

**first graphene**  
The world's leading graphene company

# **SECURITIES TRADING POLICY**

**First Graphene Limited  
ACN 007 870 760**

**Adopted on 31 August 2022**

## SECURITIES TRADING POLICY

### 1 INTRODUCTION AND PURPOSE

First Graphene Limited (**Company**) and its subsidiaries (**Group**) is committed to complying with insider trading laws and establishing a best practice procedure for dealing in securities. This document sets out the Company's policy on dealing by Directors and employees in securities of the Company (**Company Securities**) and securities of other entities.

The purpose of this policy is to:

- (a) ensure that all Directors, employees and contractors of the Company (and their associates) are aware of the insider trading laws as they apply to trading in Company Securities; and
- (b) protect the reputation of the Company and its Directors and officers by seeking to avoid the possibility that misconceptions, misunderstandings or suspicions might arise as a result of trading by Directors and others who may be, or be perceived to be, in possession of inside information. This policy seeks to do so by imposing additional restrictions on the trading of securities by Restricted Persons (defined below).

### 2 WHO DOES THIS POLICY APPLY TO

Unless otherwise stated, this policy applies to:

- (a) all Directors of the Group;
  - (b) all employees of the Group, whether full time, part time or casual; and
  - (c) all contractors and consultants working for the Group,
- (each, **Personnel**).

### 3 MEANING OF SECURITIES

For the purposes of this policy, "securities" means shares, debentures, options to subscribe for new shares (example: performance rights) and options over existing shares, warrant contracts and other derivatives relating to the shares.

### 4 INSIDER TRADING LAWS

#### 4.1 Prohibition

In summary, if you have any inside information (defined in section 4.2 below) 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 Company Securities (or securities of the other relevant entity);

- (b) advise or procure another person to trade in Company Securities (or securities of the other relevant entity); or
- (c) pass on inside 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, Company Securities (or securities of the other relevant entity).

This offence, called "insider trading", can subject you to criminal liability including large fines and/or imprisonment and civil liability, which may include being sued by another party of the Company for any loss suffered as a result of illegal trading.

#### **4.2 Inside information**

"Inside information" is information that:

- (a) is not generally available; and
- (b) if it were generally available, a reasonable person would expect that it would — or would be likely to — influence investors in deciding whether to buy or sell particular securities.

The financial impact of the information is important, but strategic and other implications can be equally important in determining whether information is inside information. The definition of information is broad enough to include rumours, matters of supposition, intentions of a person (including the Company) and information which is insufficiently definite to warrant disclosure to the public.

Importantly, you need not be an "insider" to come across inside information. That is, it does not matter how you come to know the inside 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).

#### **4.3 Examples of insider trading**

The following list is illustrative only. Inside information could include:

- (a) the financial performance of the Company against its budget;
- (b) a possible acquisition or sale of any assets by the Company;
- (c) a possible change in the Company's capital structure;
- (d) market sensitive information such as a material upgrade or downgrade in forecast earnings;
- (e) a material trading update;
- (f) a proposed dividend;
- (g) senior management changes;
- (h) development of a new business line or product offering; or

- (i) any possible claim against the Company or other unexpected liability.

#### **4.4 Insider trading is prohibited at all times**

If you possess inside information, you must not buy or sell Company Securities, advise or get others to do so or pass on the inside information to others. This prohibition applies regardless of how you learn the information.

The prohibition on insider trading applies not only to information concerning Company Securities. If a person has inside information in relation to securities of another company, that person must not deal in those securities.

### **5 CONFIDENTIAL INFORMATION**

Related to the above, Directors, employees and contractors also have a duty of confidentiality to the Company. You must not reveal any confidential information concerning the Company, use that information in any way which may injure or cause loss to the Company, or use that confidential information to gain an advantage for yourself.

### **6 TRADING RESTRICTIONS IMPOSED BY THIS POLICY**

#### **6.1 Additional restrictions**

Additional restrictions (described below) on trading Company Securities apply to Restricted Persons (described below).

#### **6.2 Restricted Persons**

For the purpose of this policy, **Restricted Persons** are:

- (a) all Directors including the CEO;
- (b) all other key management personnel of the Company; and
- (c) employees who have been notified that they are Restricted Persons for the purpose of this policy.

#### **6.3 Close family members and entities closely connected with Restricted Persons**

For this policy:

- (a) a close family member of a Restricted Person means a spouse or de facto, any minor children or children living with the Restricted Person (including children of the Restricted Person's spouse or de facto); and
- (b) a closely connected entity of a Restriction Person means any family company or family trust that the Restricted Person or their close family members may control or have an interest in,

(together **Closely Connected Persons**).

Each Restricted Person must:

- (a) ensure that any trading by their Closely Connected Persons are undertaken in accordance with this policy; and
- (b) ensure that his or her Closely Connected Persons are aware of this policy and the restrictions it contains.

