

iiNet Share Trading Policy

1. INTRODUCTION

The company has in place a share trading policy which seeks to impose trading restrictions on all employees of the company and its related entities who are considered to be in possession of 'inside information', and additional restrictions in the form of trading windows, on the directors and executives of the company.

2. Inside Information

A person is an "insider" when they possess information that is not generally available to the market but if the information were generally available, a reasonable person would expect to have a material effect on the price or value of those securities.

Under these circumstances, the insider is prohibited from:

- Subscribing for, purchasing or selling, or entering into any agreement to subscribe for, purchase or sell; or
- Procuring another person to subscribe for, purchase or sell or enter into any agreement to or enter into any agreement to subscribe for, purchase or sell, any such securities.

The insider also must not, directly or indirectly communicate the information, or cause the information to be communicated to another person if the insider knows, or ought reasonably to know that the other person would be likely to:

- Subscribe for, purchase or sell, or enter into any agreement to subscribe for, purchase or sell; or
- Procure another person to subscribe for, purchase or sell or enter into any agreement to or enter into any agreement to subscribe for, purchase or sell, any such securities.

As such, an employee or director who possesses information must not:

- Trade in the company's shares;
- Advise or procure others to trade in the company's shares; or
- Pass on inside information to others – including nominees, agents or associates, such as family members, family trusts and family companies – knowing that the other persons will use the that information to trade in, or procure someone else to trade in, the company's shares.

Before trading in the company's shares, directors and employees must:

- Advise the Company Secretary of their intention to trade in the company's shares;
- Confirm they are not aware of any unpublished market sensitive information; and
- have been advised by the Company Secretary that there is no reason to preclude trading in the company's shares.

3. Trading Restrictions on Directors and Executives

In addition to Insider Trading prohibitions arising from the Law, Directors, Executive Officers and members of the Executive management team are prohibited from trading in company shares, except in a 30-day period following seven days after the release of the final and half yearly results.

These trading restrictions are subject to any discretion exercised by the Chairman.

4. Confidential Information

In addition to obligations under the law in relation to inside information, Directors and employees have a duty of confidentiality to the company in relation to confidential information they possess. Employee and/or contractors are also prohibited from trading in company shares whilst subject to a non-disclosure agreement (NDA). This is subject to any discretion exercised by the Chairman.

5. Breach of Trading Policy

Breaches of the iiNet Employee Share Trading Policy is subject to disciplinary action, which may include termination of employment.

