

**SOON MINING LIMITED**

**ACN 603 637 083**

**SECURITIES TRADING POLICY**

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## 1 SCOPE OF POLICY

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- 1.1 This Securities Trading Policy (**Policy**) is separate from and additional to the legal constraints imposed by the common law, the *Corporations Act 2001* (Cth) (**Corporations Act**) and the ASX Listing Rules (**Listing Rules**).
- 1.2 This Policy applies to all Directors and employees of Soon Mining Limited ACN 603 637 083 (**Company**) and their spouses, children and related private entities, as well as contractors, consultants, advisers and auditors of the Company (**Restricted Persons**).
- 1.3 Subject to this Policy and to the restrictions below, Restricted Persons are permitted to deal in Company securities throughout the year.
- 1.4 Ultimately it is the responsibility of each person to ensure that none of his or her dealings could constitute insider trading under section 1043A of the Corporations Act.
- 1.5 This Policy does not apply to Excluded Trading.

## 2 DEFINITIONS

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- 2.1 For the purposes of this Policy:
  - (a) **ASX** means the Australian Stock Exchange.
  - (b) **Board** means the board of Directors of the Company.
  - (c) **Closed Trading Period** means the later of the period between:
    - (i) 1 July and 1 trading day following the announcement of the Company's preliminary final results to ASX;
    - (ii) 1 January and 1 trading day following the announcement of the Company's half year results to ASX;
    - (iii) 1 January, 1 April, 1 July or 1 October and 1 trading day following the announcement of the Company's quarterly report to ASX;
    - (iv) any other periods from time to time when the Company is considering matters which are subject to Listing Rule 3.1 (Continuous Disclosure) as resolved by the Board;
    - (v) any other periods when Designated Officers or Restricted Persons are not permitted to Deal in the Company's Securities as specified by any stock or security exchange that the Company is or may be listed upon; and
    - (vi) any other period when a Designated Officer or Restricted Person is in possession of Inside Information.
  - (d) **Deal or Dealing** includes (without limitation):
    - (i) applying for, acquiring or disposing of Securities;
    - (ii) granting, accepting, acquiring, disposing, exercising or discharging an option or other right or obligation to acquire or dispose of Securities;

- (iii) entering, terminating, assigning or novating any securities lending agreement;
  - (iv) using a security or otherwise granting a charge, lien or other encumbrance over Securities;
  - (v) any transaction, including a transfer for nil consideration, or the exercise of any power or discretion affecting a change in ownership of a beneficial interest in Securities;
  - (vi) any other right, obligation or agreement, present or future, conditional or unconditional, in respect of (i) to (v) above; and
  - (vii) procuring another person to do any of (i) to (v) above.
- (e) **Designated Officer** means a Director, key management personnel or a person engaged in the general management of the Company, whether as an employee, consultant or contractor.
- (f) **Disclosure Officers** mean the Company Secretary, Chairperson or Managing Director of the Company, or such other persons as appointed by the Board.
- (g) **Excluded Trading** means:
- (i) Dealings in Company Securities that do not result in a change to the beneficial interest of the Securities (e.g. Dealings between beneficially owned accounts such as superannuation funds);
  - (ii) Dealings in a fund or other scheme (other than a scheme only investing in Company Securities) where the assets are invested at the discretion of a third party (e.g. a managed fund);
  - (iii) Dealings by a trust, where the Designated Officer or Restricted Person is not a beneficiary of the trust and any decision to Deal is taken independent of the Designated Officer or Restricted Person;
  - (iv) acceptance of, or an undertaking to accept, a takeover offer;
  - (v) Dealings under an offer made to all or most of the Company's security holders, an which has been approved by the Board (e.g. a rights issue, security purchase plan, dividend reinvestment plan or equal access buy-back);
  - (vi) a requirement under a court order or court enforceable undertaking; or
  - (vii) the exercise (but not the sale of Company Securities following exercise) of an option, performance right or a right under an employee incentive scheme, or the conversion of a convertible security.
- (h) **generally available** means:
- (i) readily observable;

