



Mirabela and any of its Group Companies have a policy that imposes certain restrictions on Designated Persons trading in the Company's securities. The policy has been adopted to prevent trading in contravention of the insider trading provisions of the Corporations Act and Applicable Canadian legislation in particular when Company personnel are in possession of unpublished price sensitive information or, for purposes of Applicable Canadian Legislation, material changes or material facts that are not generally disclosed. In this policy, the term unpublished price-sensitive information refers to both standards.

In general, the ability to Deal in the Securities is prohibited:

- whilst in possession of unpublished price sensitive information;
- where Designated Persons are engaging in the business of active trading in the Company's shares;
- two weeks before and 24 hours after the release of the Company's quarterly, half yearly or full year results to the ASX, TSX and Applicable Canadian Securities Regulator; and
- two weeks before lodgement and during the period that a disclosure document including a prospectus is open for applications except to the extent that a Designated Person is applying for securities pursuant to that disclosure document.

In accordance with the provisions of the Corporations Act, Listing Rules and Applicable Canadian Legislation, Directors and other insiders are also required to advise the ASX and Applicable Canadian Securities Regulators (through the SEDI system) of any transaction conducted by them in Securities.

## **1. Introduction**

The Company and its Group Companies have adopted a trading policy to regulate dealings by Designated Persons in Securities.

## **2. Purpose**

The purpose of this policy is to ensure that Designated Persons and Employees are aware of the legal restrictions of Dealing in Securities while such a person is in possession of unpublished price sensitive information concerning the Company and any Group Companies.

In addition, the policy is intended to minimise the possibility that misunderstandings or suspicions arise that the Company's personnel are Dealing in Securities whilst in possession of unpublished price sensitive information.

## **3. Market Sensitive Information**

Unpublished price sensitive information is information which a reasonable person would expect to have a material or significant effect on the price or value of Securities. Examples may include but are not limited to:

- (a) information relating to Mirabela projects, contractors or tenders;
- (b) information on Mirabela's exploration results, production, resources or reserves;

- (c) information relating to Mirabela's financial results or forecast results;
- (d) a possible sale or acquisition of assets by Mirabela;
- (e) a possible change in Mirabela's capital structure (for example, a new issue of equity to raise money, a buy-back of shares or changes to the composition of Mirabela's debt facilities);
- (f) Board or senior management changes in the Company or a Group Company;
- (g) an event which could have a material impact (either positively or negatively) on projects, production or profits (for example, significant change to a contract or customer, a significant safety or environmental incident);
- (h) a proposed change in the nature of Mirabela's business;
- (i) a proposed takeover or merger involving Mirabela;
- (j) a notification to ASX, TSX or Applicable Canadian Securities Regulators of a substantial shareholding in Mirabela;
- (k) any information required to be disclosed to ASX, TSX or Canadian Securities Regulators under their continuous disclosure rules; and
- (l) any possible claim against Mirabela or other unexpected liability.

It should be noted that either positive or negative information may be material and the list above is not meant to set out all possible examples of unpublished price sensitive information.

#### **4. Restrictions on Trading**

##### **4.1. General Prohibition**

Consistent with the legal prohibitions on insider trading contained in the Corporations Act and Applicable Canadian Legislation, all Employees and Directors are prohibited from Dealing in Securities while in possession of unpublished price sensitive information. This is irrespective of whether the Company is outside a Closed Period or permission to Deal has been granted by a Notification Person.

All Employees and Directors whilst in possession of unpublished price sensitive information are subject to 3 restrictions:

- (a) they must not Deal in Securities;
- (b) they must not cause or procure anyone else to Deal in those Securities; and
- (c) they must not communicate the information to any person if they know or ought to know that the other person will use the information, directly or indirectly, for Dealings in Securities, unless the communication is in the necessary course of business.

If after you have placed an order to buy or sell the Company's Securities you come into possession of unpublished price sensitive information and your order has not been filled, you must cancel that order.

