



GAS2GRID LIMITED SECURITIES TRADING POLICY

1. INTRODUCTION

This document sets out the policy covering restrictions on dealing in securities of Gas2Grid Limited.

If you do not understand any part of this policy or the summary of the applicable law, or how it applies to you, you should raise the matter with the Managing Director or the Chairman of the Audit Committee before dealing with any securities covered by this policy.

2. PERSONS COVERED BY THIS POLICY

This policy imposes trading restrictions on all employees, officers and contractors of Gas2Grid Limited ("Restricted Persons") who are in possession of inside information and during "Blackout Periods".

3. SECURITIES COVERED BY THIS POLICY

a) This policy applies to trading in all "Gas2Grid Securities" that include the following types of securities of Gas2Grid Limited:

- shares and options;
- notes;
- derivatives of any of the above (including equity swaps, futures, hedges and exchange-traded or over-the-counter options); and
- other financial products issued by third parties in relation to Gas2Grid's securities

"Trading" includes:

- acquiring or disposing of Gas2Grid Securities on market or through an off market transaction;
- acquiring or disposing of Gas2Grid Securities in connection with margin lending or other security arrangements; and
- stock lending arrangements affecting Gas2Grid Securities.

b) The prohibition on insider trading also applies to securities issued by another company or entity if you have inside information (i.e. information which is not publicly known) about that company or entity – see paragraph 5. For this purpose "securities" covers the same range of shares, options, notes, interests, derivatives and other financial products as listed in paragraph 3(a).

4. INSIDER TRADING

If you have inside information relating to a security, it is a criminal offence for you to:

- trade in that security;
- advise or procure another person to trade in that security; or
- pass on inside information to someone else – including colleagues, family or friends - knowing (or where you should have reasonably known) that the other person will use that information to trade in, or procure someone else to trade in that security.

This offence, called "insider trading", can subject you to criminal liability including large fines and/or imprisonment, and civil liability, which may include being sued by another party or Gas2Grid Limited, for any loss suffered as a result of illegal trading.

5. INSIDE INFORMATION

a) "Inside information" is information that:

- is not generally available; and
- if it were generally available, it would – or would be likely to - influence investors in deciding whether to buy or sell a security.

b) It does not matter how you come to know the inside information (including whether you learn it in the course of carrying out your responsibilities or in overhearing a conversation at any place).

The following list is illustrative only and is not exhaustive. Inside information could include:

- a) a possible acquisition or sale of any assets or business by Gas2Grid Limited or another company;
- b) a possible control transaction;
- c) the financial performance of Gas2Grid Limited or another company against its budget or forecasts;
- d) results of well drilling or workovers;
- e) results of interpretation of geological or geophysical seismic data;
- f) senior management or board changes;
- g) a proposed dividend;
- h) a possible change in Gas2Grid Limited's capital structure; or
- i) any possible claim against Gas2Grid Limited or other unexpected liability.

6. INSIDER TRADING IS PROHIBITED AT ALL TIMES

a) If you possess inside information, you must not buy or sell Gas2Grid Securities, advise or get others to do so or pass on the inside information to others. This prohibition applies regardless of how you learn of the information.

b) The prohibition on insider trading is not limited to information concerning Gas2Grid Limited or to dealing in Gas2Grid Securities. If you have inside information about another company or entity you must not deal in securities of that company or entity.

7. RESTRICTIONS ON TRADING IN SECURITIES

Trading restrictions apply to Restricted Persons.

a) Blackout Periods

Given the heightened risk of actual or perceived insider trading, in general, Restricted Persons may not trade in Gas2Grid Securities during "Blackout Periods" as follows:

- between July 1 and one trading day following the announcement of the June full-year results;
- between 1 October and one trading day following the announcement of the September Quarter cash flows;
- between January 1 and one trading day following the announcement of the December half-year results;
- between 1 April and one trading day following the announcement of the March Quarter cash flows; and
- between the announcement of commencement of a drilling programme and one trading day following the announcement of the completion of the drilling programme and the final drilling results.

