Blue Sky Alternative Investments Limited

ACN 136 866 236

Share Trading Policy

Approved and adopted by the Board on 23 September 2011, effective 6 October 2011

This Policy was reviewed and adopted by the Board on 25 September 2017
Unless the context requires otherwise, terms used in this Policy have the meaning given in paragraph 15.

1. Introduction

1.1 The Blue Sky Alternative Investments Limited (‘Company’) is a public company which is listed on the ASX.

1.2 This document sets out the Company’s policy (‘Policy’) regarding trading in Securities by Relevant Persons. This Policy is separate from and additional to the legal constraints imposed by the common law, the Act and the ASX Listing Rules.

1.3 Overall responsibility for this Policy rests with the Board, which has an obligation to ensure that trading in Securities is conducted in a manner that is responsible and meets all compliance requirements.

2. Policy

2.1 The fundamental principle of the Policy is that Directors, Executive Officers and Employees are not permitted to trade in Securities while in possession of Unpublished Price Sensitive Information in order to ensure compliance with the insider trading provisions of the Act.

2.2 In addition, this Policy applies to advisers, contractors and consultants who may obtain Unpublished Price Sensitive Information in relation to the Company.

2.3 Insider trading occurs when a person trades in a company's securities while the person is in possession of Unpublished Price Sensitive Information. This extends to passing on Unpublished Price Sensitive Information to family, friends or other persons who may use that information to trade in the company's securities.

2.4 The penalty for breach of the insider trading provisions of the Act includes fines and, in some circumstances, a jail term. Breaches of this Policy may also be subject to disciplinary action, which could include termination of employment.

2.5 It is the responsibility of the individual to ensure they do not Trade or provide relevant information or advice to third parties while in possession of Unpublished Price Sensitive Information. This responsibility remains with the individual and cannot be varied or absolved by seeking to rely on statements by any Executive Officer or Director of the Company.

3. Directors and Executive Officers

3.1 Trade during Closed Period

Directors and Executive Officers are not permitted to Trade in Securities during the Closed Period unless:

3.1.1 exceptional circumstances exist; and

3.1.2 the Director or Executive Officer has received Prior Written Clearance. In this context, exceptional circumstances include any financial hardship, compulsion by court order or any other circumstance that is deemed exceptional by the Chairperson, the Managing Director or the Company Secretary.
3.2 Trade outside of Closed Period

Directors and Executive Officers may Trade in Securities outside of the Closed Period provided they have Prior Written Clearance.

3.3 Prior Written Clearance

3.3.1 To obtain Prior Written Clearance, the requesting Director or Executive Officer must lodge a No Objection Request with the Company Secretary, confirming that the Director or Executive Officer is not in possession of any Unpublished Price Sensitive Information.

3.3.2 The Company Secretary, after consultation with the Chairperson and Managing Director may give Prior Written Clearance if satisfied that the applicant is not in possession of any Unpublished Price Sensitive Information.

3.3.3 The Company Secretary will advise all Directors that Prior Written Clearance has been given at the time of approval.

3.3.4 Directors and Executive Officers may Trade in Securities from the time Prior Written Clearance has been given to them but only until the earlier of:

(a) 10 business days after receiving Prior Written Clearance;

(b) the date the Director or Executive Officer becomes aware of Unpublished Price Sensitive Information; or

(c) the date the Prior Written Clearance is withdrawn by the Company.

4. Employees

Employees are expected to comply with the law. Employees shall comply with the rules set out in this Policy in regard to ‘insider trading’ but do not need to apply for Prior Written Clearance.

5. Directors, Executive Officers and Employees – General Restrictions on Trading

The following general restrictions on the ability of Directors, Executive Officers and Employees to Trade in Securities apply, notwithstanding the above:

5.1 Relevant Persons are prohibited from Trading in Securities at any time if they are aware of any Unpublished Price Sensitive Information.

5.2 Relevant Persons shall in all circumstances be prohibited from:

5.2.1 ‘short-selling’ the Securities (or an interest in Securities) - that is selling Securities, or an interest in Securities, beyond the level of his or her holdings;

5.2.2 trading in Securities which operate to limit the economic risk associated with an Employee’s holding of unvested Securities which are to be issued, subject to the Employee having satisfied certain performance conditions, under any employee share, performance rights or similar plan; or
5.2.3 trading in Securities which enable an Employee to profit from a decrease in the market price of Securities.

The responsibility for trading in Securities remains with the individual at all times.

6. Exclusions from Policy

The following dealings are not subject to the provisions of this Policy and therefore do not require Prior Written Clearance:

6.1 transfers of Securities already held by Relevant Persons into a superannuation fund or other savings scheme in which the Relevant Person is a beneficiary;

6.2 an investment in, or trading in units or shares of, a fund, company or other scheme or arrangement (other than a scheme only investing in Securities) where the assets of the fund, company or other scheme are invested at the discretion of a third party;

6.3 where a Relevant Person is a trustee, trading in Securities by that trust provided the Relevant Person is not a beneficiary of the trust and any decisions to trade during a closed or other prohibited period is taken by the other trustees or by the investment managers independently of the Relevant Person;

6.4 undertakings to accept, or the acceptance of, a takeover offer;

