

# Securities Trading Policy

## 1. Purpose

This Securities Trading Policy (Policy) regulates dealings in shares and other securities of IronClad Mining Limited (Company) by directors, employees and contractors (restricted persons) of the Company.

The policy aims to ensure that trading in the Company's shares is fair and appropriate and maintains the reputation of the Company.

The policy explains conduct that is prohibited by law when dealing with securities.

This policy includes a summary of complex legal provisions and should only be used as a general guide, it is not legal advice.

## 2. Scope

This policy applies to all restricted persons of the Company and its wholly owned subsidiaries.

## 3. Who is a restricted person

A restricted person is a director, employee, contractor or external advisor to the Company and includes their spouses and other close family members over whom they may have significant influence, eg children or parents.

## 4. Insider Trading Prohibition

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 Company's shares and other securities.

The insider trading provisions of the Corporations Act 2001 operate to prohibit a person (which includes a company) in possession of inside information about securities from;

- a) Applying for, acquiring or disposing of those securities or entering into an agreement to do so, or
- b) Procuring another person to acquire or dispose of those securities, or
- c) Communicating the information to someone that you have reason to think might acquire or dispose of those securities.

Trading in the Company's securities is prohibited at all times a person possesses inside information.

There are criminal and civil penalties for a breach of the insider trading provisions.

Examples of inside information may include;

- Financial performance of the Company
- Contract negotiations
- Drilling or assay results
- Material acquisition or sale of assets
- An actual or proposed takeover or merger
- Proposed issue of securities

#### **Generally available information**

Information is generally available if it;

- a) Has been announced to the ASX
- b) Is readily available
- c) has been disseminated in such a way, and for a long enough period of time, that people who are likely to be investors would have been informed; and
- d) is an observation, deduction or conclusion made from other generally available information

Material effect on price or value

A material effect on the price or value of a security is considered to be when a reasonable person would expect that information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, or buy or sell the securities.

#### **5. Dealing in the securities of other companies**

If you have inside information in relation to another company, then you cannot deal in the securities of that company. The same inside information rules, outlined in this policy, apply to buying and selling shares in other companies.

In the course of your work you may obtain inside information relating to another company. An example would be if you knew about an agreement that was about to be signed that would affect another company, or if you knew of a planned transaction that could significantly affect another company.

The Company may also from time to time notify you in writing that you are not to deal in the securities of another company (of which you are privy to market sensitive information).

In addition to the above, employees are also bound by a duty of confidentiality in respect of a third party's information which they obtain in the course of their duties.

## **6. Trading Windows**

Subject to the prohibition on insider trading and the exemptions in paragraph 8, restricted persons will only be able to trade in securities during trading windows.

A trading window will not be automatically opened, the Company Secretary will notify restricted persons by email when the trading window has been approved and you are permitted to trade in securities.

- a) Trading windows will generally be opened for 60 days beginning on the first trading day after one of the following;
  - The day half-year results are announced;
  - The day full year results are announced;
  - The day of the Annual General Meeting.
- b) The Board of Directors may, at another time, determine that the market is fully informed and notify restricted persons that a trading window is open. The trading window will be open for a defined period set out in the notification.

## **7. Black-out Periods**

In addition to the trading windows, and subject to the prohibition on insider trading and the exemptions in paragraph 6, Directors and Executives must not trade in Company shares and other securities for;

- a) 24 hours following any major announcements.

The Managing Director will decide when an announcement is 'major' and will notify via email at the time that the announcement is released.

## **8. Exemptions**

A restricted person may trade in the Company shares during a closed period if that trading falls within one of the following categories.

- a) Transfer of securities already held by a restricted person into a superannuation fund or other saving scheme in 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 the securities of the Company) where the assets for 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 the security holders in the Company, such as, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board.

## **9. Employee Incentive Plans**

The exercise (but not the sale of securities following exercise) of an option or a right under an Employee Share Option Plan or any other employee incentive scheme may be exercised in accordance with the rules of the Plan.

The sale of the securities following exercise may only occur;

During a trading window: or

With prior written permission as per the procedure in paragraph 11; and

If the person is not in possession of inside information.

## **10. Exceptional Circumstances**

A restricted person, who is not in possession of inside information, may apply for permission to trade in the Company's securities during a closed period, where the following applies;

The person is in severe financial hardship where a pressing financial commitment cannot be satisfied otherwise than selling the Company securities; or

Where there is a court order or other court enforceable undertaking, or some other overriding legal or regulatory requirement to transfer or sell the securities; or

Other exceptional circumstances where disposal of the securities is the only reasonable course of action available.

## **11. Procedure for obtaining permission to trade**

- a) A restricted person (Applicant) who wishes to apply for permission to trade due to exceptional circumstances must obtain prior written permission from an approved person (Approver), being;
  - i. The Chairman or the Managing Director; or
  - ii. Where the Chairman or the Managing Director is the applicant, the other of them and the Chair of the Audit Committee.
- b) The Applicant must make a written request for permission to trade (letter, facsimile, electronic or other form of visible communication), the request must set out sufficient details to enable the person approving the application to make a determination that the circumstances are exceptional.
- c) Where the Approver decides to approve the request, the approval must be given to the Applicant in writing.
- d) The Applicant must not trade in the securities until the written approval is received by the.

- e) The written approval will be valid for a period of one week, trading after this period is prohibited.

## **12. ASX Notification by Directors**

The Corporations Act 2001 requires a Director to notify ASIC within 14 days after dealing in the Company's securities (either directly or indirectly) where there is a change in the relevant interests of the Director. The ASX Listing Rules require the Company to notify the ASX of such dealings within 3 business days. Directors have agreed to notify the Company Secretary when such dealings have occurred so that the Company has sufficient time to comply with the Listing Rules. The notice to ASX satisfies the Director's obligation under the Corporations Act 2001 to notify ASIC.

When notifying the ASX of any dealings by Directors, the following information will be included;

- a) If the trade occurred during a closed period in circumstances where prior written approval was required; and
- b) Whether prior written clearance was obtained; and
- c) If prior written approval was obtained, the date on which approval was given.

Directors must also notify the ASX when they have a substantial shareholding (more than 5%) and each time there is a change in that shareholding.

## **13. Margin Lending**

Where the holding of a Director or Executive has been financed via a margin loan or other secured finance arrangement (eg. mortgage, charge or lien), the Company Secretary must be advised and will then inform the other Directors.

## **14. Consequences of breach of the Securities Trading Policy**

Insider trading is prohibited in law and there are significant civil and criminal penalties. In addition, the Company will consider a breach of the Policy as serious misconduct which may lead to disciplinary action and possible dismissal.

## **15. Additional Information**

This policy is maintained by the Company Secretary. If you have any queries with regard to the policy or its application to you, then you should contact the Company Secretary.

**Board of Directors**

**IronClad Mining Limited**