#### **4.2. Restriction of ability to Deal**

The ability to Deal in Securities may be restricted at any time by direction of the CEO or a majority of Directors.

#### **4.3. Prohibition on active Dealing**

Employees and Directors must not engage in the business of active Dealing in Securities. This means that Employees and Directors must not actively Deal in Securities in a manner which involves frequent and regular trading activity, with a view to deriving profit related income from that activity.

#### **4.4. Additional restrictions for Designated Persons**

In addition to the restrictions in Rules 4.1, 4.2 and 4.3, all Designated Persons must not Deal in Securities during Closed Periods.

### **5. Permitted Conduct**

#### **5.1. Application to Deal – Designated Persons other than Directors**

Subject to Rules 4.1, 4.2, 4.3 and 4.4, a Designated Person other than a Director, intending to Deal must obtain written consent of the Chairman of the Board, CEO or Company Secretary to Deal by fully completing and submitting Annexure 1 to the Notification Person.

#### **5.2. Application to Deal – Directors**

Subject to Rules 4.1, 4.2, 4.3 and 4.4:

- (a) a Director intending to Deal must first obtain written consent of the Chairman of the Board to Deal by fully completing and submitting Annexure 1 to the Chairman of the Board; and
- (b) a Chairman of the Board intending to Deal must first obtain written consent of the Chairman of the Audit Committee to Deal by fully completing and submitting Annexure 1 to the Chairman of the Audit Committee.

The relevant Notification Person will usually within 12 hours advise whether the Dealing is permitted or not. Generally, Dealing will be permitted if it appears that no personnel of the Company or a Group Company are in possession of unpublished price sensitive information at the relevant time.

### **6. Trading not subject to this Policy**

#### **6.1. Permitted Exceptions**

Notwithstanding Rules 4.4, 5.1 and 5.2 but subject to Rules 4.1, 4.2 and 4.3, Designated Persons are permitted to Deal in the Company's Securities in the following circumstances:

- (a) in respect of a dividend reinvestment plan of the Company;
- (b) in respect of the exercise of an option or a right under any relevant Employee or Director incentive share or option plan of the Company (but not the sale of Securities following exercise);

- (c) in respect of an on-market buy-back;
- (d) in a rights offer or any share purchase plan; or
- (e) any other public offering,

Any such Dealing must be undertaken in accordance with the rules applicable to the dividend reinvestment plan, share purchase plan, Employee or Director incentive plan, on-market buy-back, rights issue or capital raising.

An Employee or Director may not, however, sell Securities acquired under any Employee or Director incentive plan or sell Securities acquired following the exercise of an option granted under any Employee option plan if that Employee holds unpublished price sensitive information.

#### **6.2. Exceptional Circumstances**

Subject to Rules 4.1, 4.2, 4.3, 5.1 and 5.2, a Designated Person may be permitted to Deal in Securities during a Closed Period in exceptional circumstances.

Exceptional circumstances may include severe financial hardship, compliance with court orders or an overriding legal or regulatory requirement to Deal in Securities during a Closed Period.

Application by a Designated Person should be made in writing (email is acceptable) to the Chairman of the Board stating the circumstances and reasons why a Designated Person should be permitted to Deal in the Company's Securities during a Closed Period. The Chairman of the Board will decide whether to grant permission to Deal in Securities during the Closed Period and the duration of any permitted Dealing.

In the case of the Chairman of the Board requesting to Deal in Securities in exceptional circumstances, application should be made to the Chairman of the Audit Committee who will decide whether permission should be granted to Deal in Securities during the Closed Period and the duration of any permitted Dealing.

#### **7. Applicable Legislation**

The requirements imposed by this policy are separate from the insider trading provisions contained in the Corporations Act and Applicable Canadian Legislation.

Anyone who contravenes the prohibitions against insider trading contained in the Corporations Act or Applicable Canadian legislation will be guilty of an offence and risks substantial fines and/or imprisonment.

