



# NewPeak Metals

## SHARE TRADING POLICY

## INTRODUCTION

This Trading Policy has been written in an effort to prevent the incidence of insider trading in the Company's securities by Directors, senior managers and other employees or associated persons. It is the responsibility of each individual to comply with this policy.

This policy sets out:

- 1) information on insider trading;
- 2) when trading in the Company's securities by Directors, senior manager and other employees (**Restricted Persons**) is permitted and the procedure that must be followed when Restricted Persons intend to trade in the Company's securities.

## POLICY CANNOT OVERRIDE CORPORATIONS ACT

The provisions in the Act dealing with insider trading and market misconduct take precedence over this Trading Policy and conduct or dealings in the Company's securities permitted in this Trading Policy may still be prohibited under the Act.

## PROHIBITION ON INSIDER TRADING

Persons who wish to trade in Company securities must first have regard to the statutory provisions of the Corporations Act dealing with insider trading and other market misconduct. **Insider trading is an offence which carries severe penalties, including imprisonment.**

Insider trading is the practice of dealing in a Company's securities (i.e. share or options) by a person with some connection with a Company (i.e. an employee) in possession of information generally not available to the public but may be relevant to the value of the Company's securities or may influence a person's decision to transact in the Company's securities. It may also include the passing on of this information to another.

No Restricted Person may, whether in their own capacity or as an agent for another, subscribe, for, purchase or sell, or enter into an agreement to subscribe for, purchase or sell, any securities, (i.e. shares or options) in the Company, or procure another person to do so if that Restricted Person possesses information that

- 1) is not generally available; and
- 2) a reasonable person would expect to have a material effect on the price or value of the securities (**Inside Information**).

"Material Effect" in relation to Inside Information, is where information would or would be likely to influence a persons who regularly acquires securities to buy or sell the securities in the Company if the information was generally available.

## COMMUNICATING INSIDE INFORMATION

Further, Restricted Persons must not either directly or indirectly communicate or pass on information or cause the Inside Information to be communicated to another person if they know, or ought reasonably to know, that this other person is likely to deal in the securities on the Company or procure another person to do so.

The financial impact of the information is important but strategic and other implications can be equally important in determining whether information is inside information.

## CLEARANCE TO DEAL

Restricted Persons must not trade in the Company's securities (unless the dealing is an Excluded Dealing as set out below) without first obtaining written clearance before commencing the transaction (Clearance to Deal) from:

- 1) In the case of an employee, the Managing Director or Chairman of the Board;
- 2) In the case of a senior manager, or their associates, the Managing Director or Chairman of the Board; or
- 3) In the case of a Director, or their associates, the Managing Director or Chairman of the Board; or
- 4) In the case of the Managing Director, the Chairman of the Board or, in his/her absence, the remainder of the Board by circular resolution; or
- 5) In the case of the Chairman, the Managing Director or in his/her absence, the remainder of the Board by circular resolution.

(each collectively referred to as a **Clearance Officer**)

In order to obtain the relevant clearances under this section, a Restricted Person must set out in writing to the Company Secretary the following information:

- 1) the name of the Restricted Person wishing to trade;
- 2) the number and type of securities that the Restricted Person intends to trade;
- 3) Whether the Company is in a Prohibited Period;
- 4) Whether the Restricted Person is in possession of Inside Information;
- 5) If the Restricted Person is wishing to trade during a Closed or Prohibited Period, details of the exceptional circumstances that the Clearance Officer needs to take into account when determining whether a Clearance to Deal in the Company's Securities should be granted; and
- 6) the preferred trading window.

Following a written request from a Restricted Person, the Company Secretary will present the written request to the relevant Clearance Officer. The Clearance Officer will provide the Restricted Person with written notification of whether a Clearance to Deal has been granted (**Notification**).

No Restricted Person will be given a Clearance to Deal if they are in possession of Inside Information.

If the Restricted Person is granted a Clearance to Deal the **Notification** will specify the period within which the Restricted Person must deal in the Company's securities (**Trading Window**).

