

Securities Trading Policy and Procedure Guidelines

In order to ensure compliance with the TTSE's rules on listed company disclosure and to maintain integrity and confidence in the stock market the Exchange strongly recommends that listed companies implement securities trading policies and procedures.

Please consider the following when developing your policies and procedures

1. Use of price sensitive information
 - a. Insider trading is the improper trading in securities on the basis of price sensitive information that is not generally available to others.
 - b. Information will be regarded as price sensitive where a reasonable person would expect the information to have a *material effect* on the price or value of the securities.
 - c. A material effect on price or value exists where the information is likely to influence people who commonly invest in securities in deciding whether to subscribe for, buy or sell those securities.
 - d. If Directors, Senior Officers and their connected persons have actual or imputed knowledge about securities that is price sensitive and is not generally available then they must not:
 - buy or sell those securities
 - recommend or suggest to others that they buy or sell those securities
 - communicate the information to another person you know would be likely to use the information to buy or sell securities.
2. Liability
 - a. Insider trading can lead to individual liability as well as damage to the reputation of a listed company.
 - b. In light of this, it may be useful to require prior approval for trading activity by Directors, Senior Officers and their connected persons.
 - c. The decision on whether to approve trading by these individuals may be made by either the Chairman of the Board, or the Company Secretary, or a Committee of the Board or the entire Board. This policy will ensure that the Board is aware of and comfortable with the actions of its Directors, Senior Officers and their connected persons with respect to trading in its shares.
 - d. The policy and procedures should clearly outline the process for notification of trading and identify the person or group of persons to whom all requests for approval to trade and notification of trading should be submitted.
 - e. This process should take into consideration the requirement for the Exchange to be notified of such trades within (5) business days of its execution
 - f. It is advisable that all Directors, Senior Officers and their connected persons trading activity be reported at Board meetings.
3. A reasonable period
 - a. Before information can be considered to be generally available, a reasonable period of time must have elapsed after the information was first made public with the Company's shareholders and the investing public being afforded the time to receive the information and act upon it.
 - b. As a general rule, you should not engage in any *transactions until at least one full business day after material information has been released.*
4. In hindsight
 - a. Remember, if a transaction becomes the subject of scrutiny, it will be viewed after-the-fact with the benefit of hindsight. As a result, before engaging in any transaction careful consideration should be given to how regulators and others might view your transaction in hindsight.
5. Accidental disclosure

- a. If material nonpublic information is inadvertently disclosed, no matter what the circumstances, by any Company director, senior officer, and their connected persons, the person making or discovering that disclosure should immediately report the facts to the Company Secretary.