

CORPORATE GOVERNANCE POLICIES

SECURITIES TRADING POLICY

1. PURPOSE

Truscott Mining Corporation Limited (“Company”) securities trading policy provides a framework that addresses legal and regulatory requirements for securities trading in the Company. The objectives of the Company trading policy are to minimise the potential for inside trading and to develop a company culture where securities trading in the Company securities are understood, adhered to and transparent.

2. INTRODUCTION

To minimise the potential for inside trading, Directors (and any of their associates), Senior Management and employees must not communicate, recommend trading of the securities or use unpublished price sensitive information in any way to gain an advantage personally or for another party. Inside trading is a criminal offence and is punishable by either termination of employment, fines, imprisonment and compensation to persons who suffer loss or damage or all.

Company personnel are issued with the securities trading policy on employment and are made aware of the importance in understanding and adhering to the policy by the Company Secretary. Where appropriate, this policy also applies to contractors and consultants.

In addition, company personnel also have a duty of confidentiality to the Company. A person must not reveal any confidential information concerning the Company, use that information in any way which may injure or cause loss to the Company, or use that information to gain an advantage for themselves or anyone else.

3. SECURITIES TRADING POLICY AMENDMENTS (LR 12.10)

The securities trading policy is tailored to the Company and reviewed periodically by the Board based on the requirements of the Company. When the Company makes any material change to the trading policy, the Company will provide the amended trading policy to ASX for release to the market within 5 business days of the changes taking effect.

4. CLOSED PERIODS (LR 12.12.1)

The Chairman will generally not allow Directors and Senior Management to trade securities of the Company in the following periods:

- at least 24 hours after an ASX Periodic or Continuous Disclosure release before trading in the Company securities so that the market has had time to absorb the information;
- at least 30 calendar days prior to the issue of a prospectus before trading securities in the Company.

5. TRADING RESTRICTIONS (LR 12.12.2)

Directors and Senior Management must not at any time:

- short term trade in the securities of the Company;
- trade when there is in existence price sensitive information that has not been disclosed;
- trade derivative products issued or created over or in respect of the Company securities.

6. TRADING EXCLUDED FROM SECURITIES TRADING POLICY (LR 12.12.3)

Trading that is excluded from the operation of the securities trading policy but remains subject to the insider trading provisions of the Corporations Act include:

- transfer of securities where there is no change in beneficial interest in the securities;
- transfers of securities already held in a person's own name into a superannuation fund to which that person is a beneficiary;
- trading occurs via investments in a scheme or other arrangement where the investment decisions are exercised by a third party;
- the restricted person has no control or influence with respect to trading decisions;
- the acquisition (but not disposal) of shares or options offered under an employee share or option scheme;
- the acquisition of securities occurs under an offer to all or most of the shareholders of the Company, and includes a security purchase plan, pro-rata rights issue, bonus issue, dividend re-investment plan and equal access buy-back;
- acceptance of, or agreement to accept a takeover offer;
- exercising of vested options or the conversion of convertible securities where the expiry date of the securities occurs during a closed period;
- a disposal of securities that is a result of a secured lender exercising its rights, for example, under a margin loan arrangement.

7. TRADING IN EXCEPTIONAL CIRCUMSTANCES (LR 12.12.4)

The Chairman or Company Secretary may waive the requirement of a Director or Senior Management to sell (but not to purchase) securities during a closed period with prior written communication, whether by letter, facsimile, e-mail, or other visible form of communication. The Chairman or Company Secretary will exercise their discretion that the request is the only reasonable course of action available. It is conditional that the restricted person is required to demonstrate to the Chairman or Company Secretary that they are not in possession of any price sensitive information that is not generally available to the public. Exceptional circumstances include severe financial hardship, court requirement or a court enforceable undertaking.

8. CLEARANCE PROCEDURE (LR 12.12.5)

The trading of Company securities in exceptional circumstances requires a clearance procedure for Directors and Senior Management. The Company Secretary will endeavour to give clearance within 24 hours of receiving a written or email notification. On obtaining clearance, trading is to be conducted within 48 hours by the relevant person. At all times there is a requirement that the relevant person wishing to trade is not in possession of any price sensitive information that is not generally available to the public. In the absence of the Company Secretary the Chairman is to be notified if any person requires to trade and if the Company Secretary requires to trade then the Chairman will require notification.

9. TRADING DISCLOSURE

Directors must notify the Company Secretary immediately on changes, acquiring or disposing of a relevant interest in any Company securities and the Company Secretary is to notify ASX within 5 business days by lodging the relevant notice forms (Appendix 3Y) with the ASX.

10. APPROVED AND ADOPTED

The Company securities trading policy was approved and adopted by the Board on the 17th December 2010.

11. GLOSSARY

Closed Period

Fixed periods specified in the trading policy when Directors and Senior Management are prohibited from trading in the company's securities.

Inside Trading

Relates to unpublished price sensitive information concerning a company's financial position, strategy or operations and any other information which a reasonable person might consider, if it were made public, would be likely to have a material impact on a decision to buy or sell a company's securities.

Securities Trading

Buying or selling shares in the Company, options and other financial products over those shares or transactions entered into in relation to the securities in the Company.