

SECURITIES DEALING POLICY

Introduction

This policy sets out the requirements and responsibilities of Farm Pride Foods Ltd (“**the Company**”) directors, executive officers, their immediate family members and all other employees in relation to dealings in Company Securities (e.g. shares, debentures, options).

In particular, this policy has the following objectives:

- to set out the procedures by which directors, executive officers and all other employees may deal in (e.g. subscribe for, purchase or sell or agree to do any of these in relation to Company securities;
- to briefly highlight some of the key legal requirements under the Corporations Law prohibiting dealing in securities generally.

Prohibited Conduct

It is an offence under the Corporations Law for a person to deal in securities of a company when that person (“insider”) possesses information that is not generally available but, if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of the securities (“inside information”).

Further, an insider must not, directly or indirectly, communicate inside information or cause that information to be communicated, to another person if the insider knows or should reasonably know that such person will or will be likely to deal in securities and/or procure a third person to deal in such securities.

Having regard to these legal prohibitions, commonly referred to as insider trading laws, directors, executive officers and all other employees of the Company should be aware that by virtue of their respective positions they will qualify as “insiders” when they are from time to time in possession of “inside information”. In those circumstances, directors, executive officers and all other employees of the Company must observe these insider trading laws.

Notification of Dealings in Securities

All directors, executive officers and other relevant employees of the Company are required to notify the Company Secretary giving at least 24 hours prior written notification of all proposed dealings in Company securities (electronic notification or clearance by email is permitted). Any such proposed dealings are then required to be notified in writing to the Company Secretary within 2 business days of completion, to allow for any compliance with the ASX Listing Rule obligations.

The Company Secretary will maintain a Register of Interests containing all relevant details of such notified dealings and the current interests in Company securities held by its directors, executive officers and all other employees.

With dealings in Company securities by way of participation in dividend reinvestment plans, executive and employee share/option plans, bonus issues, new and rights issues pursuant to a prospectus, share buy-backs, capital reorganizations or financial products issued or created over or in respect of Company securities, all participating directors, executive officers and other employees are still required to notify in writing the Company Secretary of all their dealings in Company securities within 2 business days after the completion of such dealings. However, there is no requirement for advance notification in these circumstances.

It should be noted that participation in the above plans and issues is still subject to the operation of the insider trading laws.

Restrictions on Directors and Executive Officers

By virtue of their duties and responsibilities, directors and executive officers will be more frequently in possession of “inside information” when compared to other Company employees.

Accordingly, but still subject to the insider trading laws, directors and executive officers are only permitted to deal in Company securities outside the following periods of time with the prior written approval of the Chairman and only where the market is aware of all price sensitive information :

- a period of 30 days following the announcement of the Company’s annual and half yearly financial results to Australian Stock Exchange Limited (ASX);
- a period of 30 days following the date of the Company’s Annual General Meeting.

Prior written approval to dispose of securities during a prohibited period may be provided where the restricted person is in severe financial hardship or other exceptional circumstances as determined by the Chairman in consultation with one other director (not including the restricted person). The duration of such written clearance to trade is five days or such other period approved in writing. The form of written clearance acceptable includes electronic clearance via email.

Notwithstanding these time windows, but subject to the insider trading laws, directors and executive officers are not prevented in participating in dividend reinvestment plans, executive and employee share/option plans, bonus issues, new and rights issues pursuant to a prospectus, share buy-backs, and capital reorganisations, where trading results in no change in beneficial interest in the securities or where a disposal of securities is the result of a secured lender exercising their rights and including participation outside these time windows

However, directors and executive officers are prohibited from dealing in Company securities at times (including during these time windows) when they are in possession of “inside information” in accordance with the insider trading laws.

Directors and executive officers must not engage in short term dealings in Company securities.

Restrictions for Employees

No time windows or time periods prohibiting dealing in Company securities have been specified for Company employees (other than executive directors and officers). However, employees are reminded of their obligations to observe the insider trading laws referred to above at all times and that dealing in Company securities when in possession of “inside information” is prohibited and an offence under the Corporations Law.

Enquiries

If you have any queries regarding this Policy Statement please do not hesitate to contact the Company Secretary.

Contact details are:

Email: bruce.delacy@fampride.com.au Phone: 03 9798 9207

Please note that this policy document is not intended to be a comprehensive analysis or summary of the insider trading laws contained in the Corporations Law nor a comprehensive advice as to their application to dealings in Company securities. Directors, executive officers and all other employees should consult their own legal advisers if in doubt in order to obtain advice relating to their specific circumstances.

A summary of this policy is contained within the Corporate Governance Statement which forms part of the Farm Pride Foods Ltd Annual Report.