

GREENPOWER ENERGY LIMITED

SHARE TRADING POLICIES

DECEMBER 2010

1) Introduction

- a) The company's securities are traded on the Australian Securities Exchange (ASX) with Directors and employees owning securities in the company.
- b) This policy deals with the manner in which the company's Directors and employees can deal in the company's securities.

2) Scope

- a) The Directors and all employees are responsible and accountable for complying with the policy.

3) Policy

- a) You should not deal in the company's securities:
 - (i) when you are in possession of price sensitive information relating to the company which is not generally available to the market; or
 - (ii) during Black Out Periods.
- b) Black Out Period

A Black Out Period is imposed so as to avoid any adverse inference being drawn of unfair dealing. Accordingly, Directors and employees must not deal in the company's securities during the 31 day period immediately before the release of the company's half-yearly or yearly results. The Company Secretary will notify you of this date.

c) Restricted Person

A Restricted Person (as defined below) can only deal in the company's securities with the approval of the Company Secretary, or, in the case of a Director, with the approval of the Chairman.

4) ASX notification by Directors

- a) Directors should note that the Corporations Act 2001 (Cth) (Corporations Act) obliges a Director to notify the ASX within 14 days after any dealing in the company's securities (either personally or through a third party) which results in a change in the relevant interests of the Director in the company's securities.
- b) In addition, under the ASX Listing Rules, the company is required to notify the ASX of such dealings within 5 business days of such dealings taking place. Directors have agreed with the company to provide notice of such dealings to the company as soon as possible after such dealing to enable the company to comply with its obligations under the Listing Rules. A notice given by the company to the ASX under the ASX Listing Rules satisfies a Director's obligation to notify the ASX under the Corporations Act.
- c) Any Director requiring assistance in this regard should contact the Company Secretary.

5) Securities in other companies

- a) While employees are free in general to deal in securities in other listed companies, the prohibited conduct under the Corporations Act includes dealings in securities of other listed companies with which the company may be dealing (including the company customers, contractors or business partners) where an employee possesses "inside information" in relation to that other company.
- b) That is, if you are aware of information that is not generally available that may have a material effect on the price or value of a security, you should not deal in the securities of the companies that it affects.

- c) You may come into possession of “inside information” where you are directly involved in client relationship management, assessing new business opportunities, negotiating contracts or the design, construction and installation of new plant and equipment. For example, where you are aware that the company is about to sign a major agreement with another company that is likely to have an effect on the share price of that company, you should not buy securities in the other company.

6) Penalties

- a) Any contraventions of this policy will be regarded as serious misconduct and will be noted by the Company Secretary and reported to the CEO.
- b) A contravention will also result in notice on the employee’s personnel file and be dealt with in a manner deemed appropriate by the CEO which may involve disciplinary action and could result in dismissal. The CEO will advise the Board of contraventions of the policy and action taken. A contravention of this policy by a Director will be reportable to the Chairman. Insider trading is a criminal offence. A person who commits a breach of the insider trading provisions could be subject to both civil and criminal penalties.

7) Defined terms and Concepts

- a) Securities

The definition of securities in the Corporations Act is very broad, and includes ordinary shares, options, warrants and other derivatives relating to the company’s shares.

- b) Dealing in securities

Dealing in securities is a broad concept and covers more than simply buying or selling securities. It extends to forward contracts, granting options and hedging securities. It also extends to entering into an agreement to do any of the above.

c) Generally available information

Information is generally available where the information is:

- i) readily observable; or
- ii) made known in a manner that would, or would be likely to, bring it to the attention of people who commonly invest in the company's securities or securities of a kind similar to the company's securities, and a reasonable period has elapsed to allow the information to be disseminated; or
- iii) able to be deduced, concluded or inferred from those types of information.

d) Price sensitive information

It does not matter how or where you obtain the information. It does not have to be obtained from the company to constitute inside information. The following is a non-exhaustive list of possible examples of price sensitive information which, if it has not already been disclosed to the market and if it were made available to the market, may be likely to affect materially the price of the company's securities:

- i) the company considering a major acquisition or disposal of assets;
- ii) the threat of major litigation against the company or its subsidiaries;
- iii) financial results materially exceeding (or falling short of) the market's expectations;
- iv) a significant new development proposal;
- v) the likely granting (or loss) of a major contract or government approval;
- vi) a proposed dividend or change in dividend policy;
- vii) a proposed new share issue; or
- viii) a significant change in senior management.

e) Restricted Person

You are a Restricted Person if you:

- i) are a Director;
- ii) an employee who is defined Key Management Personnel;
- iii) an employee of the company who receives a copy of the company's Board briefing papers or draft ASX announcements and internal reports to its Directors.

(f) Insider trading

In broad terms, you will be engaging in conduct known as insider trading if:

- i) you possess information which is not generally available to the market and, if it were generally available to the market, would be likely to have a material effect on the price or value of the company's securities (i.e. information that is "price sensitive"); and
- ii) you engage in one or more of the activities described below:
 1. deal in securities in the company (which includes securities, options and warrants) or enter into an agreement to deal in securities of the company;
 2. deal in derivatives or other similar products or hedge in relation to any securities in the company held by you directly or indirectly (collectively defined as "hedge the securities") or enter into an agreement to do any of these things;
 3. advise, procure or encourage another person (for example a family member, a friend, a family company or trust) to deal in the securities in the company or enter into an agreement to deal in the securities of the company; or
 4. communicate that information or cause that information to be communicated, to a third party where you know, or ought reasonably to know, that the third party would be likely to deal in the securities or procure someone else to deal in the securities of the company.