



SHARE TRADING POLICY

Insider trading is a serious offence under the Corporations Act. The Act prohibits a person from dealing in the securities of Gunns Limited (*the Company*) when they possess information that, if declared publicly, would be likely to materially affect the price or value of the securities (*Inside Information*). In addition to the legal requirement to prohibit "insider" trading, the public perception of trading activity by Directors and employees is important to the Company's reputation and integrity.

Consistent with the Company's continuous disclosure obligations, employees must notify senior management of matters arising which may have a material impact on the price or value of Company securities.

Employees and their associates are prohibited from trading in Company securities where they are in possession of Inside Information. Employees with any concerns as to possession of Inside Information or application of the share trading policy in respect of a potential trading activity should advise the Company Secretary prior to proceeding to trade.

In addition to this general restriction the following additional provisions apply to specific employees and Directors.

The following policy provisions apply to:

- a) All Directors and Senior Executives (including "Key Management Personnel") of the Company
- b) All employees of the Company who are placed on the Employee Share Trading Policy List.

In this policy, the persons listed above will be collectively referred to as ***Designated Employees***.

The Company Secretary will maintain a register of *Designated Employees (Employee Share Trading Policy List)* which will be reviewed periodically by the Board. Employees will be notified in writing of their nomination as *Designated Employees*.

It is Company policy that the Designated Employees must not engage in short term trading in the Company's securities and that any other trading is conducted within the following guidelines:

1. Subject to paragraph 2 of this policy, no dealings must take place within the following time periods:
 - (a) The period from 1 December until the day following release of the half year financial report;
 - (b) The period from 1 June until the day following release of the annual financial report;

- (c) The period commencing 30 days prior to the company annual general meeting until the day following the company annual general meeting;
 - (d) Other periods as notified by the Company.
2. Upon the written request of a Designated Employee for relief under this paragraph 2, the Chairman has the discretion, in exceptional circumstances, to waive the trading restrictions set out in paragraph 1 of this policy.

Exceptional circumstances for these purposes include severe financial hardship, compulsion by court order or any other circumstance that is deemed exceptional by the Chairman. In such cases a Designated Employee is required to apply in writing to the Company Secretary detailing the circumstances of the proposed dealing including an explanation of why the trading of the Securities is necessary.

It is intended that a request for the waiver of trading restrictions set out in paragraph 1 will be answered in writing (which may include by email) within 48 hours.

3. Paragraph 1 of this policy does not apply to:
- (a) the following categories of passive trades:
 - acquisition of Company securities through a dividend reinvestment plan;
 - acquisition of Company securities through a share purchase plan available to all retail shareholders;
 - acquisition of Company securities through a rights issues; and
 - the disposal of Company securities through the acceptance of a takeover offer;
 - (b) dealings that do not result in a change to the beneficial interest in the securities; and
 - (c) subject to paragraph 9, a disposal of securities of the Company that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement.
4. In all cases, where a Designated Employee wishes to deal in the Company's securities, they must advise the Company Secretary and receive written approval prior to dealing. "Dealing" includes any transaction or arrangement which operates to limit the risk of a Designated Employee's security holdings in the Company. Once the transaction is completed, the Designated Employee must immediately inform the Company Secretary. This notification is important to ensure compliance and regulatory reporting obligations are satisfied.
5. Because of the perception and reputational risks involved, Designated Employees are expected to ensure that their Associates also refrain from dealing in the Company's securities when such a dealing would be prohibited for the Designated Employee. Designated Employees must make their Associates aware of the obligations in this policy, and in the case of Directors and Senior Executives, should follow the process set out in paragraph 4 above when intending to deal. Where a Designated Employee becomes aware of an Associate trading in a manner which is not in accordance with this Policy, they must immediately inform the Company

of any such dealings by Associates. Details of all notifications are to be tabled by the Company Secretary at the subsequent Board meeting.

6. Caution needs to be exercised by Designated Employees when dealing in securities of organisations who deal or compete with the Company, or in which Designated Employee has, as a result of their employment with the Company, any knowledge not available to the market that would have a material impact on the value of securities were it to be announced. Prior to dealing in any such securities, notification of interests and proposed transactions must be provided in writing to the Company Secretary, and written approval must be received.
7. All Designated Employees must ensure that strict confidentiality arrangements exist between themselves and their external advisors.
8. Trading by Designated Employees of financial products issued or created over or in respect of the Company's securities is governed by the provisions of this policy.
9. Margin Lending Arrangements
 - (a) Any dealing in the Company's securities by Designated Employees pursuant to a margin lending arrangement must be conducted in accordance with this policy. Such dealings would include:
 - (i) Entering into a margin lending arrangement in respect of the Company's securities;
 - (ii) Transferring securities in the Company to an existing margin loan account;
 - (iii) Selling securities in the Company to satisfy a call pursuant to a margin loan.
 - (b) Designated Employees must obtain clearance in accordance with the procedure set out in paragraph 4 for any proposed dealing in the Company's securities in connection with a margin lending arrangement.
10. The Company Secretary will maintain a copy of:
 - (a) The Employee Share Trading Policy List
 - (b) All requests for approval to deal in the Company's securities submitted by Designated Employees
 - (c) All decisions relating to requests
 - (d) Details of all dealings in the Company's securities made by Designated Employees.
11. Hedging of Company securities includes entering into transactions in financial products that operate to limit the economic risk associated with holding Company securities. Hedging by Designated Employees is subject to the following overriding prohibitions:

- (a) The hedge transaction may not be entered into, renewed, altered or closed out when the Designated Employee is in possession of inside information
- (b) Company securities may never be hedged prior to the vesting of those Company securities
- (c) Company securities may **never** be hedged while they are subject to a holding lock or restriction on dealing under the terms of an employee share plan operated by the Company.

Subject to the restrictions set out above, Designated Employees are permitted to hedge their Company securities on the following conditions:

- (a) The hedge transaction is treated as an ordinary dealing in Company securities for the purposes of this policy, and the relevant approvals and notifications are made on this basis
- (b) The terms of this policy have otherwise been complied with as if the hedge were a dealing.

Where a Designated Employee enters into a hedging arrangement in respect of Company securities, the Company may, where appropriate, disclose the fact and nature of the hedge (eg in the annual report or to the ASX).

12. A person who commits a breach of this policy could be subject to criminal liability (substantial fines or imprisonment or both may be imposed) or civil liability (substantial pecuniary penalties can be imposed) under Australian law. In addition, a person who contravenes or is involved in a contravention of these provisions may be liable to compensate any person who suffers loss or damage because of the conduct.

In the case of a body corporate, committing an offence under the insider trading provisions is also punishable by substantial fines under civil and criminal laws.

13. Breach of this policy by Designated Employees is serious misconduct and, disciplinary action may be taken.

Definitions

<i>'Associate'</i>	Spouse, partner, parent, dependent children, nominee company or family trust.
<i>'Employee Share Trading Policy List'</i>	List, held and maintained by the Company Secretary, of all individuals who the Chair has determined are to be subject to this Share Trading Policy. All employees on the list will be individually notified and trained on their obligations in this policy.
<i>'Securities'</i>	Shares, options, derivative instruments, warrants, equity related financial instruments or any ASX listed security.
<i>'Short Term Trading'</i>	Trading in securities for short term gain. This will generally be indicated where shares are disposed within three months of the date of acquisition.
<i>'Senior Executive'</i>	Key management Personnel, Divisional Managers, Company Secretary and senior management staff as notified.
<i>'Key Management Personnel'</i>	The persons identified in the Company Annual Report (Remuneration Report) as key management personnel.