

K&L GATES

Corporate Governance Policy
Trading Policy

BirdDog Technology Limited
ACN 653 360 448

18 November 2021

K&L Gates
Melbourne office
Ref: 7393199.00001

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Date

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Introduction

Corporate governance refers to the system by which companies are directed and managed. It influences how the objectives of a company are set and achieved, how risk is monitored and assessed, and how performance is optimised. What constitutes good corporate governance will evolve with the changing circumstances of a company and must be tailored to meet those circumstances.

ASX's best practice recommendations

The ASX Corporate Governance Council (**Council**) provides guidelines in relation to corporate governance, entitled "*Corporate Governance Principles and Recommendations*" (4th Edition). This document articulates 8 central principles and 38 best practice recommendations (**ASX Principles and Recommendations**). The Council believes that the ASX Principles and Recommendations underscore good corporate governance and includes guidelines to assist companies in complying with the ASX Principles and Recommendations.

The board of directors (**Board**) of BirdDog Technology Limited ACN 653 360 448 (**Company**) supports the central principles and best practice recommendations published by the Council. The current policies, procedures and practices of the Company as contained in this Corporate Governance Policy (**Corporate Governance Policy**) comply with the Council's principles and best practice recommendations to the extent possible taking into account the Company's size, complexity, history and corporate culture.

As required under ASX Listing Rule 4.10.3, the Company will include in its annual report either the corporate governance statement (which discloses the extent to which the Company has followed the ASX Principles and Recommendations), or the URL of the page on the Company's website where the corporate governance statement can be located.

The Company will also lodge an *Appendix 4G Key to Disclosures Corporate Governance Council Principles and Recommendations*.

Company corporate governance charters and policies

The Company has adopted the following corporate governance charters and policies:

1. Primary Board Charter;
2. Code of Conduct;
3. Diversity Charter;
4. Trading Policy;
5. Audit and Risk Charter;
6. Nomination and Remuneration Charter;
7. Continuous Disclosure Policy;
8. Whistleblower Policy; and

9. Shareholder Communication Policy.

Attached are copies of each of the above charters and policies as adopted by the Board.

4. Trading Policy

The Board has adopted the following Trading Policy to regulate when and how Key Management Personnel (**KMP**) and Other Employees and the families and closely related entities of a KMP may trade (ie buy and sell) in the Company's Securities and Derivatives, or engage in Short-term Trading, Short Selling or other secured financing arrangements.

This Trading Policy is also designed to regulate the communication of Market-Sensitive Information and Inside Information by KMP and other employees with the intention of minimising the risk or appearance of Insider Trading and the significant reputational damage to the Company that may result.

In this Trading Policy it is important to understand:

- (a) the Company's Closed Periods for trading;
- (b) the trading restrictions that apply to KMP;
- (c) the types of trading that are **excluded** from this Trading Policy; and
- (d) what constitutes an **exceptional circumstance** in which KMP, directors, senior executives, officers or other employees may be permitted to trade during a **prohibited period** and the procedures for obtaining written clearance to do so.

This Trading Policy outlines the laws prohibiting Insider Trading, the obligations on KMP, directors, senior executives, officers and other employees in relation to the use of Inside Information in order to gain an improper advantage for themselves or someone else, and the consequences for the Company and its KMP, directors, senior executives, officers and other employees in the event of a breach of these laws.

This Trading Policy applies to all KMP and other employees of the Company at all times, even during trading periods permitted under this Trading Policy. The Company requires strict compliance with this Trading Policy.

To promote compliance with the Insider Trading prohibitions under the Corporations Act as well as this Trading Policy, a copy of this Trading Policy will be distributed to all employees and directors upon induction.

If any Material Changes are to be made to this Trading Policy, the Company **must** give the amended Trading Policy to the ASX company announcements office for release to the market **within 5 days** of making the Material Changes.

Under ASX Listing Rule 12.11, the Company **must** provide a copy of this Trading Policy to the ASX.

4.2 Definitions

In this Trading Policy:

ASIC means the Australian Securities and Investments Commission;

ASX means ASX Limited ACN 008 624 691;

Closed Period means a fixed period specified in section 4.5 of this Trading Policy;

Closely Related Party or Closely Related Parties has the meaning given to the term "closely related party" in section 9 of the Corporations Act;

Derivatives means products such as warrants, exchange-traded and over-the-counter options and contracts for differences, which are issued over or in respect of the Company's Securities;

Family Company has the meaning given to that term in the ASX Market Rules;

Family Trust means a trust defined in the ASX Market Rules;

Hedging Transactions means any transaction or arrangement which partly or totally offsets the risk relating to a current holding, or an element or remuneration, that either has not vested or has vested but remains subject to a holding lock;

