

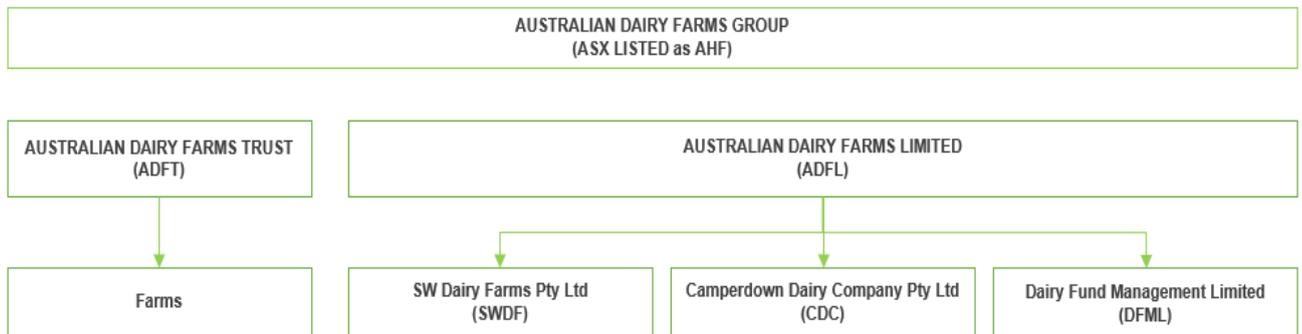


AUSTRALIAN DAIRY FARMS GROUP TRADING POLICY

This policy encompasses the Australian Dairy Farms Group comprising of:

Australian Dairy Farms Limited (ACN: 057 046 607) and

Australian Dairy Farms Trust (ARSN: 600 601 689)



Effective Date: 11 October 2017



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1. SECURITIES TRADING

The Australian Dairy Farms Group (the **Group**) Security Trading Policy is endorsed by the Board of Directors and has been created to comply with the Group's obligations under:

- Recommendation 3.2 of the Australian Securities Exchange (ASX) Corporate Governance Council's Principles and Recommendations; and
- ASX Listing Rules 12.9, 12.10 and 12.12; and
- ASX Guidance Note 27.

This Securities Trading Policy, and any subsequent amendments, will be disclosed to the ASX for release to the market via the Company Announcements Platform and on our website: www.adfl.com.au.

All amendments to the Securities Trading Policy will be provided to the ASX within 5 business days from the amendment.

Generally, the Group permits its employees to trade in Australian Dairy Farms Group shares, at any time, unless:

- the nature of your role or position in Australian Dairy Farms Group (including subsidiaries); or
- or information you receive in your role or position,
- deems the employee, to be a prescribed employee, where the employee is aware of information that could have an impact on the price of shares or other securities in the market, such that any trading in our shares could be considered as insider trading.

There are legal ramifications for persons who conduct **insider trading** on shares or other securities in the market.

However, the legal requirements are not the only reasons for maintain a trading policy. Market perception and its potential effect on the reputation of the Company and the management should be taken into consideration as well.

Further the Group, supporting Good Corporate Governance and the ASX guidelines relating to blackout trading periods, has adopted the following periods where Directors and employees are not permitted to engage in the buying or selling of Company securities during the **closed periods**.

The **closed periods** are:

- two months immediately preceding the preliminary announcement of the Group's full year results or, if the Group does not make a preliminary announcement of its full year results, then two months immediately preceding the announcement of the Group's full year results; and
- two months immediately preceding the announcement of the Group's half year results; and if the Group is required to release quarterly cashflow reports (e.g. Appendix 4E), one month prior to the release of that report; or



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- any other periods that are determined due to undisclosed price sensitive information.

Notwithstanding, Directors and employees may seek express written consent to trade in Australian Dairy Farms Group securities during **closed periods** from the Group's Chairman, or Managing Director; such written consent will not be unreasonably withheld and will be valid and effective for a period of seven (7) ASX trading days only. Thereafter, the Directors and employees will be required to obtain fresh written consent of the Group's Chairman, or Managing Director to trade in Australian Dairy Farms Group securities.

Where the Director or employee has received consent to trade during a closed period, the Group requires the Director or employee to subsequently confirm that trading has occurred.

Further, where a Director has received consent to trade during a closed period, the Company and the Director must indicate on the Director's Appendix 3Y – *Change of Director's Interest Notice*:

- whether prior written consent was provided to allow the trade to proceed;
- the date the consent was received; and
- that the trading took place during a closed period.
- A director who changes his or her Securities interest in the Group at any time must inform the Company Secretary by email of the change and transaction details so that the appropriate Appendix 3Y may be prepared and lodged by the Group with the Exchange within five (5) ASX business days after the transaction.