- (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 information referred to in clause 2.1(h)(i) or 2.1(h)(ii).
- (i) **Inside Information** is information that is not generally available and which a reasonable person would expect to have a material effect on the price or value of Company Securities, and includes without limitation:
  - (i) prospective financial information;
  - (ii) unpublished announcements;
  - (iii) proposed changes in capital structure, including share issues, rights issues and the redemption of securities;
  - (iv) impending mergers, acquisitions, reconstructions, takeovers, etc.;
  - (v) significant litigation and disputes;
  - (vi) significant changes in operations or proposed changes in the general character or
  - (vii) nature of the business of the Company or its subsidiaries; cashflow information;
  - (viii) management restructuring or Board changes;
  - (ix) an entity proposing to buy, or a security holder proposing to sell, a substantial number of Company securities;
  - (x) industry issues that may have a material impact on the Company;
  - (xi) decisions on significant issues affecting the Company by regulatory bodies in Australia or other relevant;
  - (xii) allegations of any breach of the law or other regulatory requirements by the Company;
  - (xiii) major or material purchases or sales of assets;
  - (xiv) proposed or new significant contracts;
  - (xv) a proposed dividend or change in dividend policy;
  - (xvi) an event which could have a material impact (either positively or negatively) on production or profits (for example, disconnection or shut-in of production, a significant safety or environmental incident)
  - (xvii) any information required to be disclosed to ASX under its continuous disclosure rules; and
  - (xviii) any possible claim against the Company or other unexpected liability.

- (j) **Securities** include (without limitation) shares, options, performance rights, derivatives or any other tradable financial product.
- (k) **Written Clearance** means permission given to a Restricted Person or Designated Officer to Deal in Company Securities in circumstances otherwise prohibited by this Policy.

### **3 PROHIBITION ON INSIDER TRADING**

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- 3.1 Restricted Persons must not, under any circumstances, Deal or procure another person to Deal in the Securities of the Company or any other entity if they are in possession of Inside Information regarding the Company or the relevant other entity.
- 3.2 A Restricted Person must not communicate Inside Information about the Company to a person who may deal in Company Securities.

### **4 DEALINGS BY RESTRICTED PERSONS**

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- 4.1 A Restricted Person (who is not a Designated Officer) may only Deal in Company Securities:
  - (a) outside of a Closed Trading Period; or
  - (b) within a Closed Trading Period, if the Restricted Person has obtained Written Clearance from the Disclosure Officer in accordance with clause 6 of this Policy and an exceptional circumstance exists under clause 7 of this Policy.

### **5 DEALINGS BY DESIGNATED OFFICERS**

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- 5.1 A Designated Officer may only Deal in Company Securities:
  - (a) outside of a Closed Trading Period, if the Designated Officer has obtained Written Clearance from the Disclosure Officer in accordance with clause 6 of this Policy; or
  - (b) within a Closed Trading Period, if the Designated Officer has obtained Written Clearance from the Disclosure Officer in accordance with clause 6 of this Policy and an exceptional circumstance exists under clause 7 of this Policy.

### **6 WRITTEN CLEARANCE**

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- 6.1 The Disclosure Officer may give Written Clearance in respect of a proposed Dealing by a Restricted Person or Designated Officer (**Applicant**), if:
  - (a) the Applicant has provided the Disclosure Officer with a completed application in the form of the template in **Annexure A**, at least three (3) business days prior to the proposed Dealing; and
  - (b) if after notifying the Board and consulting with the other Disclosure Officers (or Board, as the case may be), in the reasonable opinion of the Disclosure Officer:
    - (i) there is no matter which constitutes Inside Information in relation to the proposed Dealing;
    - (ii) there is no reason to believe that the proposed Dealing will breach this Policy; and
    - (iii) if applicable, an exceptional circumstance exists under clause 7 of this Policy.

- 6.2 Written Clearance may be provided in any written form, including email.
- 6.3 Where Written Clearance is given, the proposed Dealing must be commenced by the Applicant within 5 business days of receiving the Written Clearance.
- 6.4 The Disclosure Officer must:
- (a) keep a written record of:
    - (i) any information or request received in connection with this Policy; and
    - (ii) any Written Clearance given; and
  - (b) send a copy of that record to the Company Secretary for keeping.
- 6.5 Written Clearance provided under this Policy does not negate a Restricted Person or Designated Officer's obligations under the Corporations Act with respect to insider trading.