Inside Information means any information that is not generally available but which, if it were generally available, a reasonable person would expect the knowledge of that information to have a material effect on the price or value of the Company's Securities;

Insider Trading means buying or selling, or procuring or encouraging another person to buy or sell Securities whilst in the possession of Inside Information;

KMP or Key Management Personnel means any person who has authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise), the CEO of the Company and other relevant senior executives who report to the CEO;

Market-Sensitive Information means any information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's Securities;

Material Changes has the meaning given in the ASX Listing Rules, including any changes:

- (a) to the fixed periods when the Company's KMP, directors, senior executives, officers and other employees are prohibited from trading in the Company's securities;
- (b) with respect to the trading that is excluded from the operation of the Company's trading policy; and
- (c) with respect to the exceptional circumstances in which the Company's KMP, directors, senior executives, officers and other employees may be permitted to trade during a prohibited period;

Other Employee means any employee of the Company who:

- (a) work closely with KMP (including personal assistants);
- (b) work in the financial or strategic planning teams of the Company;
- (c) work in the next layer of management who report directly to the KMP; and
- (d) who have access to the emails and documents of the KMP (including the IT team).

Security means:

- (a) a share in the Company;
- (b) a debenture of the Company;
- (c) a right or interest in a share or debenture of the Company;
- (d) a renounceable or non-renounceable right to subscribe for a share in or debenture of the Company;
- (e) a right to acquire an issued or unissued share or debenture; or
- (f) an option over an issued or unissued share or debenture of the Company;

Short Selling means the technique used by traders who borrow the security and sell it in the hope that they will be able to buy the security back at a lower price at some point in the future and close out their short position at a profit;

Short-term Trading means to trade in and out of an entity's securities or derivatives over a short period of time (ie periods of 1, 2, 3 or 6 months);

Standing Notice means a notice as defined under section 192 of the Corporations Act (relating to the extent of a director's interest in a matter); and

Trading Notice means a notice given in writing as defined under section 4.7 of this Trading Policy.

4.3 Obligations relating to Inside Information

Care must be taken to ensure that the confidentiality of Inside Information is not unintentionally breached due to the information being in another person's possession.

Any KMP or Other Employee in possession of Inside Information concerning the Company has a duty to:

- (a) keep that information confidential;
- (b) take all reasonable steps to secure and keep secure that information in their possession; and
- (c) not disclose or communicate that information to any person without the prior written consent of the Board, except:
 - (i) where necessary to comply with any court order, applicable law or the rules of any applicable securities exchange, provided that written notice is first given to the Board of the proposed disclosure and, to the extent practicable, reasonable endeavours are made to comply with any request by the Board concerning the proposed disclosure; or
 - (ii) to any fellow employee, professional adviser, banker, auditor or other consultant of the Company (**Receiving Party**) strictly on a "need to know basis", provided that prior to disclosure, the Receiving Party is notified of the confidential nature of the information to be disclosed and gives a signed undertaking (for the benefit of the Company) agreeing to be bound by the confidentiality and other obligations in this Trading Policy in relation to that information.

4.4 Who is restricted from trading?

Any person who possesses Inside Information about the Company's Securities, Derivatives and other secured financing arrangements is generally prohibited from trading, even where:

- (a) the trading occurs within a permitted trading window or outside of a Closed Period as specified in this Trading Policy;
- (b) the trading falls within an exclusion in section 4.6(a) of this Trading Policy; or
- (c) the person has been given clearance under section 4.7 of this Trading Policy to trade.

In addition, KMP and their "**closely related parties**" are prohibited from entering into Hedging Transactions.

Except as provided in section 4.6 and 4.7 of this Trading Policy, the following persons are generally restricted from trading:

Key Management Personnel

Under ASX Listing Rule 12.12.2, KMP are restricted from trading in the Company's Securities, Derivatives and other secured financing arrangements as they are required to meet high ethical standards and investors place high levels of trust and confidence in KMP. In holding an executive position, such as a director or senior executive, in the Company, KMP are most likely to be in possession of Inside Information and Market-Sensitive Information about the Company and are therefore more likely to be vulnerable to allegations of Insider Trading.

Families and close related entities of a KMP

Each KMP and Other Employee is obliged to ensure that each of their related or associated entities complies with this Trading Policy, on the basis that they may also have access to, or come into possession of, Market-Sensitive Information or Inside Information ahead of the market.

For the purposes of this section 4.4, a related or associated entity includes:

- (a) a spouse and any non-adult children;
- (b) a Family Company or Family Trust; and
- (c) a company in which a director, officer or employee of the Company is a director, has a **relevant interest** (as that term is defined in sections 608 and 609 of the Corporations Act) or in which they hold voting power in respect of 20% or more of the shares of that company.

