



Contango Asset Management Limited

Contango Securities Trading Policy

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Owner	General Counsel/Company Secretary
Version	1
Status	FINAL
Approved by	Board of CGA

Contango Asset Management Limited ACN 080 277 998 is an ASX listed entity. References in this document to Contango means all entities within the Contango Group, which includes its wholly owned subsidiary Contango Funds Management Limited (ABN 52 085 487 421) and holder of Australian Financial Services Licence No. 237119

1. PURPOSE & SCOPE

This Securities Trading Policy applies to Contango Key Management Personnel with regard to Dealing in Contango Securities. Key Management Personnel are encouraged to be long-term holders of Contango Securities, however they must also be mindful that they may be in possession of, or perceived to be in possession of, potential Inside Information, their personal interests may be, or perceived to be, in conflict with the interests of the Company, and have legal obligations not to engage in insider trading or other market misconduct.

The purpose of this policy is to:

- (a) explain the insider trading and market misconduct provisions under the *Corporations Act*; and
- (b) set out the procedures which must be followed when dealing in Contango Securities including to address any potential conflict of interest that may arise relating to such activity.

This policy is issued in accordance with ASX Listing Rule 12.9 and ASX Guidance Note 27.

2. INSIDER TRADING & MARKET MISCONDUCT

2.1 Insider Trading

Insider trading occurs where a person who is aware of Inside Information in relation to a company's securities:

- (a) trades in those securities;
- (b) procures someone else to trade in those securities (including nominees, agents or associates such as family members, family companies or trusts); or
- (c) passes the information to a third party in circumstances where the person knows (or ought reasonably know) that the third party would be likely to trade in the securities, or procure someone else to trade in the securities.

Examples of Inside Information include:

- the entry into, variation or termination of a material contract;
- the company considering a major acquisition or disposal of assets;
- the company's financial results materially exceeding (or falling short of) the market's expectations;
- a significant new business proposal;
- the appointment or resignation of the company's CEO or Chair, or other senior employees;
- the issue of new shares or dividends; and
- the threat of major litigation against the company.

A breach of the insider trading provisions carries significant civil and criminal penalties, including a jail term of up to 10 years. In addition, a director who engages in insider trading may be subject to civil and/or criminal penalties for breaching their duties as a director, including disqualification from being a company director.

2.2 Other market misconduct

The Corporations Act also contains 'market misconduct' provisions which prohibit certain trading behaviour and activity, including:

- (a) market manipulation (trading in securities to create an artificial price for those securities);
- (b) false trading and market rigging; and
- (c) disseminating false or misleading statements (also known as rumourtrage).

Examples include a director or senior executive trading in a company's securities or disseminating information to manipulate the securities' market price in order to increase a performance bonus.

Breaches of these provisions also attract civil and criminal penalties including fines, jail terms and disqualification from being a director of a company.

3. TRADING IN CONTANGO SECURITIES

Key Management Personnel who are also employees are subject to the Staff Trading Policy in respect of transactions in Contango Securities. Accordingly, where any obligation set out in this policy is inconsistent with, or less onerous than, the terms of the Staff Trading Policy, the requirements of the Staff Trading Policy shall prevail.

3.1 General Requirements

Key Management Personnel are permitted to trade in Contango Securities, provided:

- (a) they have obtained pre-trade approval in accordance with clause 4 of this policy;
- (b) they are not in possession of Inside Information in relation to Contango Securities;
- (c) the transaction occurs during a Trading Window; and
- (d) they are otherwise acting in accordance with this policy.

3.2 Transactions excluded from approval process

The following transactions are outside the scope of this Policy and do not require approval to trade:

- (a) transactions pursuant to a dividend or distribution reinvestment plan, rights issue, security purchase plan, bonus issue or other security offer or corporate action in respect of Contango Securities and which does not require any discretion by the holder;
- (b) transactions pursuant to any Contango employee share incentive plan (although the sale of Contango Securities granted/vested under such plan does require approval); or
- (c) investments in or trading in units of, a fund or scheme where a Key Management Personnel is not in the position to influence the trading activities of that fund or scheme;
- (d) off-market transfers of Contango Securities where there is no change in underlying beneficial ownership;
- (e) transactions resulting from the acceptance of a takeover offer in relation to Contango Securities; and
- (f) compulsory acquisition.