#### 6.4 Reasons for additional restrictions

Restricted Persons are in positions where it may be assumed that they may come into possession of inside information and, as a result, any trading by Restricted Persons (or their Closely Connected Persons) may embarrass or reflect badly on them or on the Company (even if a Restricted Person has no actual inside information at the time).

This policy is designed to avoid the possibility that misconceptions, misunderstandings or suspicions might arise and also to protect the reputation of the Company and Restricted Persons.

#### 6.5 Restrictions on dealing

Restricted Persons must not deal in Company Securities:

- (a) without prior approval (see section 7); and
- (b) during any of the following blackout periods:
  - (i) the period each year from the close of trading at the end of the full financial year until 24 hours immediately following the release of the preliminary final statement or full year results;
  - (ii) the period each year from the close of trading at the end of the full financial year until 24 hours immediately following the release of the half-yearly results;
  - (iii) Starting 2 weeks prior to and ending 24 hours immediately following, the release of the Company's quarterly reports for the end of each of the March and September financial quarters
  - (iv) within 24 hours after the release of market sensitive information under ASX Listing Rule 3.1; and
  - (v) any other period that the Company specifies from time to time,(each a **Blackout Period**).

#### 6.6 No speculative short-term trading

Restricted Persons should not trade in Company Securities on a short-term basis or for speculative trading gain. The Company considers "short-term" to be a period of 6 months or less.

## **6.7 Short-selling, hedging and margin lending transactions**

- (a) A Restricted Person must not engage in short-selling in respect of Company Securities.
- (b) A Restricted Person must not engage in transactions designed to hedge their exposure to Company Securities.
- (c) A Restricted Person must not enter into margin lending or other secured financing arrangements in respect of Company Securities, unless the prior approval of the Chairperson (or his or her delegate) has been obtained.

## **6.8 Exceptions for certain trading**

As an exception to the restrictions in section 6.5(b), Restricted Persons are permitted to trade Company Securities in the following circumstances:

- (a) transfers of Company Securities to a Closely Connected Person or a Restricted Person's superannuation fund, in respect of which prior clearance has been obtained from an Approving Officer in accordance with section 7.;
- (b) a disposal of Company Securities arising from the acceptance of a takeover offer, scheme of arrangement or equal access buy-back;
- (c) a disposal of rights acquired under a pro rata issue;
- (d) an acquisition of Company Securities under a pro rata issue;
- (e) an acquisition of Company Securities under a security purchase plan or dividend purchase plan where the Restricted Person did not commence or amend their participation in the plan during a Blackout Period;
- (f) the obtaining by a director of a share qualification;
- (g) if the Company has an employee incentive scheme with a Restricted Person as a trustee of the scheme, an acquisition of securities by the Key Management Personnel in his or her capacity as a trustee of the scheme;
- (h) an acquisition of Company Securities under an employee incentive scheme (however, the additional restrictions in this policy apply to any subsequent trade of any Company Securities issued to (or for the benefit of) a Restricted Person under an employee incentive scheme);
- (i) the exercise of convertible securities (where the convertible securities were issued under an employee incentive scheme, or similar arrangement where the convertible securities were issued as part of remuneration) however, the additional restrictions in this policy apply to any subsequent trade of any Company Securities issued upon the exercise of the convertible securities; and
- (j) where a Restricted Person has been granted approval to enter into margin lending or other secured financing arrangements, an involuntary disposal of securities that results from the margin lender or financier exercising its rights under the arrangement.

Restricted Persons are reminded that they must still comply with the insider trading laws even where they would otherwise be permitted by this section 6.8 to trade in Company Securities.

## 6.9 Exceptional circumstances

If a Restricted Person needs to deal in Company Securities due to exceptional circumstances but such dealing would breach this policy, the Restricted Person must apply to an Approving Officer specified in section 7.1 for a waiver from compliance with the provisions in sections 6.5(b) or 6.6.

Exceptional circumstances include severe financial hardship, compulsion by a court order or any other circumstances that is deemed exceptional by an Approving Officer specified in section 7.1.

A waiver will only be granted if the Restricted Person's application is accompanied by sufficient evidence (in the opinion of the Approving Officer specified in section 7.1) that the dealing of the relevant securities is the most reasonable course of action available in the circumstances and confirmation that the person does not possess inside information. Unless otherwise specified in the notice, any dealing permitted under this section must comply with the other sections of this Policy (to the extent applicable).

## 7 TRADING PROCEDURE FOR RESTRICTED PERSONS

### 7.1 Consents and notifications

Where this Policy requires a notification to occur, or consent, or waiver to be obtained (unless the context requires otherwise) the table below sets out whom each Restricted Person must notify or seek approval from.

