

Securities Trading Policy

NORTHAM RESOURCES LTD
ACN 619 335 321

Approved by Board	
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1. Introduction

These guidelines set out the policy on the sale and purchase of Securities in the Company by its Key Management Personnel. “**Key Management Personnel**” are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

The Company has determined that its Key Management Personnel are its Directors, executives and those employees directly reporting to the Chief Executive Officer.

Key Management Personnel are encouraged to be long-term holders of the Company’s Securities. However, it is important that care is taken in the timing of any purchase or sale of such Securities.

The purpose of these guidelines is to assist Key Management Personnel to avoid conduct known as ‘insider trading’. In some respects, the Company’s policy extends beyond the strict requirements of the *Corporations Act 2001* (Cth).

2. Types of Transactions Covered by this Policy

This policy applies to both the sale and purchase of any Securities of the Company and its subsidiaries on issue from time to time.

“**Securities**” includes:

- a. any share in, or debenture of, the Company;
- b. an option or right over an unissued share in, or debenture of, the Company; and
- c. a renounceable or non-renounceable right to subscribe for a share in, or debenture of, the Company.

3. What is Insider Trading?

3.1 Prohibition

Insider trading is a criminal offence. It may also result in civil liability. In broad terms, a person will be guilty of insider trading if:

- a. that person possesses information, which is not generally available to the market and if it were generally available to the market, would be likely to have a material effect on the price or value of the Company’s Securities (i.e., information that is ‘price sensitive’); and
- b. that person:
 - i. buys or sells Securities in the Company; or
 - ii. procures someone else to buy or sell Securities in the Company; or

- iii. passes on that information to a third party where that person knows, or ought reasonably to know, that the third party would be likely to buy or sell the Securities or procure someone else to buy or sell the Securities of the Company.

3.2 Examples

To illustrate the prohibition described above, the following are possible examples of price sensitive information which, if made available to the market, may be likely to materially affect the price of the Company's Securities:

- a. the Company considering a major acquisition or sale of assets;
- b. the threat of major litigation against the Company;
- c. the Company's revenue and profit or loss results materially exceeding (or falling short of) the market's expectations;
- d. a material change in debt, liquidity, or cash flow;
- e. a significant new development proposal (e.g., new product or technology);
- f. the grant or loss of a major contract;
- g. a management or business restructuring proposal;
- h. a share issue proposal;
- i. a proposed dividend or other distribution or change in dividend policy;
- j. an agreement or option to acquire an interest in a mining tenement, or to enter into a joint venture or farm-in or farm-out arrangement in relation to a mining tenement; and
- k. significant discoveries, exploration results, or changes in reserve/resource estimates from mining tenements in which the Company has an interest.

3.3 Dealing through third parties

The insider trading prohibition extends to dealings by individuals through nominees, agents, or other associates, such as family members, family trusts and family companies (referred to as "**Associates**" in these guidelines).

3.4 Information however obtained

It does not matter how or where the person obtains the information – it does not have to be obtained from the Company to constitute inside information.

3.5 Employee Share Schemes

The prohibition does not apply to acquisitions directly from the Company of shares or options by employees made under employee share or option schemes, nor does it apply to the issue of shares as a result of the exercise of options under an employee option scheme. However, the prohibition does apply to the sale of shares acquired under an employee share scheme and also to the sale of shares.

4. Guidelines for Trading in the Company's Securities

4.1 General Rule

Key Management Personnel must not, except in exceptional circumstances, deal in Securities of the Company during the following periods:

- a. two weeks prior to, and 48 hours after the release of the Company's Annual Report;
- b. two weeks prior to, and 48 hours after the release of the Half Year Report of the Company;
- c. two weeks prior to, and 48 hours after the release of the Company's quarterly reports (if applicable)
- d. the 21 calendar days up to and including the date of the Annual General Meeting; and
- e. any other period determined by the Chairperson of the Board in consultation with the Company Secretary to be a Closed Period from time to time,

(together, the **Closed Periods**).

The Company may at its discretion vary this rule in relation to a particular Closed Period by general announcement to all Key Management Personnel either before or during the Closed Period. However, if a Key Management Personnel is in possession of price sensitive information which is not generally available to the market, then he or she must not deal in the Company's Securities at **any** time they are in possession of such information.