POLICY

The purpose of this Policy is to assist you to understand and identify when you may trade Australian Dairy Farms Group shares or other securities, and when you may have inside information about a Company.

If you have confidential price sensitive **information** about a company's securities which is not generally available, under the Corporations Law, you cannot use this **information** to trade.

An **insider** cannot use confidential price sensitive **information** about an entity that is not generally available to others to:

- trade in a company's shares; or
- encourage or procure others to trade; or
- discuss or communicate that **information** with others who may be likely to use that **information** to trade.

If, as an employee of Australian Dairy Farms Group, you breach this Policy, you not only face dismissal, but also possible serious civil and criminal liability.

2. INSIDER TRADING OBLIGATIONS

This Securities Trading Policy has been developed to help you understand:

- when you are able to trade in Australian Dairy Farms Group shares or other securities;



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- insider trading, and
- your obligations under Australian law.

NOTE: This document should not be relied on as a substitute for legal advice and if you have any particular concerns on insider trading, you should speak with the Company's Chief Executive Officer, Company Secretary or Corporate Counsel and seek your own independent legal and financial advice before deciding to trade (buy or sell) any shares in Australian Dairy Farms Group.

During your career with the Group or a subsidiary or a related entity, you may become aware of **information** that could have an impact on the price of shares or other securities in the market. This information could be "**inside information**".

After reading this, you should be able to identify if you are in "**insider**" and, as such, you should be aware of your personal responsibilities as well as the Group's policy regarding insider trading.

Maintaining high ethical standards within Australian Dairy Farms Group is one of our core values, critically important for our clients, our businesses and each of us personally.

3. WHO IS AN INSIDER?

You are an "**insider**" in the case of securities:

- if you have information which is not generally available – but if it were, it would have a material effect on the price or value of securities ("**inside information**"); and
- if you know, or should know, that this information is not generally available; and
- if you know, or should know, that if the information was available it might have a material effect on the price or value of the securities.

4. WHAT DO WE MEAN BY INFORMATION?

When we use the term "**information**" in this Policy we mean: any fact, matter or circumstance; any supposition or any matter relating to the intentions or likely intentions of a person.

Information is not generally available if it is not readily observable; if it has not become known in a way which is likely to bring it to the attention of people who commonly invest in securities; or if a reasonable period for the information to be spread to these people has not passed.

Information has a material effect on the price or value of securities if it has the potential to influence people who commonly invest in securities (for instance a trader) in their decision to trade or not to trade in these securities.

You may come into possession of inside information if you become aware of any of the following when it is not generally available:

- actual or internal forecast profit results;



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- details of a new business opportunity, new product or substantial new business contract;
- the appointment or resignation of a chief executive officer, executive director or chairman;
- a float, takeover, merger, purchase, sale or partial sale of business;
- actual or proposed investigation by a regulator or government authority;
- actual or proposed major litigation; or
- any plans involving securities.

This information may relate to Australian Dairy Farms Group, one of its subsidiaries, a corporate client or any other company.

However, general information that has been referred to in announcements made to the market via ASX or NSX announcements platforms such as information about the Company's general strategy for growing or changing the Group's business or intentions expressed about acquiring / disposing of asset types may not be information that is likely to be price sensitive until such time as achievement of those intentions become specific or imminent. This could be the case when general or early stage negotiations that have been proceeding for some period of time become highly likely to be achieved or contracts or heads of agreement which have a high expectation of becoming binding contracts are executed and the information about execution or conclusion (or the failure to execute or conclude of a previously announced specific target) is likely to have a material effect on the Company's securities price.

If in doubt, contact the CEO or one of the Directors for clarification.

Additionally, the Directors through the Chairman reserves the right to declare that particular information or any particular negotiation is inside information and that trading by Australian Dairy Farms Group insiders in the Group's securities or in the Securities of another entity which is involved in the negotiation must not occur.

5. SECURITIES

'Securities', in this Policy, can be broadly defined to include shares in a public company, a private company (be it listed or unlisted), its debentures (including convertible notes), "prescribed interests" made available by it and options to acquire shares.

"Prescribed Interests" means any rights or interests made available by a company in any profits or assets derived from any common enterprise, business or undertaking.

