.6 The Approving Officer must:
- (a) keep a written record of:
    - (i) any information received from a KMP or Applicable Employee in connection with this Policy; and
    - (ii) any clearance given under this policy, including the duration for which the clearance applies; and
  - (b) send a copy of the written record to the Company Secretary for keeping.
- 9.7 The Company Secretary must keep a file of any written record referred to in clauses 9.1 and 9.6.
- 9.8 For the purposes of this policy, written requests and clearances may include facsimiles and emails and are valid for a period the earlier of:
- (a) 5 Business Days;
  - (b) the Business Day before the Company enters a Closed Period; and
  - (c) the time that the KMP or Applicable Employee comes into possession of Inside Information. .

### **10. DEALINGS IN WHICH A KMP OR APPLICABLE EMPLOYEE HAS A RELEVANT INTEREST**

A KMP or Applicable Employee must prohibit any Dealing in the Company Securities in which the KMP or Applicable Employee has a Relevant Interest while the KMP or Applicable Employee is in possession of Inside Information.

### **11. COMMUNICATING INSIDE INFORMATION**

- 11.1 If an Employee (including a KMP or Applicable Employee) has information that he or she knows, or ought reasonably to know, is Inside Information in relation to Company Securities or the Securities of Transaction Entity, the Employee must not directly or indirectly communicate that information to another person if he or she knows, or ought reasonably to know, that the other person would or would be likely to:
- (a) Deal in Company Securities or the Securities of a Transaction Entity; or
  - (b) procure another person to Deal in Company Securities or the Securities of a Transaction Entity.

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- 11.2 Unless otherwise authorised, an Employee must not inform colleagues (except the Approving Officer) about Inside Information or its details.

### **12. NOTIFICATION OF TRADES IN COMPANY SECURITIES**

KMP or Applicable Employees must notify the Company Secretary of any Dealings in the Company's securities with two business days of such Deal occurring. Initial, ongoing and final notifications will be required which must include the details set out in Schedule 4 to this Securities Trading Policy.

### **13. SPECULATIVE DEALING**

A KMP may not deal in Company Securities on considerations of a short term nature.

### **14. DISTRIBUTION OF POLICY**

The company Secretary must ensure that this policy is distributed to all KMPs and Employees and that all completed Forms of Acknowledgement set out in Schedule 5 are retained in the Company's records.

### **15. ASSISTANCE AND ADDITIONAL INFORMATION**

Employees who are unsure about any information they may have in their possession, and whether they can use that information for Dealing in Company Securities or Securities in a Transaction Entity, should contact the Authorised Officer.

### **16. LIMITING THE ECONOMIC RISK OF EQUITY SCHEMES**

The Company may from time to time offer Employees participation in option schemes and incentive rights in the Company's Securities under their remuneration packages. Employees are prohibited from entering into transactions in associated products (such as derivatives or contracts for differences) which limit the economic risk of participating in unvested entitlements under any such equity based remuneration packages, such as options and employee incentive rights.

### **17. APPROVED AND ADOPTED**

This policy was approved and adopted by the board on 14 July 2015.

### Schedule 1 – Defined Terms

In this policy:

**AIM** means the Alternative Investment Market operated by the London Stock Exchange.

**AIM Listing Rule** means a listing rule of AIM.

**Applicable Employee** means an Employee who is likely to be in possession of Inside Information in relation to the Company irrespective of his or her holding or interest in the Company.

**Approving Officer** means:

- (a) for a KMP who is not a Director, the chief executive officer;
- (b) for a Director (except the chairman of the board), the chairman of the board; and
- (c) for the chairman of the board, any other two Directors.

**ASX** means ASX Limited (ABN 98 008 624 691) and where the context permits, the Australian Securities Exchange operated by ASX Limited.

**Business Day** means any day of the week other than a Saturday, Sunday or Public Holiday ASX Limited (ABN 98 008 624 691) and where the context permits, the Australian Securities Exchange operated by ASX Limited.