4.2 No short-term trading in the Company's Securities

Key Management Personnel should never engage in short-term trading of the Company's Securities except for the exercise of options or performance rights where the shares will be sold shortly thereafter. Short-term trading includes buying and selling Securities within a six-month period, and entering into other short-term dealings (e.g. forward contracts).

4.3 What other restrictions on trading apply?

Key Management Personnel are prohibited from:

- a. **(short selling)** engaging in short selling of Securities. Short selling is a technique used by traders who believe that the market price of a security is likely to fall and they borrow the security and sell it in the hope that they will be able to buy the security back at a lower price in the future (therefore closing out their short position at a profit);
- b. **(hedging transactions)** entering into transactions or arrangements, including by way of derivatives or similar financial products, which operate to limit the economic risk relating to Securities granted under an employee, executive or director incentive plan or as part of the Key Management Personnel's remuneration, which either have not vested or have vested but remain subject to a holding lock or other restriction on dealing under the terms of the plan;
- c. **(secured finance)** entering into any financial arrangements whereby a security interest is granted in respect of any Securities; or

- d. **(margin lending)** dealing in Securities pursuant to a margin lending arrangement. Such dealings include:
- i. entering into a margin lending arrangement in respect of Securities;
 - ii. transferring Securities into an existing margin loan account; and
 - iii. selling Securities to satisfy a call pursuant to a margin loan.

4.4 Securities in other Companies

Buying and selling Securities of other companies with which the Company may be dealing is prohibited where an individual possesses information which is not generally available to the market and is 'price sensitive'. For example, where an individual is aware that the Company is about to sign a major agreement with another company, they should not buy Securities in either the Company or the other company.

4.5 Exceptions

- a. Key Management Personnel may at any time (but subject always to insider trading laws):
- i. acquire Company Securities under a bonus issue made to all holders of Securities of the same class;
 - ii. acquire Company Securities under a pre-determined dividend reinvestment, or top-up plan that is available to all holders of Securities of the same class, for which prior written approval has been provided in accordance with procedures set out in this Policy and where:
 - A. the Key Management Personnel did not enter into the plan or amend the plan during a prohibited period;
 - B. the plan does not permit the Key Management Personnel to exercise any influence or discretion over how, when, or where to trade; and
 - C. the plan does not allow for the cancellation of a plan or for the Key Management Personnel to otherwise vary their participation in the plan during a prohibited period other than in exceptional circumstances;
 - iii. acquire, or agree to acquire Company Securities under an employee incentive scheme (as that term is defined in the ASX Listing Rules);
 - iv. where the Company has an employee incentive scheme with a Key Management Personnel as a trustee of the scheme, an acquisition of Securities by the Key Management Personnel in their capacity as a trustee of the scheme;
 - v. withdraw Securities in the Company held on behalf of the Key Management Personnel in an employee incentive scheme (as that term is defined in the ASX Listing Rules) where the withdrawal is permitted by the rules of that scheme;
 - vi. transfer Securities of the Company already held into a superannuation fund or other saving scheme in which the restricted person is a beneficiary;
 - vii. make an investment in, or trade in units of, a fund or other scheme (other than a scheme only investing in the Securities of the Company) where the assets of the fund or other scheme are invested at the discretion of a third party;

- viii. where the Key Management Personnel is a trustee of a trust, trade in the Securities of the Company by that trust, provided the restricted person is not a beneficiary of the trust and any decision to trade during a prohibited period is taken by the other trustees or by the investment managers independently of the relevant Key Personnel;
 - ix. undertake to accept, or accept, a takeover offer, or transfer Securities under a scheme of arrangement in respect of the Company;
 - x. trade under an offer or invitation made to all or most of the security holders, 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. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;
 - xi. involuntarily dispose of Securities of the Company resulting from a secured lender exercising their rights. However, this does not extend to disposal under a margin lending arrangement where such arrangement is prohibited by this Policy;
 - xii. exercise (but not sell Securities following exercise) an option or a right to acquire shares under an employee incentive scheme, or convert a convertible Security, where the final date for the exercise of the option or right, or the conversion of the Security, falls during a prohibited period or the Company has had a number of consecutive prohibited periods and the restricted person could not reasonably have been expected to exercise it at a time when free to do so; and
 - xiii. trade under a non-discretionary trading plan for which prior written approval has been provided in accordance with procedures set out in this Policy.
- b. In respect of any employee incentive schemes adopted by the Company, it should be noted that it is not permissible to provide the exercise price of options or other rights to acquire shares by selling the shares acquired on the exercise of the options or rights unless the sale of those shares occurs outside the periods specified in paragraph 4.1.