6. WHEN ARE YOU NO LONGER AN INSIDER?

You will become aware that you are no longer an Insider when that Inside Information becomes generally available and the process is completed when proper authorisation is given and details are released of the outcome of the process by the Chairman or the Managing Director of Australian Dairy Farms Group, or the information becomes known in a way which is likely to bring it to the attention of people who commonly invest in securities. Once such authorisation is



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given and the information becomes generally available, you will no longer be considered an Insider.

7. PRESCRIBED EMPLOYEES

There will be some positions within the Group, which by their nature will mean that you will be an Insider all or most of the time, that is, you will know more about Australian Dairy Farms Group than most other employees.

These employees may be in a position to know more about the Group's strategy than other employees, and may be at senior level, but can also include staff members who support those senior employees. These employees are generally known as "Prescribed Employees".

"Prescribed Employees" of the Group, includes, but are not limited to, its Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary, Senior Management (members of the Executive Management team, Consultants and Contractors engaged by Australian Dairy Farms Group and any of its related entities from time to time), and certain employees of the Finance Department.

On all occasions, it will be incumbent on Prescribed Employees to notify other staff and/or Consultants and Contractors engaged by the Group and any of its related entities from time to time, that they too are Prescribed Employees for the purposes of this Policy, if and when they are working on confidential transactions which may result in them having Inside Information.

If you are unsure whether you are a Prescribed Employee, you should immediately contact the Company Secretary or Executive Team for guidance.

7.1. GUIDELINES FOR PRESCRIBED EMPLOYEES

- The Group does not permit the trading (buying or selling) of Australian Dairy Farms Group securities at any time by any Prescribed Employees or employees who possess confidential price-sensitive information about the Group, which is not generally available to the market.
- In general, Prescribed Employees are not approved to trade in Australian Dairy Farms Group securities except:
 - (a) with the express written consent of the Group's Chairman or Managing Director; such written consent will not be unreasonably withheld and will be valid and effective for a period of seven (7) ASX trading days only. Thereafter, the Prescribed Employees will be required to obtain fresh written consent of the Group's Chairman or Managing Director to trade in Australian Dairy Farms Group securities; or
 - (b) in the sixty (60) day period commencing two (2) ASX trading days after the release of the Group's half year and full year results and in the thirty (30) day period commencing two (2) ASX trading days after the Group's Annual General Meeting.
- Where the Prescribed Employee[s] has received consent to trade during the closed periods, the Group requires the Prescribed Employee[s] to subsequently confirm that



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trading has occurred.

- The Group's employees having significant dealings with companies, or relevant responsibilities in the exercise of their position, which may expose them to price sensitive and non-public information, are prohibited from trading in securities issued by those companies, while in possession of such information.

Where consent has been granted to a Prescribed Employee to trade during a closed period, the Company will record the following information:

- whether prior written consent was provided to allow the trade to proceed;
- the date the consent was received; and
- that the trading took place during a closed period.

8. EXCLUDED EMPLOYEES

All other Australian Dairy Farms Group employees may trade in securities of the Company at any time, provided they do NOT have Inside Information.

Subscription for securities under the Australian Dairy Farms Group Employee Share Option Plan does not constitute Insider Trading and is permitted under the Corporations Act.

9. QUERIES OR CONCERNS

If you inadvertently or accidentally give someone Inside Information when you should not have done so, you are required to immediately inform the person(s) that the information is Inside Information and warn them against trading on it, inducing others to trade on it, or communicating it to others. You should also immediately contact the Group's Executive Team for guidance.

10. REVIEW

This Policy will be reviewed annually to ensure that it complies with and meets the objectives of the relevant legislation and remains effective for the Group. This Policy may be changed at any time, at the discretion of the Australian Dairy Farms Group Board.

REFERENCE DOCUMENT: Change of Director's Interests Notice (Appendix 3Y) in accordance with the ASX Corporate Governance Principles and Recommendations.

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity
ABN

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	
Date of last notice	

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	
Date of change	
Date of this notice	
No. of securities held prior to change	
Class	
Number acquired	
Number disposed	
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	
No. of securities held after change	
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	

Part 2 – Change of director’s interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of “notifiable interest of a director” should be disclosed in this part.

Detail of contract	
Nature of interest	
Name of registered holder (if issued securities)	
Date of change	
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	
Interest acquired	
Interest disposed	
Value/Consideration Note: If consideration is non-cash, provide details and an estimated	
Interest after change	

Part 3 – Closed period

Were the interests in the securities or contracts detailed above traded during a ⁺closed period where prior written clearance was required?	
If so, was prior written clearance provided to allow the trade to proceed during this period?	
If prior written clearance was provided, on what date was this provided?	