



MEO Australia Limited

ABN 43 066 447 952

Level 17
500 Collins Street
Melbourne Victoria 3000 Australia

Tel: (+61 3) 8625 6000
Fax: (+61 3) 9614 0660
Email: admin@meoaustralia.com.au
Website: www.meoaustralia.com.au

POLICY FOR DEALING IN SECURITIES OF MEO AUSTRALIA LIMITED

APPROVED BY THE BOARD – DECEMBER 2010

1. Introduction

The purpose of this policy is to set out the guidelines and restrictions on dealing in the securities of MEO Australia Limited by people who work for, or are associated with the Company. The policy is designed to ensure that Designated Officers understand the periods and processes to allow trades in the Company's securities thereby ensuring they do not abuse, and do not place themselves under suspicion of abusing, inside information that they may be thought to have. The Policy is in addition to and does **not** override the requirement for Designated Officers to comply with relevant sections of the Corporations Act 2001 that relate to Insider Trading and Inside Information.

2. Who is covered by the Policy?

The policy applies to the following Designated Officers:-

(i) all members of the Board, Company Secretary, and all employees;

and

(ii) consultants/contractors from time to time to whom the Board, on the advice of the Managing Director, considers the trading policy should apply. The Managing Director is responsible for ensuring the trading policy forms part of relevant contractual arrangements with those consultants/contractors to whom the Board has decided the policy should apply.

3. Statement of Policy

A Designated Officer must not deal in any MEO Australia Limited securities without obtaining clearance to deal in advance in accordance with paragraph 4 below.

4. Clearance to deal

- (a) A Designated Officer must not deal in any MEO Australia Limited securities without first notifying and receiving written clearance to deal from the Company Secretary. In the case of directors, the Company Secretary will notify the Managing Director and then obtain approval from the Chairman prior to giving written clearance. For all other Designated Officers, the Company Secretary will obtain approval from the Managing Director prior to giving written clearance.
- (b) The Chairman of the Board must not deal in any MEO Australia Limited securities without first notifying and receiving written clearance to deal from the Company Secretary. The Company Secretary will notify the Managing Director and then obtain approval from the Chairman of the Audit Committee prior to giving written clearance.
- (c) The Managing Director must not deal in any MEO Australia Limited securities without first notifying and receiving written clearance to deal from the Chairman.
- (d) The Company Secretary must not deal in any MEO Australia Limited securities without first notifying and receiving written clearance to deal from the Managing Director.
- (e) A response to a request for clearance to deal must be given to the relevant Designated Officer in writing as soon as possible, in any case within two business days of the request being made.
- (f) MEO Australia Limited must maintain a record of the response to any dealing request made by a Designated Officer and of any clearance given. A copy of the response and clearance (if any) must be given to the Designated Officer concerned. The Company Secretary will be responsible for maintaining a central file for all authorisations. Authorisations given by the Managing Director will be forwarded to the Company Secretary for filing.
- (g) If a Designated Officer who has been given clearance to deal in accordance with (d) above chooses to deal, then he must do so as soon as possible and in any event within ten business days of clearance being received. It should be noted that in the event of any new inside information emerging in this period then any consent received may be withdrawn and, once withdrawn, any further dealings in MEO securities by the relevant Designated Officer must cease.

5. Circumstances for refusal

A Designated Officer must not be given clearance to deal in any MEO Australia securities during a Prohibited Period (see Section 10 for definition of Prohibited Period and Section 9 for examples of what constitute Prohibited Periods).

6. Dealings not subject to the provisions of this Policy

The following dealings are not subject to the provisions of these Rules:

- (a) undertakings or elections to take up entitlements under a rights issue or other similar offer;
- (b) the take up of entitlements under a rights issue or other offer;
- (c) allowing entitlements to lapse under a rights issue or other offer;
- (d) undertakings to accept, or the acceptance of, a takeover offer;
- (e) dealings in circumstances where the disclosable beneficial interest in the relevant security of the company as held by the Designated Officer does not change;
- (f) exercise of options under a share option scheme;
- (g) transactions conducted between a person discharging managerial responsibilities and their spouse, child or step-child;

7. Awards of securities and options

The grant of options by the Board of Directors under an employees' share scheme to individuals who are not Designated Officers may be permitted during a Prohibited Period if such grant could not reasonably be made at another time and failure to make the grant would be likely to indicate that the company was in a Prohibited Period.

The award by the Company of securities, the grant of options and the grant of rights (or other interests) to acquire MEO Australia Limited securities to Designated Officers is permitted in a Prohibited Period if:

(a) the award or grant is made under the terms of an employees' share scheme and the scheme was not introduced or amended during the relevant Prohibited Period; and

(b) either:

(i) the terms of such employees' share scheme set out the timing of the award or grant and such terms have either previously been approved by shareholders or summarised or described in a document sent to shareholders, or

(ii) the timing of the award or grant is in accordance with the timing of previous awards or grants under the scheme; and

(c) the terms of the employees' share scheme set out the amount or value of the award or grant or the basis on which the amount or value of the award or grant is calculated and do not allow the exercise of discretion; and

(d) the failure to make the award or grant would be likely to indicate that the company is in a Prohibited Period.

