



SHARE TRADING POLICY

1. Introduction

- 1.1 The Environmental Group Limited (“the Company”) Share Trading Policy regulates dealings by the Company’s directors, officers, and employees in securities issued by the Company.

In addition, the Policy applies to the Company’s contractors, advisors, auditors and consultants.

Those to whom this Policy applies are referred to as the Company’s Associates.

- 1.2 Whilst it is highly desirable that directors, officers and employees should hold shares in the Company, such persons wishing to trade (buy or sell) shares or exercise options in the Company must have regards to the legal constraints and the spirit of the law.
- 1.3 No Company Associate may trade in the Company securities for short term speculative gain or whilst in possession of price sensitive information which concerns the Company and which is not generally available.
- 1.4 This Policy also applies to trading:
- (a) through an entity or trust that is controlled by the Company Associate;
 - (b) through a spouse or child of the Company Associate.
- 1.5 Company Associates should not directly communicate price-sensitive information or cause that information to be communicated to another person if they know that the other person would be likely to buy or sell EGL shares or to communicate that information to another party.
- 1.6 This policy acts at all times at the best interest of EGL Shareholders.

2. Purpose

- 2.1 The purpose of this Policy is to ensure that the Company’s Associates are aware of the legal restrictions on trading shares or exercising options whilst such a person is in possession of unpublished price sensitive information concerning the Company.
- 2.2 Additionally, the Policy is intended to minimise the potential for misunderstandings to occur or suspicions to arise that the Company’s Associates are trading in the Company’s securities while in possession of unpublished price-sensitive information.
- 2.3 The Policy recognises that it is illegal for a person to trade in the Company’s securities when he or she possesses unpublished price sensitive information concerning the Company. This is regardless of whether the terms of this Policy have been complied with.

3. Prohibited Trading

3.1 Trading in securities by Company Associates in EGL shares and options is prohibited during the following periods:

- (a) Whilst in possession of price sensitive information that has not been made publicly available and for a period of seven (7) days after the release of price sensitive information to the Australian Stock Exchange (ASX) or other approved regulatory body;
- (b) From 31 December until seven (7) days after half-yearly financial results prepared in accordance with the Corporations Act and other relevant accounting standards have been lodged with the ASX or other approved regulatory body; and
- (c) From 30 June until seven (7) days after the annual financial statements prepared in accordance with the Corporations Act and other relevant accounting standards have been lodged with the ASX or other approved regulatory body.

4. Informing the Company and the ASX

4.1 Company Associates who have been involved in any trading of EGL securities, either personally or through a family member, trust or company as indicated above, must advise the Company Secretary in writing of the details of completed transactions within 2 days of each transaction.

4.2 The Company Secretary must maintain a Securities Transactions Code Register.

4.3 EGL has an obligation under the *Corporations Act* to notify the ASX in writing of any changes in directors' holdings or interests in securities of EGL within 3 business days of trading.

4.4 A director of EGL shall not buy or sell shares at any time without the prior knowledge of the Chairman of the Company.

4.5 The Chairman of EGL shall not buy or sell shares at any time without the prior knowledge of the Board of Directors

4.6 A Company Associate shall not buy or sell shares at any time without the prior knowledge of the Managing Director of the Company.

5. Price Sensitive Information

5.1 The Company's price-sensitive information is information which a reasonable person would expect to have a material effect on the price or value of securities in the Company.

6. Insider Trading

6.1 Insider information is information not generally available to the public that a reasonable person would expect will have a material effect on the price or value of EGL shares and options.