The Restricted Person must deal during the Trading Window or seek a further Clearance to Deal in the Company's securities.

The Company will keep a record of any Clearance to Deal requests from a Restricted Person and any Clearance to Deal given. Written confirmation from the Company that such request and clearance (if any) have been record must be given to the person concerned.

### **PROHIBITED PERIOD**

A Restricted Person will not be given Clearance to Deal in any securities of the Company or a connected company during a Prohibited Period.

A Prohibited Period is:

- 1) in respect of the Company, any Closed Period; or
- 2) any other period determined by the Board in their absolute discretion for example, prior to the announcement of a transaction which is likely to have material effect on the price of the Company's securities.

### **CLOSED PERIOD**

Closed Period means:

- (i) the 2 week period prior to the release of any of the Company's Quarterly Reports; and
- (ii) the 4 week period prior to the release of the Company's half-year and full-year financial results.

### **DEALING IN EXCEPTIONAL CIRCUMSTANCES**

A Restricted Person who is not in possession of Inside Information, may be given Clearance to Deal in exceptional circumstances where it is the only reasonable course of action available to a Restricted Person (e.g. if they are in severe financial difficulty or there are other exceptional circumstances that cannot be satisfied otherwise) may be given to sell, but not to purchase, securities when he/she would otherwise be prohibited from doing by this Policy.

The relevant Clearance Officer will determine whether the circumstances are exceptional enough to permit trading during an otherwise Prohibited Period.

### **EXCLUDED DEALINGS**

Excluded Dealings for the purpose of this trading policy include:

- 1) Undertakings or elections to take up entitlements under a rights issue or other offer made to all arms of the Company's Security holders (including an offer of shares in lieu of a cash dividend);

- 2) The take up of entitlements under a rights issue or other offer made to all or most of the security holders (including an offer of shares in lieu of a cash dividend);
- 3) Allowing entitlements to lapse under a rights issue or other offer (including an offer of shares in lieu of a cash dividend);
- 4) The sale of sufficient entitlements to allow take up of the balance of the entitlements under a rights issue;
- 5) Undertakings to accept, or the acceptance of, a takeover offer;
- 6) Transfer of shares arising out of the operation of an employee share scheme into a savings scheme investing only in securities of the Company following:
  - (a) The exercise of an option under a savings related share option scheme; or
  - (b) Release of shares from a profit sharing scheme;
- 7) The exercise (but not the sale of securities following exercise) of an option or a right under an employee incentive scheme, where the final date for the exercise of the option or right falls during a Prohibited Period and the Restricted Person could not reasonably have been expected to exercise it at a time when entitled to do so due to the Company has been in an exceptionally long Prohibited Period;
- 8) The cancellation or surrender of an option under an employee share scheme;
- 9) Transfers of securities by an independent trustee of an employee share scheme to a beneficiary who is not a Restricted Person;
- 10) Bona fide gifts to a Restricted Person by a third party;
- 11) Transfers of securities already held into a superannuation fund or other savings scheme in which the Restricted Person is a beneficiary;
- 12) Dealing where the beneficial interest in the relevant Company Security does not change.

#### **DERIVATIVES AND HEDGING ARRANGEMENTS**

Restricted Persons must not, at any time, enter into a transaction that limits the economic risk of holding unvested Company securities or vested Company securities that are subject to any form of holding lock.

Directors or senior management of the Company must notify the Company Secretary if they enter into a derivative or hedging position over vested (and tradeable) Company securities. This may be publicly disclosed.

#### **RESPONSIBILITIES**

Each Director or employee is responsible for adhering to the Company's ethical standards for trading in the Company's securities. All Directors and employees bound by this policy must advise the Board of any personal interest (including without limitation an interest in securities) which may be impacted in a material way by a

project or decision which is before the Board and in which the employee is materially involved on behalf of the Company or any of its subsidiaries.

**ADDITIONAL INFORMATION**

For information regarding this policy contact Company Secretary Karl Schlobohm on (07) 3303 0661.