Trading during Blackout Periods may only be permitted with prior approval of the Chairman (or, in the case of the Chairman, with the approval of the Chair of the Audit Committee), where there are exceptional circumstances (such as severe financial hardship) and the Restricted Person is not aware of inside information. Where such approval is obtained, trading must occur within 7 days.

b) Clearance outside of Blackout Periods

Before trading in Gas2Grid Securities during periods outside of the Blackout Periods (if permitted by this policy), the Restricted Person must:

- advise the Managing Director of their intention to trade in the Gas2Grid Securities and whether they intend to enter into, or have entered into, a margin lending or other security arrangement affecting the relevant Gas2Grid Securities;
- confirm that they do not hold unpublished inside information; and
- have been advised by the Managing Director that there is no known reason to preclude the trading in Gas2Grid Securities.

Any trading must occur within 7 days of being so advised.

Following trading, a Restricted Person who trade in Gas2Grid Securities must provide details of the trading to the Managing Director including the details of any margin lending or other security arrangement affecting the securities. The Restricted Person must also notify the Managing Director if a security interest affecting Gas2Grid Securities that they own or control is created, varied or discharged and the details of the security interest.

Restricted Persons are prohibited from entering into transactions which limit the economic risk of participating in unvested entitlements, such as unvested options, under a Gas2Grid Limited equity based executive or employee incentive plan.

8. ADDITIONAL OBLIGATIONS ON DIRECTORS OF GAS2GRID LIMITED

Directors of Gas2Grid Limited must also comply with:

- a) all requirements in the Corporations Act 2001 (Cth) and the Listing Rules of ASX Limited in relation to notification of trading in Gas2Grid Securities; and
- b) the letter agreement entered into between each director and Gas2Grid Limited relating to notification of trading in Gas2Grid Securities.

9. DEALINGS NOT SUBJECT TO THIS POLICY

The following dealings are not subject to this policy:

- an undertaking to accept, or the acceptance of a takeover offer;
- dealings in securities already held by the director or employee into a superannuation fund in which that person is a beneficiary;
- dealings under an offer or invitation made to all or most of the shareholders of Gas2Grid Limited, such as a rights issue, a security purchase plan or a dividend or distribution reinvestment plan or an equal access buyback, approved by the Board;
- decisions to take up or not to take up the entitlements or to allow them to lapse, and the sale of sufficient entitlements to take up the balance of entitlements under a renounceable rights issue;
- a dealing where the beneficial interest in the security does not change;
- an investment in, or a trading in units of a fund or arrangement, other than a fund only investing in securities in Gas2Grid Limited, where the assets of the fund are invested at the discretion of a third party;
- the cancellation, lapsing or surrender of an option or right under an employee incentive plan;
- the exercise (but not the sale on exercise) of an option or a right under an employee incentive plan, or the conversion of a convertible security, where the final date for exercise or conversion of the security, falls during a Blackout Period and Gas2Grid Limited has been in an exceptionally long prohibited period and the person could not reasonably have been expected to exercise it at time when he or she is free to do so.

10. BREACHES OF POLICY

Strict compliance with this policy is a condition of engagement. Breaches of this policy will be subject to disciplinary action, which may include termination of engagement

11. GAS2GRID LIMITED EMPLOYEE INCENTIVE PLAN

Directors, employees, officers and contractors who acquire Gas2Grid Securities under the Gas2Grid Limited Employee Incentive Plan must also comply with the rules of that plan when trading in those securities or derivatives of those securities.

12. AMENDMENT OF POLICY

This policy cannot be amended without the approval of the Board of Directors of Gas2grid Limited. Anyone unsure about whether any potential transaction is contrary to the law, the Listing Rules of ASX Limited or this Securities Trading Policy should contact the Managing Director or the Chairman of the Audit Committee.

Date: 23 December 2010