3.3 Short term trading

Key Management Personnel must not engage in short-term trading in Contango Securities in any Relevant Account. For this purpose, the sale of Contango Securities within 6 months of their purchase in a Relevant Account is not permitted, nor is the purchase of Contango Securities within 6 months of having sold such Contango Securities. This, however, does not prevent the sale of Contango Securities immediately after they have been acquired via the exercise of options (providing the sale occurs during a permitted Trading Window).

3.4 Prohibited transactions

Key Management Personnel are prohibited from entering into any of the following transactions in any Relevant Account:

- (a) margin lending over any Contango Securities;
- (b) any arrangement that has the effect of limiting their exposure to risk relating to a holding of Contango Securities in a Relevant Account; and
- (c) any short sale of Contango Securities or other transaction that enables profit to be made from a decrease in the market price of Contango Securities.

3.5 Trading Windows

Other than transactions excluded under clause 3.2, any trading in Contango Securities may only be done during the following periods as applies to the relevant Contango Securities:

- (a) the period commencing on the second Trading Day after the release to ASX of the half-year results by Contango or the relevant Contango Managed Entity (as the case may be) and ending 4 weeks later;
- (b) the period commencing on the second Trading Day after the release to ASX of the full-year results by Contango or the relevant Contango Managed Entity (as the case may be) and ending 4 weeks later;
- (c) the period commencing on the second Trading Day after an Annual General Meeting or Extraordinary General Meeting of Contango or the relevant Contango Managed Entity (as the case may be) and ending 4 weeks later;
- (d) in respect of trading in the securities of any LIC that is a Contango Managed Entity, the period commencing one Trading Day after the release of the monthly Net Tangible Asset announcement to the ASX platform and ending 2 weeks later; and
- (e) any additional period designated by the board of Contango.

4. APPROVAL PROCESS

4.1 Request for Approval to Trade and Confirmation

Key Management Personnel must ensure they have received the requisite approvals before they conduct any trading in Contango Securities. They must not seek approval if they are in possession of Inside Information.

Prior to any order being placed, a request for approval to trade should be made to the Company Secretary. Confirmation of the trade should also be provided to the Company Secretary so that any relevant registers can be updated (see also, Paragraph 5 below).

4.2 Exceptional Circumstances

The board acknowledges there are Exceptional Circumstances which may warrant Key Management Personnel Dealing in Contango Securities outside a Trading Window. Accordingly, a Request to Deal in Exceptional Circumstances may be made to the Company Secretary in writing via email, including:

- (a) the particulars of the transaction (eg. the number of Contango Securities to be sold and the timeframe by which the trade(s) are to be executed, if applicable);
- (b) why the particular situation is an Exceptional Circumstance; and
- (c) any supporting documentation, where available.

4.3 Execution of Approved Trades and Approval Expiry

Approved trades must be placed within 1 business day of receiving the approval pursuant to clause 4.1 and in within the prescribed Trading Window.

Re-approval must be sought if:

- (a) the approved trade has not been completed within 7 days;
- (b) there is any change to the any of the details of the trade provided in the request for approval to trade (including as to the total number or value of securities or any limits on the order); or
- (c) there is any change in circumstances which results in a potential conflict of interest or the Key Management Personnel being in possession of information that may be considered Inside Information.

Upon execution of the pre-approved trade, the Key Management Personnel must provide the Company Secretary with a copy of the trade confirmation statement issued by the broker for the trade.

5. REPORTING RESPONSIBILITIES

In addition to the requirements set out throughout this policy, each Key Management Personnel is responsible for complying with the following provisions, as applicable:

5.1 Key Management Personnel who are Directors

Pursuant to ASX Listing Rule 3.19A, CGA must notify the ASX (via an Appendix 3Y announcement) of any changes that occur in a director's relevant interest in CGA within 5 business days of such Dealing taking place.¹ A person has a relevant interest in a security if they are the registered holder of the security or if they have the power to control voting or disposal in respect of the security, irrespective of how remote the interest is. A relevant interest may arise if the securities are jointly held by a director and

¹ An Appendix 3Y lodged by CGA pursuant to ASX Listing Rule 3.19A satisfies the director's personal obligation to notify the ASX about its change in interest, pursuant to s205G of the Corporations Act.

another person (eg spouse or family member), or held in the director's family trust or superannuation fund.

