

# SECURITIES TRADING POLICY

## SWALA OIL AND GAS (TANZANIA) LIMITED

Company Number 84838

### 1. Introduction

Swala Oil and Gas (Tanzania) Limited's (**Company** or **Swala**) Securities Trading Policy (**Policy**) sets guidelines for:

- a) when Directors, officers, senior management, other employees, consultants and contractors of the Company (and any family member or associate over whom they have influence) may deal in the Company's Securities;
- b) when Directors, officers, senior management, other employees, consultants and contractors of the Company may deal in listed securities of another entity (because they may obtain inside information about another entity's securities while performing their duties for the Company); and
- c) procedures to reduce the risk of insider trading.

Swala Securities includes listed shares in Swala Oil and Gas (Tanzania) Limited, options over those shares and any other financial products of Swala Oil and Gas (Tanzania) Limited traded on any securities exchange.

### 2. Who does this Policy apply to?

This Policy applies to:

- all Executive and Non-Executive Directors, officers, employees, contractors and consultants (collectively, **Personnel**) of the Company, and its subsidiaries; and
- in relation to Blackout Periods (see paragraph 6.2), Directors and Senior Executives (Senior Executives being key management personnel, i.e. direct reports to the Managing Director, and those persons' direct reports) (collectively, **Designated Persons**) of the Company, and its subsidiaries (and any family member or associate over whom they have influence).

### 3. Insider Trading - the Law

#### 3.1 The Law prohibits insider trading.

**Inside Information** is information relating to the Company that is not generally available but, if the information was generally available, a reasonable person would expect that information to have a material effect on the price or value of the Company's Securities.

The Law prohibits a person (an Insider) who is in possession of Inside Information from:

- (a) applying for, acquiring, disposing of or entering into an agreement to apply for, acquire or dispose of the Company's Securities;
- (b) procuring another person to apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of the Company's Securities; or
- (c) directly or indirectly communicating the Inside Information to another person when the Insider knows, or ought reasonably to know, that the other person would or would be likely to:

- (i) apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of the Company's Securities; or
- (ii) procure another person to apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of the Company's Securities.

3.2 Insider trading is a criminal offence. It is punishable by substantial fines or imprisonment or both. A company may also be liable if an employee or Director engages in insider trading.

3.3 Insider trading may also attract civil penalties. A court may impose substantial pecuniary penalties for insider trading and order payment of compensation to persons who suffer loss or damage because of insider trading.

3.4 Information is generally available if it:

- (a) is readily observable;
- (b) has been made known in a manner (e.g. released to the DSE likely to bring it to the attention of persons who commonly invest in Securities and a reasonable period for that information to be disseminated has elapsed since it was made known).

#### **4. When Personnel May Deal in Securities**

Dealing in the Company's Securities includes but is not limited to buying, selling and transferring the Company's Securities.

Personnel (who are not Designated Persons) may deal in Swala Securities or the listed Securities of another entity if he or she does **not** have information that he or she knows, or ought reasonably to know, is Inside Information in relation to Swala Securities or those Securities of the other entity.

#### **5. When Personnel May Not Deal In Securities**

Personnel (who are not Designated Persons) must **not** deal or procure a third party to deal in Swala Securities or the listed Securities of another entity if he or she has information that he or she knows, or ought reasonably to know, is Inside Information in relation to Swala Securities or those Securities of the other entity.

#### **6. Designated Persons Dealing In the Company's Securities**

6.1 Designated Persons

Designated Persons are routinely in possession of Inside Information (which, if generally available would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell the Company's Securities).

As such, Designated Persons (or any family member or associate over whom they have influence) are prohibited from dealing in the Company Securities during a Blackout Period.

6.2 Blackout Periods

The Blackout Period for the purposes of the Listing Rules is a "Closed Period".

No trading in the Company Securities may occur during a **Blackout Period (Closed Periods)** without the permission of the Chief Executive Officer (**CEO**) / Managing Director (**MD**) (or in the case of the CEO/MD, the Chairman). Permission will ordinarily only be granted in exceptional circumstances (see section 6.4 below).

Outside a prohibited Blackout Period, the laws prohibiting insider trading continue to apply to Designated Persons. Refer to section 3 of this Policy for further details.