**Closed Period** means:

- (a) during the 10 Business Day period prior to the expected release of results of technical studies, including but not limited to:
  - (i) scoping study;
  - (ii) pre-feasibility study;
  - (iii) feasibility study; or
  - (iv) other detailed technical study; or
- (b) during the 5 Business Day period prior to the expected release of:
  - (i) any scheduled announcement containing Inside Information;
  - (ii) exploration results;
  - (iii) production results;
  - (iv) a capital raising (except participation by a KMP in the capital raising itself) by the Company;

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- (v) a target statement for a takeover offer for Securities in the Company;  
or
- (vi) a bidder's statement for the issue of Securities in the Company; or
- (c) the period of one month immediately preceding the preliminary announcement of the Company's annual results; or
- (d) the period of one month immediately preceding the announcement of the half yearly report or, if shorter, the period from the relevant financial period and up to and including such publication; or
- (e) the period of one month immediately preceding the announcement of the quarterly cashflow reports or, if shorter, the period from the relevant financial period end up to and including the time of the announcement; or
- (f) any period when the Company is in possession of Inside Information.

**Company** means Global Petroleum Limited (ACN 064 120 896).

**Company Securities** means all Securities in the Company or a Group member whether or not listed or traded on the ASX, AIM or other financial market in Australia or the United Kingdom (including financial products issued or created over or in respect of the Company's Securities).

**Corporations Act** means the Corporations Act 2001 (Australia).

**Deal** includes acquiring, disposing of, subscribing for or entering into an agreement to acquire, dispose of or subscribe for, and Dealing has a corresponding meaning. This includes deals between Directors and KMPs, off-market deals and transfers for no consideration.

**Director** means a director of the Company or a person who acts as a director of the Company whether or not officially appointed to such position and for the purposes of this policy includes a Director's Family.

**Employee** means any employee or consultant of the Company.

**Exceptional Circumstance** has the meaning outlined in Schedule 3.

**Family** means in relation to any person, his or her spouse or civil partner and any child where such child is under the age of eighteen years. It includes any trust in which such individuals are trustees or beneficiaries and any company over which they have control or more than 20% of its equity or voting rights (excluding treasury shares) in a general meeting. It excludes any employee share or pension scheme where such individuals are beneficiaries rather than trustees.

**Generally available information** is information that is:

- (a) is readily observable;
- (g) has been made known in a manner likely to bring it to the attention of persons who commonly invest in securities of the relevant type and a reasonable

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period for that information to be disseminated has elapsed since it was made known; or

- (h) consists of deductions, conclusions or inferences made or drawn from information falling under paragraphs (a) or (b).

**Group** means the Company and each of its controlled entities.

**Inside Information** means information that 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 Company's Securities (and includes unpublished price sensitive information, as defined in the AIM Listing Rules). For the purposes of this Policy, Inside Information generally includes, but is not limited to:

- (a) material exploration results;
- (b) resource estimates or deposit targets;
- (i) results of technical studies (including, but not limited to, scoping, pre-feasibility and feasibility studies);
- (j) sales and production figures;
- (k) profit and production forecasts;
- (l) material borrowings or material changes to terms of existing borrowings;
- (m) material changes to liquidity and material cash flow information;
- (n) significant changes in operations;
- (o) significant litigation;
- (p) impending mergers, joint ventures, acquisitions, restructures, takeovers;
- (q) major asset purchases or sales; and
- (r) material new products and technology.

**Insider Trading** in relation to this Policy means if a person has information about securities and the person knows, or ought reasonably to know, that the information is Inside Information, the person is prohibited from:

- (a) Dealing in the securities;
- (b) procuring another person to Deal in the securities; or
- (c) giving the information to another person who the person knows, or ought reasonably to know, is likely to:
  - (i) Deal in the securities; or
  - (ii) procure someone else to Deal in the securities.



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**Key Management Personnel** or **KMP** means those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including:

- (a) any Director (whether executive or otherwise) of the Company,
- (b) the Chief Executive Officer;
- (c) Chief Financial Officer;
- (d) Company Secretary of the Company;
- (e) a Vice President;
- (f) country managers; and
- (g) a Business Unit Manager.

