



ASX ANNOUNCEMENT

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Securities Trading Policy

Please see attached Engenco Limited's Securities Trading Policy adopted by the Board of Directors.

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Securities Trading Policy

1. INTRODUCTION

1.1 Purpose

This document sets out the policy of Engenco Limited (**Company**) with respect to trading in the Company's securities by directors, officers and employees. This Policy has been approved by the Company's Board of Directors with the objective of among other things minimising the risk of insider trading in the Company's securities and in furtherance of the Company's commitment to the adoption of good corporate governance principles.

1.2 Who is covered by this policy

This Policy applies to directors, officers¹ and employees² of the Company and of the entities which the Company controls³ and to Connected Persons⁴.

1.3 Securities covered by this policy

The securities covered by this Policy include shares and options issued by the Company and derivatives of any of these as well as any other financial products issued by third parties in relation to the Company's shares.

2. PROHIBITED CONDUCT – INSIDER TRADING

2.1 What is insider trading

Insider trading is the practice of dealing in, or advising or procuring others to deal in, the securities of a company when in possession of inside information or passing inside information to another person knowing (or ought reasonably knowing) that they will use the information to deal in, or advise or procure someone else to deal in securities.

2.2 What is inside information

Inside information is information that:

- (a) is not generally available; and
- (b) if it were generally available it would, or would be likely to, influence investors in deciding whether to deal in the securities of the Company.

It does not matter how a person comes into the possession of inside information.

2.3 Prohibition

¹ All references to officers includes a reference to 'key management personnel' as defined in AASB Standard 124 - Related Party Disclosure, being those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the entity.

² Employees include those in full, part time and casual employment.

³ "Control" is defined in the Corporations Act and generally speaking, refers to entities in relation to which the Company has capacity to determine the outcome of decisions about that entity's financial and operating policies.

⁴ A "Connected Person" means a spouse or partner, child or step-child under 18 years, an unlisted body corporate which the director, officer or employee controls or is director of, a trust of which the director, officer or employee is a trustee and of which he or she or any of the persons referred to is a beneficiary or any other person over whom the director, officer or employee has significant influence or control.

Insider trading is prohibited at all times.

It is an offence under the *Corporations Act 2001* (Cth) to engage in insider trading. Penalties for breaches can include civil and/or criminal liability including fines and/or imprisonment.

3. GENERAL RESTRICTIONS ON TRADING

3.1 Short term trading

Short term or speculative dealing in the Company's securities by directors, officers and employees is not permitted. Short term trading means to acquire securities with the intention of selling those securities within a 12 month period.

3.2 Closed periods

Directors, officers and employees must not deal in the Company's securities during closed periods being:

- (a) The period between 1 July up until and including the date on which the Company lodges its preliminary final report with the Australian Securities Exchange (**ASX**);
- (b) The period between 1 January up until and including the date on which the Company lodges its half yearly report with ASX; and
- (c) Any other period as advised by the Company's Board of Directors from time to time. (This may include circumstances where material information would require disclosure to the market by the Company but for an exception contained in ASX Listing Rule 3.1A.)

Each of these periods is a **Closed Period**.

4. EXCEPTIONAL CIRCUMSTANCES

Notwithstanding the above, directors, officers and employees may trade in the Company's securities inside a Closed Period, subject to obtaining prior written clearance in accordance with the procedure described below, in the following exceptional circumstances:

- (a) if the person granting the prior written clearance is satisfied that the person seeking the clearance does not possess unpublished price sensitive information about the Company and the person seeking clearance is in severe financial hardship;
- (b) if the person granting the prior written clearance is satisfied that the person seeking the clearance does not possess unpublished price sensitive information about the Company and there are other circumstances deemed to be exceptional by the person granting the prior written clearance; or
- (c) where trading is required for compliance with a court order or court enforceable undertakings or for some other legal or regulatory requirement.

5. CLEARANCE AND REPORTING PROCEDURES

Directors, officers and employees must not trade in the Company's securities during a Closed Period, including in the exceptional circumstances referred to above unless the director, officer or employee obtains prior written clearance from:

- (a) in the case of employees, the Managing Director;

- (b) in the case of a director or officer, the Chair;
- (c) in case of the Managing Director, at least one independent director; or
- (d) in the case of the Chair, at least one independent director,

each being an **Approving Officer**.

A request for prior written clearance under this policy should be made in writing and given to the Company Secretary for submission to the Approving Officer. The request may be submitted in person, by mail, by email or by facsimile. Requests should articulate the financial hardship or exceptional circumstances supporting the reasons why approval to deal in Company securities during a Closed Period should be granted and should also confirm that the person is not in possession of inside information if that is the case.

Any written clearance granted under this policy will be valid for the period of 10 business days from the time which it is given or such other period as may be determined by the Approving Officer. The expiry time of the clearance will be stated in the clearance granted. The period for which the written clearance granted under this Policy is valid may later be reduced by the Approving Officer in writing, or the approval may be revoked in writing by the Approving Officer. Written clearance under this Policy may be given in person, by mail, by email or by facsimile.

6. TRADING WHICH IS NOT SUBJECT TO THIS POLICY

The following trading in the Company's securities is excluded from this Policy:

- (a) transfers of securities already held into a superannuation fund or other saving scheme in which the director, officer or employee is a beneficiary;
- (b) an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in the Company's securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (c) where the director, officer or employee is a trustee, trading in the Company's securities by that trust provided the director, officer or employee is not a beneficiary of the trust and any decision to trade during a Closed Period is taken by the other trustees or by the investment managers independently of the director, officer or employee;
- (d) undertakings to accept, or the acceptance of, a takeover offer;
- (e) trading under an offer or invitation made to all or most of the security holders such as, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, 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 the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;
- (f) a disposal of securities that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement;
- (g) the exercise (but not the sale of securities following exercise) of an option or right under an employee incentive scheme, or the conversion of a convertible security, where the final date

for the exercise of the option or right, or the conversion of the security, falls during a Closed Period and the Company has been in an exceptionally long Closed Period or the Company has had a number of consecutive Closed Periods and the director, officer or employee could not reasonably have been expected to exercise it at a time when free to do so; or

- (h) trading under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in the trading policy and where: (a) the director, officer or employee did not enter into the plan or amend the plan during a Closed Period; and (b) the trading plan does not permit the director, officer or employee to exercise any influence or discretion over how, when, or whether to trade.

Important Note: Even if a particular kind of trading is excluded from this Policy, directors, officers and employees must not trade in the Company's securities if they are in possession of inside information.

7. PROHIBITED TRANSACTIONS

7.1 Hedging

(a) General

Directors, officers and employees must not enter into transactions or arrangements which operate to limit the economic risk of their security holding in the Company without first seeking and obtaining prior written clearance from the appropriate Approving Officer.

(b) Equity based remuneration schemes

Directors, officers and employees are prohibited from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements under any equity based remuneration schemes. An unvested entitlement includes a Company share or option which is still subject to time and/or performance hurdles.

7.2 Margin loans

Directors, officers and employees must not enter into agreements that provide lenders with rights over their interests in securities in the Company without first seeking and obtaining prior written clearance from the appropriate Approving Officer.

8. CONSEQUENCES OF A BREACH

A breach of this Policy or the insider trading provisions of the Corporations Act will be regarded by the Company as serious misconduct which may lead to disciplinary action and/or dismissal.

9. REVIEW AND AMENDMENT

This Policy will be reviewed periodically to ensure it continues to comply with all applicable laws and good corporate governance practices and cannot be amended without the approval of the Company's Board of Directors.