Accordingly, as soon as practicable after Dealing in CGA Securities, directors of CGA must notify the Company Secretary of the trade and provide a copy of the trade confirmation, so that the Company Secretary may lodge the requisite ASX notices and update the Register of Directors' Interests, in order for the Register to be tabled and minuted at the next CGA board meeting.

5.2 Key Management Personnel who are not Directors

As soon as practicable after dealing in Contango Securities, Key Management Personnel who are not directors should update their holdings and manage their trade confirmations in accordance with the Staff Trading Policy.

5.3 Substantial Shareholdings

The Corporations Act requires persons (including CGA directors) to give a notice to both CGA and the ASX if they (together with any Associates) begin to have, or cease to have, a Substantial Holding in CGA or if they have a Substantial Holding and there is a movement of at least 1% in their holding.

It is the responsibility of CGA directors to lodge the applicable forms (with assistance from the Company Secretary) where their relevant interest in CGA meets the Substantial Holding thresholds.

Date Adopted by the Board: 26 April 2017

6. DEFINITIONS

Associate has the meaning given in s12(2)(b) and (c) of the Corporations Act.

ASX means the Australian Securities Exchange Limited.

CGA means Contango Asset Management Limited ACN 080 277 998 (ASX:CGA), being the ultimate holding company of the Contango Group.

Contango and **Contango Group** means CGA and its related bodies corporate.

Contango Managed Entity means any LIC that has an investment management agreement in place with a Contango Group company.

CGA Securities means any share, debenture, option, unit, interest or other financial products issued by CGA, including any security specific derivatives, options, Contracts for Difference (CFDs) and warrants that may be issued by third parties where the underlying or referenced security is issued by CGA.

Contango Securities means any CGA Securities or any share, debenture, option, unit, interest or other financial products issued by a Contango Managed Entity, including any security specific derivatives, options, Contracts for Difference (CFDs) and warrants that may be issued by third parties where the underlying or referenced security is issued by Contango Managed Entity.

Corporations Act means the Corporations Act 2001 (Cth).

Deal or **Dealing** means either directly or indirectly acquiring or disposing of securities (both on and off market), or entering into an agreement to buy or sell securities, or exercising options, rights or awards to acquire securities.

Exceptional Circumstances mean:

- (a) a pressing financial commitment that cannot be satisfied otherwise than by selling the Contango Securities;
- (b) a court order, court enforceable undertaking, or other legal or regulatory requirement requiring the sale of Contango Securities; or
- (c) another circumstance which the Chair and Company Secretary may collectively determine, using their discretion sparingly and with caution, having regard to ASX Guidance Note 27.

Key Management Personnel means directors of CGA, as well as senior employees appointed to the Contango Executive Committee from time to time.

Inside Information has the meaning given in section 1042A of the Corporations Act, being Information that is not generally available and if it were generally available a reasonable person would expect it to have a material effect on the price or value of the financial product.

LIC means an ASX Listed Investment Company.

Relevant Account means all accounts:

- (a) in which a Key Management Personnel has any form of ownership interest (including with other entities);
- (b) that a Key Management Personnel has the power, directly or indirectly, to effect or influence decisions regarding transactions in the account.

Relevant Interest has the meaning given in s608 of the Corporations Act.

Staff Trading Policy means the Staff Trading Policy for the Contango Group employees dated 9 March 2017.

Substantial Holding has the meaning given in s9 of the Corporations Act, being a Relevant Interest of 5% or more (of the voting power of those shares) under the control of a shareholder and/or their Associates.

Trading Day means a day on which shares are traded on ASX.

Trading Window in respect of trading in Contango Securities, means the periods specified in clause 3.5.