

## COMET RIDGE LIMITED

### POLICY FOR TRADING IN COMPANY SECURITIES

#### 1. Introduction

The Comet Ridge Limited (“the Company”) “Policy for Trading in Company Securities” or “Share Trading Policy” regulates dealings by the Company’s Directors, Officers, Consultants and members of the senior management and other employees in shares, options and other securities issued by the Company, with the objective that no Director, Officer Consultant, or member of the senior management and or an employee will contravene the requirements of the Corporations Act or the ASX Listing Rules.

#### 2. Purpose

The purpose of this Policy is to ensure that the Company’s Directors, Officers, Consultants, members of the senior management and other employees are aware of the legal restrictions on trading shares, options or other securities while such a person is in possession of unpublished price-sensitive information concerning the Company.

Additionally the Policy is intended to minimise the chance that misunderstandings or suspicions arise that the Company’s Directors, Officers, Consultants, members of senior management and other employees are trading shares, options or other securities while in possession of unpublished price-sensitive information.

The Policy recognises it is illegal for a person to trade in company securities when he / she possesses unpublished price-sensitive information concerning the Company. This is regardless of whether the terms of this Policy have been complied with.

#### 3. Insider Trading

Insider trading is the practice of dealing in a Company’s securities (i.e. shares or options) by a person with some connection with the Company (e.g. an employee) in possession of information generally not available to the public, but maybe relevant to the value of the Company’s securities (i.e. unpublished price-sensitive information).

It may also include the passing on of this information to another. Legally, insider trading is an offence which carries severe penalties including imprisonment.

#### 4. Restrictions on Trading

Consistent with the legal prohibitions on insider trading, all of the Company’s Directors, Officers, Consultants, members of senior management and other employees are prohibited from trading in the Company’s shares, options or other securities while in possession of unpublished price-sensitive information concerning the Company or any of its subsidiaries.

The Company's price-sensitive information is information which a reasonable person would expect to have a material effect on the price or value of the shares, options or other securities in the Company.

It is assumed for the purpose of this Policy, that the Company's Directors, Officers, Consultants, members of senior management and other employees are often in possession of price-sensitive information by virtue of their position.

Accordingly, trading the Company's shares, options or other securities by Directors, Officers, Consultants, members of senior management and other employees who maybe in the possession of price-sensitive information, are prohibited from trading in the Company's securities in the following circumstances:-

- (a) If in possession of price-sensitive information; *or*
- (b) During any period when the Board prescribes a period when no trading in the Company's securities by its Directors, Officers, Consultants, members of senior management or other employees, are to occur ("blackout period"). A blackout period may be nominated by the Board at anytime, notice of which is to be circulated.

These requirements imposed by this Policy are separate from and additional to, the legal prohibitions contained in the Corporations Act dealing with insider trading.

## **5. Employee or Executive Options**

The insider trading restrictions and black-out periods will not usually apply to the exercise of employee or executive options. Dependent on the circumstances at the time, any potential application of the provisions of this Policy will be advised in response to a notice to exercise options.

This Policy does apply however to any sale of Company securities acquired on the exercise of options, including sales as part of a Broker assisted cashless exercise of an option, or any other market sale for the purposes of generating the consideration needed to pay the exercise price of an option.

Hedging practices including put/call arrangements over "in the money" options to hedge against a future drop in share price are specifically prohibited. The Board considers such hedging to be against the spirit of a share option plan and inconsistent with shareholder objectives.

## **6. Associated Entities**

Directors, Officers, Consultants, members of senior management and other employees are prohibited from dealing in the securities of outside companies about which they may gain price-sensitive information by virtue of their position with the Company. This includes trading in securities of Joint Venture Partners, customers and suppliers, where price-sensitive information in relation to these entities is held.

**7. Prior Approval Required**

Directors must not deal in the securities in the Company without first seeking and obtaining a written acknowledgement from the Chairman of the Company (or in his absence the Company Secretary) prior to any trade, at which time they must confirm that they are not in possession of any unpublished price-sensitive information. For clarity the Chairman is required to seek written acknowledgement from the Company Secretary and vice versa.

Officers, Consultants, members of senior management and other employees must not deal in the securities of the Company without first seeking and obtaining a written acknowledgement from the Company Secretary (or in his absence the Managing Director), prior to any trade at which time they must confirm that they are not in possession of any unpublished price-sensitive information.

Any Director, Officer, Consultant, member of senior management or other employee seeking permission to trade in the Company's securities shall make application for written acknowledgement to do so in the form of the annexed application or such form as the Board may from time to time prescribe.

If for any reason the trade or transaction does not proceed the Company's representative is to be advised.

**8. Record of Transactions**

The Company Secretary is to maintain a register of notifications and acknowledgements given in relation to trading in the Company's securities including copies of the applications in the form of the notice **annexed** to this Policy.

**This policy was adopted by the Board on 1 September 2009**



.....  
**Chairman**



**APPLICATION FOR CONSENT TO TRADE  
IN THE SECURITIES OF COMET RIDGE LIMITED  
OR A RELATED ENTITY**

Name of Applicant:.....

**Details of Securities Transaction**

Company Name: .....

Type of Securities: .....

Name of Entity  
Acquiring Securities: .....

Proposed Number  
of Securities: .....

Nature of Applicant's  
Interest in Acquiring Entity: .....

Type of Transaction: .....

-----

I, the Applicant, confirm that as far as I am aware, I am not in possession of any unpublished price-sensitive information in relation to Comet Ridge Limited, its subsidiaries or related companies.

If this should change before the security transaction detailed above is completed, I undertake not to proceed with the same.

.....  
Signed by the Applicant

.....  
Dated

Permission to trade in the company's securities is given on the basis that the transaction is completed by no late than the close of business on \_\_\_\_\_ .

.....  
Signed by  
Chairman / Company Secretary / Managing Director

.....  
Dated