For the purposes of this Policy, information is taken to be **Material** or will have a **Material Effect** if the information would, or would be likely to, influence persons who commonly acquire securities in deciding whether or not to acquire or dispose of the Company's Securities.

**Relevant Interest** A person has a Relevant Interest in securities if they:

- (a) are the holder of the securities; or
- (s) have power to exercise, or control the exercise of, a right to vote attached to the securities; or
- (t) have power to dispose of, or control the exercise of a power to dispose of, the securities.

**Security** includes shares, debentures, rights, options, employee options, prescribed interests and warrants and Securities has a corresponding meaning.

**Transaction Entity** means an entity which the Company has business dealings which is listed on the ASX or any other financial market in Australia.

### Schedule 2 – Exclusions From The Securities Trading Policy

Dealing excluded from the operation of Policy include:

- (a) transfers of Securities already held into a superannuation fund or other saving scheme in which the KMP is a beneficiary;
- (b) transfers of Securities where there is no change in beneficial ownership;
- (c) 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;
- (d) where a KMP is a trustee, trading in Securities by that trust provided the KMP is not a beneficiary of the trust and any decision to trade during a Closed Period is taken by the other trustees or by the investment managers independently of the KMP;
- (e) undertakings to accept, or acceptance of, a takeover offer;
- (f) 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 an equal access buy-back or other offer (including an offer of shares in lieu of a cash dividend), 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 or allowing the entitlements to lapse;
- (g) selling enough entitlements nil-paid to allow take up of the balance of the entitlements under a rights issue;
- (h) the exercise (but not the sale of securities following exercise) of an option or a right under an employee incentive scheme, or the conversion of a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a Closed Period; and
- (i) trading under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in the trading policy and where:
  - (i) the KMP did not enter into the plan or amend the plan during a Closed Period;
  - (ii) the trading plan does not permit the KMP to exercise any influence or discretion over how, when, or whether to trade; and
  - (iii) the entity's trading policy does not allow for the cancellation of a trading plan during a Closed Period other than in exceptional circumstances.
- (j) the issue or grant of Company Securities by the Company to a KMP where shareholder approval for the issue of the Company Securities has been

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obtained and if Inside Information exists both the Company and KMP are fully aware of the Inside Information.

**Schedule 3 – Exceptional Circumstances**

For the purposes of this Policy, Exceptional Circumstances include:

- (a) severe financial hardship whereby the Employee has a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant Securities.

For example, a tax liability of an Employee would not normally constitute severe financial hardship unless the person has no other means of satisfying the liability. A tax liability relating to Securities received under an employee incentive scheme would also not normally constitute severe financial hardship or otherwise be considered an Exceptional Circumstance.

- (b) The Employee is required by a court order, or there are court enforceable undertakings, for example, in a bona fide family settlement, to transfer or sell the securities of the entity or there is some other overriding legal or regulatory requirement for him or her to do so.
- (c) An unforeseen circumstance that is considered by the Board to be consistent with the objectives of this Policy.

### Schedule 4 – Notification Requirements

#### Initial disclosure

1. The KMP will provide the following information as at the date of appointment.
  - (a) details of all Company Securities registered in the KMP's name. These details include the number and class of the Company Securities;
  - (b) details of all Company Securities not registered in the KMP's name but in which the KMP has a Relevant Interest. These details include the number and class of the Company Securities, the name of the registered holder and the circumstances giving rise to the Relevant Interest; and
  - (c) details of all contracts (other than contracts to which the Company is a party) to which the KMP is a party or under which the KMP is entitled to a benefit, and that confer a right to call for or deliver shares in, debentures of, or interests in a managed investment scheme made available by, the Company or a related body corporate. These details include the number and class of shares, debentures or interests, the name of the registered holder if the shares, debentures or interests have been issued and the nature of the KMP's interest under contract.
2. The KMP will provide the required information as soon as reasonably possible after the date of appointment and in any event not later than two Business Days after the date KMP's date of appointment.