## **7 EXCEPTIONAL CIRCUMSTANCES**

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- 7.1 Exceptional Circumstances may include:
- (a) a financial hardship that cannot otherwise be relieved, after all reasonable alternatives have been investigated;
  - (b) a requirement by court order, or enforceable undertaking to transfer or sell Company Securities; or
  - (c) other exceptional circumstances as determined by the Disclosure Officers.

## **8 DEALING BY ASSOCIATED PERSONS**

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- 8.1 If a Restricted Person or Designated Officer is prohibited from Dealing under this Policy, that person must use their best endeavours to prohibit any Dealing by:
- (a) any related party (including family members, nominee companies and family trusts); or
  - (b) any investment manager on their behalf or on behalf of a related party.

## **9 PROHIBITION ON HEDGING & DERIVATIVE TRADING**

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- 9.1 Participants in any Company share, option, performance rights or other plan are prohibited from Dealing in derivatives, hedging or other similar arrangements in relation to Securities that:
- (a) have not vested;
  - (b) have not been released to the participant; or
  - (c) have vested but are subject to trading restrictions.

## **10 SPECULATIVE TRADING**

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- 10.1 Restricted Persons and Designated Officers must not engage in short term trading of Company Securities.

- 10.2 For the purposes of this section, short term trading means any purchase and sale of Company Securities where both transactions occur within a period of six months or less.

## **11 NOTIFICATION BY DIRECTORS**

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- 11.1 A Director must notify the Company Secretary as soon as possible if there is any change in the Director's relevant interest in Securities of the Company or a related body corporate of the Company, so that the Company Secretary can make the necessary notifications to ASX as required by the Listing Rules and Corporations Act.

## **12 MARGIN LOANS**

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- 12.1 Restricted Persons and Designated Officers are prohibited from entering into margin loan arrangements to fund the acquisition of Company Securities or in relation to which Company Securities may be used as security against loan repayment.

## **13 QUESTIONS AND FURTHER INFORMATION**

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- 13.1 If you have any questions or require further information on how to comply with this Policy, please contact a Disclosure Officer.

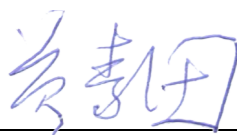
## **14 AMENDMENTS**

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- 14.1 This Policy may be amended from time to time by resolution of the Board.

Date: 09/07/2015

Signed:




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Chairperson of the Board of Directors of Soon Mining Limited



## Annexure A: Application for Written Acknowledgement Prior to Dealing in the Securities of Soon Mining , its Subsidiaries and Related Companies

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**Name:** ..... (BLOCK CAPITALS)

**Securities as indicated below:**

Company Name:

Class Of Securities  
(Eg: Ordinary Shares)

Registered in the Name of:  
(See Note 1)

Nature of Interest:  
(See Note 2)

Nature of Transaction:  
(See Note 3)

As far as I am aware, I am not in possession of any unpublished price-sensitive information in relation to Soon Mining Limited , its subsidiaries and related companies. If this should change before the deal is transacted I undertake not to proceed.

Please provide acknowledgement by counter-signing and returning a duplicate of this form.

Signed: ..... Date: .....

Permission given on the basis that the transaction is completed by no later than close of business on:

.....

Signed: .....

Date: ..... (Please see overleaf for signing authorities)

Notes:

- |                                      |   |
|--------------------------------------|---|
| 1. <b>Registered in the Name of:</b> | Give full name and if not yourself state the connection to yourself |
| 2. <b>Nature of Interest:</b>        | Specify precisely, i.e: personally, joint holding or as trustee     |
| 3. <b>Nature of Transaction:</b>     | Specify precisely, e.g: sale of shares                              |

**Authorisation levels:**

- (a) in the case of an employee or his or her associate, the Chief Financial Officer or Managing Director;
- (b) in the case of an officer or his or her associate, the Chief Financial Officer or Managing Director;
- (c) in the case of a Director (except the Managing Director) or his or her associate, the Managing Director; or
- (d) in the case of the Managing Director, the Chairman or his or her associate, the Chief Financial Officer.

**Contact details for the persons currently holding these positions are set out below. Should any of these details change, refer to the authorisation levels above and contact the person holding the relevant position at that time.**

Oscard Huang  
Managing Director  
5 Shearers Close,  
Ferny Hills QLD

Linna Chi  
Chief Financial Officer  
5 Shearers Close,  
Ferny Hills QLD