<b>Restricted Person</b>	<b>Person to notify and obtain consent (Approving Officer)</b>
Chair of the Board	Managing Director
Managing Director or CEO	The Chair
Director or Officer	The Chair or in his absence, the Managing Director
Employees notified as Restricted Persons	The Managing Director or in his absence, the Company Secretary

### 7.2 Prior clearance for dealing

- (a) Restricted Persons are only permitted to deal in Company Securities if they have given notice and obtained approval as set out below (and on the basis that section 4.1 does not apply).
- (b) Restricted Persons must notify the Company in writing and in advance and obtain approval from an Approving Officer specified in section 7.1 for any proposed dealing in Company Securities and

confirm that they do not hold any inside information. This can be done via email or using the form attached to this policy entitled “Request for Prior Written Clearance to Trade in Company Securities” as a guide.

- (c) If a waiver is granted, the Restricted Person will be notified in writing (which may include notification via email) and in each circumstance the duration of the waiver to deal in securities will be **5 business days**, unless specified otherwise.
- (d) Upon:
  - (i) provision of notification; and
  - (ii) confirmation by the Approving Officer that there is no objection to the person trading following approval in accordance with section 7.2,
- (e) the Restricted Person may undertake the proposed dealing in compliance with any conditions imposed on the trading.

### 7.3 Granting of waiver

- (a) A decision to grant a waiver may be given or refused by an Approving Officer specified in section 7, without giving reasons. Once given, a waiver can also be withdrawn if new circumstances come to light.
- (b) An Approving Officer will not grant a waiver if they are aware that the Company is likely in the short term to:
  - (i) release a periodic financial report or other financial data that might come as a surprise to the market; or
  - (ii) make an announcement of market sensitive information under its continuous disclosure requirements.
- (c) If an Approving Officer refuses to provide a waiver:
  - (i) the decision is final and binding on the person seeking the waiver; and
  - (ii) the person seeking waiver must keep that information confidential.
- (d) The Approving Officer may seek appropriate legal advice to discharge its responsibilities under this policy, and the cost of such advice shall be borne by the Company.
- (e) Any written clearance granted under this policy is not an endorsement of the proposed trade. The Restricted Person is individually responsible for their investment decisions and their compliance with insider trading laws.

### 7.4 Requirements after trading

Once a Restricted Person has completed a trade in Company Securities, the Restricted Person must:

- (a) notify the Company Secretary that the trade has been completed. The notification must include the details in the form attached to this policy entitled "Notification of Dealing";
- (b) keep a register of their trading and make a copy of that register available upon request; and
- (c) in the case of Directors, provide sufficient information to enable the Company to comply with the requirements to notify a change of interests to ASX.

## 7.5 Maintenance of records

The Company Secretary will maintain a register of:

- (a) all requests for clearance to trade under this policy and the Approving Officer's decision on such applications; and
- (b) all notifications and acknowledgements given in relation to trading in the Company's securities.

## 8 BREACHES OF THIS POLICY

Strict compliance with this policy is a condition of employment. The Company will investigate any suspected breaches of this policy. Breaches of this policy will be subject to disciplinary action, which may include termination of employment.

## 9 REVIEW OF POLICY

The policy will be reviewed regularly periodically and updated as required to ensure it remains consistent with current law and practice. The latest version of this policy can be found on the Company's website or obtained from the Company Secretary.

## 10 MATERIAL REVISIONS

VERSION	APPROVAL DATE	EFFECTIVE DATE	DETAILS
1.0	31/08/2022	31/08/2022	Policy approved by the Board.

**Request for Prior Written Clearance to Trade in Company Securities**

First Graphene Limited 007 870 760 (**Company**)

I, \_\_\_\_\_ request approval to Deal in the Company's securities as follows ("Securities Transaction"):

Securityholder's Name	
Number and type of securities to be bought	
Total value of securities to be bought	\$
Number and type of securities to be sold	
Total value of securities to be sold	\$

**REASONS FOR THIS REQUEST:**

*(State reasons for seeking this approval, including an explanation as to the severe financial hardship or circumstances that are otherwise exceptional. Please provide sufficient evidence that the Dealing of the relevant securities is the most reasonable course of action available in the circumstances.)*

As at the date of this Request to Deal in Securities, I am not in possession of any Inside Information (as defined in the Company's Securities Trading Policy or the Corporations Act).

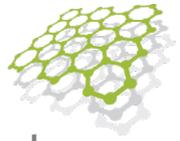
I understand that:

- (a) If my request is approved, such approval is valid for a period of 5 Business Days from the date of grant of approval or the time when I become aware of Inside Information which has not been released to the market (whichever is the earlier).
- (b) If I do not complete my Securities Transaction before the expiry of the 5 Business Days period from the date of grant of approval, or the date on which I subsequently become aware of Inside Information which has not been released to the market (whichever is the earlier) I must seek fresh approval by completing and submitting a new Request to Deal in Securities.

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_



**Notification of Dealing**

The Company Secretary

First Graphene Limited

I, \_\_\_\_\_ confirm that I have completed the following securities Dealing:

Security holder's name	
Number and type of securities bought	
Total value of securities bought	
Date of completion of purchase	
Number of securities sold	
Total value of securities sold	
Date of completion of sale	

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_