#### Ongoing disclosure

3. The KMP will provide the following information.
  - (a) details of changes in Company Securities registered in the KMP's name other than changes occurring as a result of corporate actions by the Company. These details include the date of the change, the number and class of the Company Securities held before and after the change, and the nature of the change, for example on-market transfer. The KMP will also provide details of the consideration payable in connection with the change, or if a market consideration is not payable, the value of the Company Securities the subject of the change;
  - (b) details of changes in Company Securities not registered in the KMP's name but in which the KMP has a Relevant Interest. These details shall include the date of the change, the number and class of the Company Securities held before and after the change, the name of the registered holder before and after the change, and the circumstances giving rise to the Relevant Interest. The KMP will also provide details of the consideration payable in connection with the change, or if a market consideration is not payable, the value of the Company Securities the subject of the change; and
  - (c) details of all changes to contracts (other than contracts to which the Company is a party) to which the KMP is a party or under which the KMP is entitled to a benefit, and that confer a right to call for or deliver shares in, debentures of, or interests in a managed investment scheme made available by, the Company

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or a related body corporate. These details include the date of the change, the number and class of the shares, debentures or interests to which the interest relates before and after the change, the name of the registered holder if the shares, debentures or interests have been issued, and the nature of the KMP's interests under the contract.

4. The KMP will provide the required information as soon as reasonably possible after the date of the change and in any event no later than two Business Days after the date of the change.

### **Final disclosure**

5. The KMP will provide the following information as at the date of ceasing to be a KMP.
  - (a) details of all Company Securities registered in the KMP's name. These details include the number and class of the Securities;
  - (b) details of all Company Securities not registered in the KMP's name but in which the KMP has a Relevant Interest. These details include the number and class of the Company Securities, the name of the registered holder and the circumstances giving rise to the Relevant Interest; and
  - (c) details of all contracts (other than contracts to which the Company is a party) to which the KMP is a party or under which the KMP is entitled to a benefit, and that confer a right to call for or delivery shares in, debentures of, or interests in a managed investment scheme made available by, the Company or a related body corporate. These details include the number and class of the shares, debentures or interests, the name of the registered holder if the shares debentures or interests have been issued and the nature of the interest under the contract.
6. The KMP will provide the required information as soon as reasonably possible after the date of ceasing to be a KMP and in any event no later than two Business Days after the date of ceasing to be a KMP.

**Schedule 5 - Form of Acknowledgement by Employee**

- (a) I have read and understood the document titled "Securities Trading Policy" of the Global Group (the **Securities Trading Policy**).
- (b) I agree to be bound by, and to comply with, the Securities Trading Policy.
- (c) I acknowledge and agree that the Securities Trading Policy forms part of the terms of my appointment as an employee/director/consultant of the Global Group.

Signature: .....

Name: .....

Date: .....

*To be returned to the Company Secretary on completion.*

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### Schedule 6 - Securities Trading Request

In accordance with the Securities Trading Policy of the Global Group, before dealing in any Company Securities you are required to obtain clearance.

Please forward this request to Approving Officer by fax no. + 61 8 9322 6558 or scan then by email to [global.info@globalpetroleum.com.au](mailto:global.info@globalpetroleum.com.au).

Name: \_\_\_\_\_

Position: \_\_\_\_\_

Location: \_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

I request permission to trade the following Securities which are currently held / proposed to be held by myself personally and/or other parties with whom I have a Relevant Interest as follows:

Registered Name of Security Holder	Type of Company Security	Number of Company Securities	Buy/Sell

I confirm that:

- a. it is not a Closed Period;
- b. I am not in possession of Inside Information;
- c. I will not deal in the above Company Securities until I am notified that clearance is approved; and
- d. I may be refused permission to deal without explanation.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

This form is valid for a period of 5 Business Days from the date of approval. After this time, clearance will lapse and a further request will need to be completed. This form will be returned to you with the period of validation completed if approval has been granted.

\_\_\_\_\_  
*For completion by the Approving Officer:*

Approval for the above dealing has been *cleared for a period of 5 Business Days / refused* (Approving Officer to delete one).

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

Name of Approving Officer: \_\_\_\_\_