#### **8. Inquiries regarding this policy**

All queries regarding issues raised in this policy should be directed to the Company Secretary.

## 9. Consequences of Breach of Policy

Strict compliance with this policy is mandatory for all Designated Persons covered by this policy.

Breaches of this policy may damage the Company's reputation in the market place. Accordingly, breaches will be taken very seriously by the Company and any Designated Person or Employee who breaches this policy will be subject to disciplinary action, including possible termination of that person's employment or appointment.

## 10. Publication

A copy of this policy will be available on the Company's website at [www.mirabela.com.au](http://www.mirabela.com.au) > Corporate > Corporate Governance.

## 11. Review

This policy will be reviewed yearly by the Board.

## 12. Definitions

In the context of this policy, the following definitions are adopted.

**"Annexure 1"** means the securities dealing request form included at the end of this policy.

**"Applicable Canadian Legislation"** means the relevant provincial securities laws and the Criminal Code of Canada;

**"Applicable Canadian Securities Regulators"** means the securities regulatory authority in each province or territory of Canada where Mirabela is a reporting issuer;

**"Associate"** means a person whom a Designated Person has or is deemed to have investment control or influence or with whom they are acting in concert. Examples include spouses, partners, family members, nominees (including an investment manager managing funds on their behalf", a trust of which they are a trustee or beneficiary, a company or investment vehicle which a Designated Person controls.

**"ASX"** means the Australian Securities Exchange operated by ASX Limited;

**"Board"** means the board of Directors of the Company;

**"CEO"** means the Chief Executive Officer and Managing Director of the Company;

**"CFO"** means the Chief Financial Officer of the Company;

**"Chairman of the Board"** means the Chairman of the Board;

**"Chairman of the Audit Committee"** means the Chairman of the audit committee of the Company or any successor committee that has similar functions to the current audit committee;

**“Closed Period”** means:

- a) the period commencing 2 weeks prior to the release of the Company’s quarterly, half yearly and full financial year reports, results to the ASX and TSX and ending 24 hours after such release; and
- b) two weeks before lodgement and during the period that a disclosure document including a prospectus is open for applications except to the extent that a Designated Person is applying for securities pursuant to that disclosure document.

**“Company” or “Mirabela”** means Mirabela Nickel Ltd ABN 23 108 161 593;

**“Company Secretary”** means the Company Secretary of the Company;

**“Corporations Act”** means the *Corporations Act 2001* (Cth), Australia as amended from time to time;

**“Deal” or “Dealing”** includes:

- a) applying for, acquiring or disposing of, Securities;
- b) entering into an agreement to apply for, acquire or dispose of, Securities; and
- c) granting, accepting, acquiring, disposing, exercising or discharging an option or other right or obligation to acquire or dispose of Securities.

**“Directors”** mean directors of the Company;

**“Designated Person”** includes:

- a) Directors;
- b) persons who directly report to the CEO;
- c) employees of the Company or a Group Company who work in the Finance department, as designated by the CFO from time to time;
- d) an Associate of any of the above; and
- e) A Person or Company in a Special Relationship with Mirabela.

**“Employees”** mean any employees and consultants of the Company and a Group Company;

**“Group Company”** means any subsidiary of the Company;

**“Notification Person”** means the Chairman of the Board, Chairman of the Audit Committee, CEO or Company Secretary as the context requires;

**“Person or Company in a Special Relationship”** has the meaning given to it under Applicable Canadian Legislation, and includes Directors, officers, and persons who learn of unpublished price sensitive information from a Designated Person.

**"Securities"** includes ordinary shares of the Company and any structured financial product, swap, futures contract, option, warrant, or other derivative over any ordinary share of the Company, whether issued by the Company or a third party, and any other interest in an ordinary shares of the Company; including units in trusts, debentures, prescribed interests and rights or options to subscribe for shares, units, debentures or prescribed interests; and

**"TSX"** means the Toronto Stock Exchange.

**Review Date: December 2010**