6.5 accepting an offer or invitation made to all or some of the Security holders, such as a rights issue, a share purchase plan, a dividend reinvestment plan, an equal access share buy-back and an employee share plan, 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 or sell the entitlements of a renounceable pro-rata issue;

6.6 bona fide gifts of Securities to a Relevant Person by a third party or a transfer to a Relevant Person under the terms of a will;

6.7 where the beneficial interest in the Securities does not change;

6.8 transactions conducted between a Relevant Person and their spouse, civil partner, child, step-child, or other close family member;

6.9 disposal of Securities by a secured lender under a loan agreement secured by the Securities;

6.10 vesting and exercise of an option or right as a result of meeting performance hurdles under an employee incentive share scheme or performance rights plan or vesting and exercise of rights under the Company’s Sacrifice Share Acquisition Plan (but not the sale of shares following the exercise of the option or right).

7. Margin loans

7.1 A Director or Executive Officer must advise the Company Secretary if they are intending to take out a margin loan and use Securities as collateral.

7.2 If such an arrangement involves a material number of Securities, the Company may be required or may otherwise decide to notify the ASX of the arrangement.
8. **Related Persons**

Individuals to whom this Policy applies must not trade through any member of their family, or through a trust, company, fund or other related party over which they have influence or in circumstances where they would have been prohibited under this Policy or laws from trading in their name.

9. **Trustees**

Where an individual to whom this Policy applies is acting as a trustee, dealing in Securities by that trust is permitted only where:

9.1 that person is not a beneficiary of the trust; and

9.2 the decision to deal is taken by the other trustees or by investment managers on behalf of the trustees independent of that person to whom this Policy applies.

10. **Notification of Trade in Company Securities**

Directors must notify the Company Secretary of any Trade in Securities within two days of such trade occurring so that the Company Secretary can comply with the ASX Listing Rule 3.19A requirement to notify the ASX of any change in a notifiable interest held by a Director.

11. **Distribution of Policy**

This Policy must be distributed to all Relevant Persons.

12. **Assistance and additional information**

Relevant Persons who are unsure about any information they may have in their possession, and whether they can use that information for dealing in Securities, should contact the Company Secretary.

13. **Policy review**

This Policy will be reviewed at least annually to ensure effectiveness and that its continued application and relevance to the Company's business.

14. **ASX Listing Rule compliance**

This Policy complies with ASX Listing Rules 12.9, 12.10 and 12.12.

15. **Defined Terms**

In this Policy:

15.1 ‘Act’ means the *Corporations Act 2001* (Cth).

15.2 ‘ASX’ means the Australian Securities Exchange.

15.3 ‘ASX Listing Rules’ means the listing rules issued by the ASX.

15.4 ‘Chairperson’ means the Chairperson of the Board of the Company.

15.5 ‘Closed Period’ means the period from the end of the relevant accounting period (31 December and 30 June) until the day of the release of the Appendix 4D Half
Year Report or the Appendix 4E Full Year Report (as applicable) to the ASX.

15.6 ‘Company’ means Blue Sky Alternative Investments Limited ACN 136 866 236.

15.7 ‘Company Secretary’ means the Company Secretary of the Company.

15.8 ‘Director’ means a Director of the Company.

15.9 ‘Employee’ means a person employed by the Company (or one of its subsidiaries) not being a Director or Executive Officer or, for the purpose of this Policy, an advisor, consultant or contractor who may be in possession of Unpublished Price Sensitive Information.

15.10 ‘Executive Officer’ means a person reasonably considered to be an Executive Officer of the Company and includes persons nominated who may not be Employees but have a contractual agreement in respect of personal services offered to the Company. The Company may from time to time nominate persons deemed to be Executive Officers for the purposes of this Policy.

15.11 ‘Managing Director’ means the Managing Director of the Company.

15.12 ‘No Objection Request’ means a duly completed request in the form in Annexure A.

15.13 ‘Policy’ means the document restricting the times and circumstances in which Relevant Persons may Trade in Securities.

15.14 ‘Prior Written Clearance’ means a written clearance from the Company pursuant to paragraph 3.3 (and, where applicable, as required by ASX Listing Rule 12.12) to the proposed Trade in its Securities.

15.15 ‘Relevant Persons’ means Directors, Executive Officers and Employees.

15.16 ‘Securities’ includes:

15.16.1 shares, convertible notes and options of the Company; and

15.16.2 financial products (including swaps, futures contracts, contracts for difference, spread bets, options, warrants, depositary receipts or other derivatives) over, or related to the performance of, shares, convertible notes and options of the Company.

15.17 ‘Trade’ means buy or sell Securities.

15.18 ‘Unpublished Price Sensitive Information’ means information regarding the Company of which the market is not aware and that a reasonable person would expect to have a material effect on the price or value of the Securities.
Annexure A

No Objection Request

In accordance with the procedures of the Blue Sky Alternative Investments Limited ACN 136 866 236 Share Trading Policy I request written clearance to trade in Securities of Blue Sky Alternative Investments Limited ACN 136 866 236. I hereby acknowledge and confirm that I am not in possession of any unpublished information that would or could be expected to have a material effect on the price or value of Securities.

Director/Executive Officer name: __________________________
Shareholder name: __________________________
Buy / Sell (please circle) No. of Shares: __________________________

Signed_________________________ Dated __________________________