Other Employees

This Trading Policy also prohibits Other Employees from trading in the Company's Securities, Derivatives and other secured financing arrangements on the basis that they may have access to, or come into possession of, Market-Sensitive Information or Inside Information ahead of the market.

4.5 Restrictions on trading

Trading in the Securities or Derivatives, along with Short-term Trading, Short Selling and other secured financing arrangements are not permitted in the period leading up to the publication of yearly and half-yearly results (**Closed Periods**). No KMP or Other Employee may buy or sell any Securities at any time during the following Closed Periods:

- (a) from 1 August until one week after the release of the Company's full year results;
- (b) from 1 January until one week after the release of the Company's half year results; and
- (c) any other period as determined by the Board from time to time.

General prohibition

Trading in the Securities or Derivatives, along with Short-term Trading, Short Selling and other secured financing arrangements by all KMP and Other Employees of the Company is prohibited when the relevant person is aware of any Inside Information. Without limiting the application of this general prohibition, the Chairperson of the Board may from time to time declare a Closed Period where there is the possibility of any person possessing Inside Information. During a Closed Period all KMP and Other Employees of the Company are prohibited from trading in the Securities, Derivatives, along with Short-term Trading, Short Selling and other secured financing arrangements.

4.6 What types of trading are permitted?

ASX Listing Rule 12.12.3 permits trading in certain circumstances, namely if the trading falls within an exclusion, or the trading occurs within a permitted trading window, or if there are exceptional circumstances which enable the trading to occur. However, if a KMP or Other Employee is in possession of Inside Information about the Company's Securities prior to or while trading, no exception applies and the trading is prohibited under relevant insider trading laws.

(a) Excluded trades

The following types of trades are expressly excluded from the operation of, and the restrictions specified under, this Trading Policy:

- (i) transfers of Securities already held between a KMP and a close family relation (ie spouse, non-adult child, family company or family trust) or into their superannuation fund with prior written consent;
- (ii) a disposal of Securities arising from the acceptance of a takeover offer, scheme or arrangement or equal access buy-back;
- (iii) an acquisition of Securities, or disposal of rights acquired, under a pro rata issue;
- (iv) an acquisition of Securities under a security purchase plan or a dividend or distribution reinvestment plan where:
 - (A) the KMP did not commence or amend their participation in the plan during a prohibited period; and

- (B) the Trading Policy does not permit the KMP to withdraw from the plan during a prohibited period other than in exceptional circumstances;
 - (v) indirect and incidental trading that occurs as a consequence of a KMP dealing in Securities issued by a managed investment scheme, listed investment company, exchange-traded fund or similar investment vehicle that is managed by a third party and that happens to hold, as part of its portfolio, Securities in the Company;
 - (vi) the acquisition of Securities under an employee incentive scheme; and
 - (vii) the obtaining by a director of a share qualification.
- (b) Trading during a Closed Period in exceptional circumstances

The Company recognises that KMP or Other Employees may need to trade in the Company's Securities in exceptional circumstances (even during a Closed Period).

Securities, Derivatives and other secured financing arrangements may be traded due to exceptional circumstances if:

- (i) the exceptional circumstances relate to severe financial hardship that cannot be remedied in any way other than by selling the Securities;
- (ii) the KMP or Other Employee is not in possession of Inside Information; and
- (iii) the KMP or Other Employee has complied with the procedures to clear trade contained in section 4.7 of this Trading Policy.

4.7 Procedures to clear trade

Trading notice

Subject to any ad hoc restrictions imposed under section 4.5(c) of this Trading Policy, if a KMP or other employee wishes to trade in Securities, Derivatives, or engage in Short-term Trading, Short Selling and other secured financing arrangements of the Company in exceptional circumstances or during a Closed Period they must give written notice (including via email) to the Chairperson (or in the case of the Chairperson applying for clearance to trade, to the Chairperson of the Audit and Risk Committee) seeking consent to trade (**Trading Notice**) no less than [7] business days before the proposed trade in order to determine whether such a transaction might be sensitive or infringe the general prohibition on Insider Trading (see above section 4.5 in relation to the general prohibition).

The Trading Notice must set out:

- (a) the number of Securities to be traded;
- (b) the proposed date(s) for the trade(s);
- (c) the exceptional circumstances involved; and
- (d) a statement confirming they are not in possession of any Inside Information.

The Trading Notice may be a Standing Notice that the relevant person intends to buy or sell the Securities, Derivatives, or engage in Short-term Trading, Short Selling and other secured financing arrangements:

- (e) over a specified period, up to a maximum of 5 business days after expiry of the notice to the Chairperson (or in the case of the Chairperson applying for clearance to trade, to the Chairperson of the Audit and Risk Committee); or
- (f) up to a maximum amount as specified in the notice to the Chairperson (or in the case of the Chairperson applying for clearance to trade, to the Chairperson of the Audit and Risk Committee).

