

## 1. PURPOSES

The purposes of this policy are to:

- (a) maintain public confidence in the good reputation of Southern Cross Media Group Limited (**Company**) and its people and in trading of the Company's securities; and
- (b) explain the conduct in relation to dealings in securities that is prohibited under the Corporations Act 2001 (Cth) and the procedures that apply to protect the Company and its people from breaching those prohibitions.

## 2. SCOPE OF THIS POLICY

The restrictions in this policy apply to dealings in Securities by or on behalf of a director or Executive of the Company or any spouse or child of any of them and any other dealing in which they are directly or indirectly interested. For this purpose:

**Executive** means the CEO, any direct executive report to the CEO and their direct executive reports and any other employee of the Company in possession of information to which section 3.2(b) applies.

**Securities** means shares and any options and any other rights to shares in the Company or another entity that may be traded on ASX or any other securities exchange. This includes any shares or options issued to Executives under the Company's incentive plans.

## 3. BLACKOUT PERIODS

### 3.1 Restrictions on trading during Blackout Periods

- (a) No director or Executive may trade in the Company's Securities during a Blackout Period, except with the prior written approval of the Chairman under section 3.3.
- (b) The restriction in section 3.1(a) does not apply to:
  - (i) acquisition of the Company's Securities through a dividend reinvestment plan (**DRP**), share purchase plan or rights issue, but directors and Executives may not opt into or out of the DRP during a Blackout Period;
  - (ii) acquisition by an Executive of the Company's Securities through the ordinary operation of the Company's incentive plans; or
  - (iii) disposal of the Company's Securities through acceptance of a takeover offer or scheme of arrangement.
- (c) Even outside a Blackout Period, trading in Securities is also subject to the "insider trading" provisions of the Corporations Act. Information about these provisions is provided in section 5.

### 3.2 When are the Blackout Periods?

- (a) **Blackout Period** means any of the following periods:
- (i) the period beginning on 1 January and ending at 10:00am on the next trading day after release of the Company's results for the six months ended on the preceding 31 December;
  - (ii) the period beginning on 1 July and ending at 10:00am on the next trading day after release of the Company's results for the year ended on the preceding 30 June;
  - (iii) the period beginning on four weeks before the Company's AGM and ending at 10:00am on the next trading day after the Company's AGM; and
  - (iv) any other period notified by the Company Secretary to directors and Executives in accordance with section 3.2(b).
- (b) In consultation with the Chairman, the Company Secretary will give notice of a Blackout Period if information that is available to directors and Executives:
- (i) is not required to be disclosed by the Company (for example under the continuous disclosure provisions of the ASX Listing Rules and the Corporations Act); but
  - (ii) if generally available, could affect the price or value of the Company's Securities.

### 3.3 Exemption in exceptional circumstances

- (a) The Chairman will grant approval for a director or Executive to dispose of the Company's Securities during a Blackout Period only in exceptional circumstances, such as where a person is in severe financial difficulty or is bound by a court order. Approval to acquire the Company's Securities during a Blackout Period will not be granted.
- (b) A director or Executive who wishes to obtain the Chairman's approval must apply in writing to the Company Secretary providing details of the exceptional circumstances. The Company Secretary must apply direct to the Chairman.
- (c) Any approval granted by the Chairman will be valid for 14 days or a shorter period specified in the approval. The recipient of the approval will be required to provide evidence of any trade executed in reliance on the approval.

## 4. OTHER RESTRICTIONS ON TRADING IN THE COMPANY'S SECURITIES

### 4.1 Short term trading

Directors and Executives may not deal in the Company's Securities on a short term trading basis (including buying and selling securities within a three month period), except with the prior written approval of the Chairman under section 3.3.

## 4.2 Hedging

Directors and Executives may not engage in hedging arrangements, deal in derivatives or enter into other arrangements which vary economic risk related to the Company's Securities including, for example, dealing in warrants, equity swaps, put and call options, contracts for difference and other contracts intended to secure a profit or avoid a loss based on fluctuations in the price of the Company's Securities.

## 5. INSIDER TRADING LAWS

### 5.1 Prohibition on insider trading

If you have any price-sensitive information about the Company (or another relevant entity, such as a company with which the Company is considering a transaction) which is not publicly known, it is a criminal offence for you to:

- (a) trade in Securities of the Company or the other relevant entity;
- (b) advise or procure another person to trade in Securities of the Company or the other relevant entity; or
- (c) pass on (directly or indirectly) the price-sensitive information to someone else (including colleagues, family or friends) knowing (or where you should have reasonably known) that the other person will, or is likely to, use that information to trade in, or procure someone else to trade in, Securities of the Company or the other relevant entity.

This offence is called "insider trading".

These prohibitions apply no matter how you learn the information. You need not be an "insider" to come across price-sensitive information. It does not matter how you come to know the price-sensitive information (for example, you could learn it in the course of carrying out your responsibilities or in passing in the corridor or in a lift or at a dinner party).

### 5.2 Insider trading is prohibited at all times

The insider trading prohibitions apply even when a trade falls outside a Blackout Period if the trade is undertaken by, or procured by, someone in possession of price-sensitive information at the time of the trade.

### 5.3 What is price-sensitive information?

**Price-sensitive information** (sometimes also called "inside information") is information that:

- (a) is not generally available; and
- (b) if it were generally available, a reasonable person would expect it to have a material effect on the price or value of Securities or on a decision to buy or sell Securities.

The relevant information could be rumours, matters of supposition, intentions of a person (including the Company) and information which is insufficiently definite to warrant disclosure to the public. The financial impact of the information is important, but strategic

and other implications can be equally important in determining whether information is price-sensitive information.

#### **5.4 Consequences of insider trading**

If you engage in insider trading, you can be subject to:

- criminal liability including large fines and imprisonment;
- a civil penalty; and
- civil liability, which may include being sued for any loss suffered as a result of the insider trading.

#### **6. CONFIDENTIAL INFORMATION**

Directors and Executives also have a duty of confidentiality to the Company and must not reveal any confidential information concerning the Company, use that information in any way that may injure or cause loss to the Company, or use that confidential information to gain an advantage for themselves or someone else.

#### **7. REVIEW OF POLICY**

This policy will be reviewed every two years after its adoption by the Board having regard to regulatory, community and investor requirements.