8. Exercise of options/ Dealing in Options

The exercise of options is permitted pursuant to paragraph 6 above, however the sale of shares, if any, arising from the exercise of the options will follow the procedure set down in Paragraph 4 above.

The sale of, or dealing in MEO options (MEO options are included under the definition of **MEO Australia Limited securities** in Paragraph 10 below) is subject to the procedures set down in Paragraph 4 "Clearance to Deal".

9. Frequently Asked Questions

How will I know about periods during which dealings are not allowed?

=> Prohibited Periods: Any period when there exists any matter which constitutes inside information in relation to MEO Australia.

If you are a Designated Officer you must seek to prohibit any dealings in MEO Australia Limited securities during a Prohibited Period by or on behalf of your connected persons.

What are examples of Insider Information?

The following list is **illustrative** only. Inside information about MEO Australia may include:

- information relating to MEO's financial results;
- merger or takeover discussions;
- the company actively considering the acquisition or disposal of an interest in a major project;
- a possible change in MEO's capital structure (for example, a capital reduction or a buy back of shares);
- a proposed dividend;
- a proposed share issue;
- board or senior management changes;
- an event which could have a material impact (either positively or negatively) on profits (for example, an operational incident or drilling exploration results)
- a proposed change in the nature of MEO's business;
- a notification to ASX Limited of a substantial shareholding in MEO;
- any information required to be disclosed to ASX under continuous disclosure rules (for example, an operational incident or successful drilling exploration results); and
- any possible claim against MEO or other unexpected liability

10. Definitions

In these rules the following definitions apply unless the context requires otherwise:

- (a) "business day(s)" means any day which is not a Saturday or Sunday, Christmas Day, Good Friday or a bank holiday in Australia.

- (b) "Closed Period" means
- the period of 30 days immediately preceding the announcement of MEO's full year results and MEO's half year results or, if shorter, the period between the end of MEO's financial year and the announcement of the full year results, and, the period between the end of MEO's half year and the announcement of the half year results.
- (c) "connected person" means in relation to a Designated Officer:
- a spouse or partner;
 - a child or step child under the age of 18;
 - business partners of the Designated Officer;
 - companies in which the Designated Officer is a director or a senior executive;
 - companies with which the Designated Officer is associated by he and/or his connected persons holding at least 20% of the voting power at any general meeting;
 - and
 - a trustee where the beneficiaries of the trust include the Designated Officer or his spouse, partner or child or step child under the age of 18.
- (d) "dealing" includes:
- (i) any acquisition or disposal of, or agreement to acquire or dispose of any MEO Australia Limited securities;
 - (ii) entering into a contract (including a contract for difference) the purpose of which is to secure a profit or avoid a loss by reference to fluctuations in price of any MEO securities;
 - (iii) the grant, acceptance, acquisition, disposal, exercise or discharge of any option (whether for the call, or put or both) to acquire or dispose of any MEO Australia Limited securities;
 - (iv) entering into, or terminating, assigning or novating any stock lending agreement in respect of any MEO Australia Limited securities;
 - (v) using as security, or otherwise granting a charge, lien or other encumbrance over MEO Australia Limited securities unless the holder of the charge, lien or other encumbrance acknowledges and agrees that it cannot exercise its rights under the charge, lien or other encumbrance except in accordance with this policy;
 - (vi) any transaction, including a transfer for nil consideration, or the exercise of any power or discretion effecting a change of ownership of a beneficial interest in MEO Australia Limited securities; or
 - (vii) any other right or obligation, present or future, conditional or unconditional, to acquire or dispose of any MEO Australia Limited securities;

- (d) "Designated Officer" means and includes:-
- (i) all members of the Board, Company Secretary, and all employees;
 - (ii) A connected person of a Designated Officer;
- and
- (iii) consultants/contractors from time to time to whom the Board, on the advice of the Managing Director, considers the trading policy should apply. The Managing Director is responsible for ensuring the trading policy forms part of relevant contractual arrangements with those consultants/contractors to whom the board has decided the policy should apply.
- (e) "inside information" as defined in Section 1042A of the Corporations Act 2001 means information which:
- (i) is not generally available; and
 - (ii) if made generally available, would be likely to have a significant effect on the price of MEO Australia Limited's securities;
- (f) "Prohibited Period" means any Closed Period or any additional period when there exists any matter which constitutes inside information in relation to the Company;
- (g) "MEO Australia Limited securities" means any publicly traded or quoted securities of MEO Australia Limited or any securities that are convertible into such securities (e.g. share options).