Notifiable interests of directors

Despite the provisions of section 205G, the Company requires all directors to provide in a timely manner (and in any event not more than 3 business days after any change in their notifiable interests in the Securities) details of any change. Under ASX Listing Rule 3.19A.2 the Company is required to complete and lodge with ASX an Appendix 3Y (Change of Director's Interest Notice) within 5 business days after the change in the relevant director's notifiable interest. In lodging an Appendix 3Y Form, the following information must be included:

- (a) whether the interests that are the subject of the notification were traded during a closed period where prior written clearance under the trading policy was required;
- (b) if so, whether prior written clearance was obtained; and
- (c) the date on which the prior written clearance was obtained (if available).

Details of purchases or sales of Securities, Derivatives, or engagement in Short-term Trading, Short Selling or other secured financing arrangements by officers and employees must also be notified as soon as possible in writing to the Company Secretary to be recorded in the register kept for that purpose.

Register of Dealings

Any director of the Company selling any of their Securities or securities of a related body corporate must submit a section 205G notice to the Company Secretary who will keep a register of all such dealings. The register will be tabled at each Board meeting and will be available for inspection by directors at any time. The Company Secretary will prepare and circulate to directors in advance of each Board meeting a summary of transactions notified since the previous Board meeting.

The KMP or other employee must not trade the Securities, Derivatives, or engage in Short-term Trading, Short Selling and other secured financing arrangements unless and until permission for the proposed trade is received. A decision to permit or not to permit the proposed trade is at the sole discretion of the Chairperson (or in the case of the Chairperson applying for clearance to trade, the Chairperson of the Audit and Risk Committee), taking into account:

- (a) the person's circumstances and the ASX Listing Rules;
- (b) the information set out in the Trading Notice;
- (c) whether the Company is about to release a periodic financial report or other financial data that might come as a surprise to the market;
- (d) whether the Company is about to make an announcement of market sensitive information; and

- (e) whether the proposed date(s) for the trade(s) align with the Closed Periods as specified in section 4.5.

It is at the sole discretion of the Chairperson (or in the case of the Chairperson applying for clearance to trade, the Chairperson of the Audit and Risk Committee) whether to grant permission or clearance to trade.

A clearance to trade can be granted or refused without reason and if new information comes to light (e.g. the KMP or Other Employee comes to possess Inside Information), or there is a change in the circumstances of the KMP or Other Employee (ie they no longer have an exceptional circumstance that applies), the Chairperson (or in the case of the Chairperson applying for clearance to trade, the Chairperson of the Audit and Risk Committee) may withdraw their clearance.

The decision of the Chairperson (or in the case of the Chairperson applying for clearance to trade, the Chairperson of the Audit and Risk Committee) is final and binding on the KMP or Other Employee seeking clearance.

Where clearance to trade is refused or withdrawn, the KMP or Other Employee seeking clearance must keep that information confidential and not disclose the fact that their clearance to trade has been refused or withdrawn.

Where clearance to trade is granted by the Chairperson (or in the case of the Chairperson applying for clearance to trade, the Chairperson of the Audit and Risk Committee, the KMP or Other Employee seeking clearance must be advised in writing (including via email) that the clearance has been granted. The notification must set out the period in which the Securities, Derivatives or other secured financing arrangements can be traded and whether Short-term Trading and Short Selling and other secured financing arrangements can be engaged in.

Any clearance to trade granted is an exemption from the operation of this Trading Policy and is not an approval to trade. The KMP or Other Employee intending to deal in Securities, Derivatives, or engage in Short-term Trading Short Selling or other secured financing arrangements is personally responsible for any decision to trade and for compliance with relevant laws.

4.8 Consequences of breaching this Trading Policy

The Company's shares are listed on ASX, therefore under Australian law, it is a serious offence for a person including a KMP or Other Employee who possess Inside Information to:

- (a) engage in Insider Trading themselves; or
- (b) communicate (directly or indirectly) Inside Information to another person if they know or ought to know the other person would be likely to engage in Insider Trading.

The Company Secretary must be immediately advised of any breach of this Trading Policy who, in turn, will report to the Board.

A breach of this Trading Policy may result in disciplinary action, which may include termination of employment in serious cases.

A single offence for breach of Insider Trading provisions by a KMP or Other Employee may result in imprisonment, a substantial fine or both, in addition to other consequences

(eg paying compensation for damages suffered by the other party to the transaction or banning orders issued by ASIC which prohibit a person from supplying financial services).

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