Unless the Board otherwise directs, in its absolute discretion Blackout Periods will occur at the following times:

- (a) for a period of 2 weeks before the public release by the Company of its quarterly reports to the DSE, up to the commencement of the first trading day after such release;
- (b) for a period of 2 weeks before the public release by the Company of its annual and half year results to the DSE, up to the commencement of the first trading day after such release;
- (c) for a period of 2 weeks before the Company's Annual General Meeting (**AGM**) up to the commencement of the first trading day after the AGM;
- (d) for a period of 2 weeks before the issue of a disclosure document, e.g. prospectus, up to the commencement of the first trading day after such release; and
- (e) such other periods the Board may notify from time to time.

### 6.3 Notice of Intent to Deal in the Company Securities

- Designated Persons (or any family member or associate over whom they have influence) are prohibited from dealing in the Company's Securities at any time, including in exceptional circumstances set out in section 6.4, without providing the CEO/MD (and the Chairman in the case of the CEO/MD) with prior written notice, within three (3) business days of the transaction occurring, of their intent to deal in the Company's Securities.
- A copy of the notice will be sent to the Company Secretary for the official file.

### 6.4 Exceptional Circumstances

Any Designated Person, who is not in possession of Inside Information affecting Securities, may be given prior written approval to sell or otherwise dispose of Securities during a Blackout Period where there are exceptional circumstances. Exceptional circumstances may include:

- (a) severe financial hardship which means a Designated Person has a pressing financial commitment that cannot be satisfied otherwise than by selling the Securities;
- (b) if a Designated Person is required by a court order, or there are court enforceable undertakings to transfer or sell the Securities or there is some other overriding legal or regulatory requirement for the Designated Person to do so; or
- (c) a situation determined by the Chairman (or in the case of the Chairman the CEO/MD) to be an exceptional circumstance.

When requesting prior written approval to sell or otherwise dispose of Securities during a Blackout Period, the Designated Person must submit an application in writing (which can be by email) to the CEO/MD, generally through the Company Secretary (in the case of the CEO/MD an application in writing (which can be by email) to the Chairman) including the reasons for requesting approval. Approval, if granted, must be in writing (which can be by email) and must specify a time period for which the approval applies.

## 7. **Excluded Trading**

Trading that is excluded from the restrictions in this Policy includes:

- transfers of Securities already held into a superannuation fund or other saving scheme in which the member of Personnel is a beneficiary;
- an investment in, or trading units of, a fund or other scheme (other than a scheme only investing in the Company's Securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- where a Designated Person is a trustee, trading in Securities by that trust provided the Designated Person is not a beneficiary of the trust and any decision to trade during a Blackout Period is taken by the other trustees or by the investment managers independently of the Designated Person;
- undertakings to accept, or the acceptance of, a takeover offer;
- trading under an offer or invitation made to all or most of the security holders, such as, a rights issue, a security purchase plan, a dividend or distribution investment plan (*DRP*) and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board;
- a disposal of securities of the entity that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement; and
- the exercise (but not the sale of securities following exercise) of an option or a right under an employee incentive scheme, or the conversion of a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a Blackout Period and where the Designated Person could not reasonably have been able to exercise at a time when free to do so; and
- trading under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this Policy and where:
  - the Designated Person did not enter into the plan or amend the plan during a Blackout Period; and
  - the trading plan does not permit Designated Persons to exercise any influence or discretion over how, when, or whether to trade.

## **8. Anti-hedging Policy**

Directors and Senior Executives are not permitted to enter into transactions with Securities (or any derivative thereof) in associated products which limit the economic risk of any unvested entitlements under any equity-based remuneration schemes awarded under any equity-based remuneration scheme currently in operation or which will be offered by the Company in the future. However, Directors and senior executives will consult with the Chairman if they are considering, or if they are not sure, as to whether entering into transactions may limit the economic risk of unvested entitlements they may have.

## **9. Review of this Policy**

This Policy will be reviewed regularly by the Company's Directors having regard to the changing circumstances of the Company and any changes to this Policy will be notified to affected persons in writing. If Directors and Senior Executives have any comments or views concerning the operation or effectiveness of this Policy, they should be communicated to the Company Secretary.