

Indoor Skydive Australia Group Limited

(ACN 154 103 607)
ASX: IDZ (TBA)

Securities Trading Policy

1. Generally

The Indoor Skydive Australia Group Limited (**ISA Group**) Securities Trading Policy regulates dealings in shares and other securities issued by ISA Group by:

- (a) directors and executives of Indoor Skydive Australia Group Limited; and
- (b) directors and key management personnel of each of ISA Group Limited's wholly owned subsidiaries,

(in this Policy, referred to as **restricted persons**).

In order to preserve the reputation and integrity of ISA Group, it is vital that when people associated with ISA Group deal in ISA Group's securities those dealings are not only fair, but are seen to be fair. When restricted persons deal in securities of ISA Group they must be sure that it does not reflect improperly on them or ISA Group.

The rationale for the Policy is to ensure that restricted persons are aware of the legal restrictions on trading ISA Group securities while a person is in possession of unpublished ISA Group price-sensitive information and to impose certain closed periods during which trading is prima facie prohibited.

2. Standards

All restricted persons should ensure that all transactions in ISA Group shares or other ISA Group securities which may be issued from time to time by ISA Group (**ISA Group shares**) comply with:

- (a) the Corporations Act 2001 and Regulations (particularly the insider trading provisions); and
- (b) the ASX Limited Listing Rules (particularly the continuous disclosure requirements in Listing Rule 3.1 and the disclosure of the director's interests in accordance with Listing Rule 3.19A).

3. The insider trading provisions

The insider trading provisions of the Corporations Act (**Insider Trading Provisions**) operate to prohibit a person (which includes a company) in possession of "inside information" about financial products (including shares) from:

- (a) applying for, acquiring or disposing of those financial products (or entering into an agreement to do so) (the trading offence);

- (b) “procuring” another person to do any of the things set out in paragraph (i) (the procuring offence); and
- (c) in some cases where the financial products are able to be traded on a financial market, merely communicating the information.

A person will be taken to have **procured** another if that person incites, induces, or encourages or causes an act or omission by another person.

“Inside information”, is information which is not “generally available” and information which a reasonable person would expect to have a “material effect on the price” or value of the particular financial products in question.

4. Restrictions on trading and dealing

4.1. General restrictions

Restricted persons:

- (a) must not engage in short term trading of any ISA Group shares (ie. buy shares with an intention to sell shares within a 12 month period); and
- (b) must not, despite anything to the contrary in this Policy, trade in any ISA Group shares while that person is in possession of inside information.

4.2. Specific restrictions

Restricted persons who hold ISA Group shares under an incentive plan offered by ISA Group from time to time, must not, without the prior consent in writing of ISA Group, sell, create a security interest in, or otherwise dispose or deal with their ISA Group shares or any of their interests in any of those ISA Group shares.

5. Closed periods for trading

Subject to paragraph 6 below, restricted persons must not trade in ISA Group’s shares during the following ‘closed periods’:

- (a) 1 January up to and including the day on which ISA Group’s half year results are released; and
- (b) 1 July up to and including the day on which ISA Group’s full year results are released.

6. Exemptions

6.1. Excluded trading

A restricted person may trade in ISA Group shares during a closed period if that trading falls within one of the following categories of “excluded trading”:

- (a) transfers of ISA Group shares already held from a restricted

own name into a superannuation fund to which the restricted person is a beneficiary:

- (b) an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in ISA Group shares) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (c) undertakings to accept, or the acceptance of, a takeover offer;
- (d) trading under an offer or invitation made to all or most of ISA Group's members such as, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan or an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board;
- (e) a disposal of ISA Group shares that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement; or
- (f) trading under any ISA Group employee incentive scheme in accordance with the rules of a Board approved Incentive Plan.

6.2. Trading with consent

A restricted person may trade in ISA Group shares during a closed period if that person obtains written permission to do so in accordance with paragraph 6.3.

6.3. Procedure for obtaining written consent to trade

- (a) A restricted person who wishes to trade in ISA Group shares during a closed period (**Applicant**) must obtain the prior written permission (whether by letter, facsimile, electronic or other form of visible communication) of:
 - (i) the Chairman and the Company Secretary; or
 - (ii) where the Chairman or the Company Secretary is the Applicant, the other of them and the Chair of the Audit Committee (collectively the **Approvers**).
- (b) As part of his or her application, an Applicant must give the Approvers an undertaking that the Applicant complies with paragraph 4.1(a);
- (c) The Approvers may only provide written permission (whether by letter, facsimile, electronic or other form of visible communication) to trade in ISA Group shares where:
 - (i) the restricted person is in severe financial hardship or other exceptional circumstances exist; and
 - (ii) the Approvers are satisfied that there is no inside information which has not been disclosed to ASX Limited.
- (d) The following are examples of situations of severe financial hardship or other exceptional circumstances which the Approvers may consider sufficient to warrant approval under this paragraph 6:

- (i) “severe financial hardship” could include (but is not limited to) the Applicant having a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant ISA Group shares; and
 - (ii) “exceptional circumstances” could include (but is not limited to) where the Applicant is required by a court order, or there are court enforceable undertakings, for example, in a bona fide family settlement, to transfer or sell ISA Group shares or there is some other overriding legal or regulatory requirement for him or her to do so.
- (e) An Applicant seeking clearance to trade must satisfy the Approvers that they are in severe financial hardship or that their circumstances are otherwise exceptional and that the proposed sale or disposal of the relevant ISA Group shares is the only reasonable course of action available.
- (f) Determination as to whether the Applicant is in severe financial hardship or whether a particular set of circumstances exist may only be made by the Approvers.
- (g) Any permission provided under this paragraph 6 must be obtained by the Applicant not less than 2 business days before the proposed trade.

7. Policy responsibility

Each restricted person is responsible for adhering to ISA Group’s standard for trading in ISA Group shares.

The Company Secretary has responsibility for maintaining the Policy.

8. Insider trading

The requirements imposed by the Policy are separate from, and additional to, the legal prohibitions in the Corporations Act on insider trading.

Issued by order of the Board:

John Diddams
Company Secretary
Indoor Skydive Australia Group Limited

31 October 2012