Were this to occur at a time when the person possessed inside information, then the sale of Company Securities would be a breach of insider trading laws, even though the person's decision to sell was not influenced by the inside information that the person possessed, and the person may not have made a profit on the sale. Where Company Securities are provided to a lender as security by way of mortgage or charge, a sale that occurs under that mortgage or charge as a consequence of default would not breach insider trading laws.

4.6 Notifications of periods when Key Management Personnel are not permitted to trade

The Company Secretary will endeavour to notify all Key Management Personnel of the times when they are not permitted to buy or sell the Company's Securities as set out in paragraph 4.1.

5. Approval and Notification Requirements

5.1 Disposal of Securities outside of Closed Periods

Except in the circumstances set out in paragraph 4.5, Key Management Personnel must not deal in Securities without first submitting written notification to the Company Secretary before

commencing the transaction and confirm that they are not in possession of any price sensitive information, and must trade within 5 trading days of the notification.

5.2 Disposal of Securities in Closed Periods

- a. Subject to compliance with insider trading laws, a Key Management Personnel may seek written approval to sell or otherwise dispose of (but not acquire or otherwise deal with) Company Securities during a Closed Period.
- b. Key Management Personnel may be given prior written approval by the Chairperson of the Board (or in the case of the Chairperson of the Board, by all other members of the Board) to sell or otherwise dispose of Company Securities in a Closed Period where:
 - i. the person is not in possession of inside information in relation to the Company; and
 - ii. the person is in severe financial hardship or where there are exceptional circumstances as set out in this Policy.

5.3 Severe Financial Hardship or Exceptional Circumstances

The determination of whether a Key Management Personnel is in severe financial hardship or there are exceptional circumstances will be made by the Chairperson of the Board (or in the case of the Chairperson of the Board, by all other members of the Board).

A severe financial hardship or exceptional circumstances determination can only be made by examining all of the facts and if necessary, obtaining independent verification of the facts from banks, accountants or other like institutions.

Approval to trade is entirely discretionary, and Key Management Personnel should not trade in the expectation that approval will later be given.

If approval to trade is refused, no reasons need to be given and the decision is final and binding on the Key Management Personnel, who must keep the decision confidential and not disclose it to anyone.

5.4 Severe Financial Hardship

Key Management Personnel may be in severe financial hardship if they have a pressing financial commitment that cannot be satisfied other than by selling the Securities of the Company.

In the interests of an expedient and informed determination by the Chairperson of the Board (or in the case of the Chairperson of the Board, all other members of the Board), any request for approval to sell or otherwise dispose of Company Securities in a Closed Period based on severe financial hardship must:

- a. be made in writing;
- b. specify the intended volume of Securities to be disposed of; and
- c. state all of the facts and be accompanied by copies of relevant supporting documentation, including contact details of the person's accountant, bank and other such independent institutions (where applicable).

Any approval, if granted, will be in writing and will contain a specified time period during which the sale of Securities can be made. An approval expires 5 trading days from its date, unless it specifies a different date, and may be withdrawn if new information comes to light or there is a change in circumstances. Copies of written approvals must be forwarded to the Company Secretary prior to the approved purchase or sale transaction.

5.5 Exemptional Circumstances

Exceptional circumstances may apply to the disposal of Company Securities by a Key Management Personnel if the person is required by a court order or a court enforceable undertaking (for example in a bona fide family settlement), to transfer or sell Securities of the Company, or there is some other overriding legal or regulatory requirement to do so.

Any request for approval to sell or otherwise dispose of Company Securities in a Closed Period based on exceptional circumstances must:

- a. be made in writing;
- b. specify the intended volume of Securities to be disposed of; and
- c. state all of the facts and be accompanied by copies of relevant court and/or supporting legal documentation (where applicable).

Any approval, if granted, will be in writing and will contain a specified time period during which the sale of Securities can be made. An approval expires 5 trading days from its date, unless it specifies a different date, and may be withdrawn if new information comes to light or there is a change in circumstances. Copies of written approvals must be forwarded to the Company Secretary prior to the approved purchase or sale transaction.

5.6 Notification

Subsequent to:

- a. notice given in accordance with paragraph 5.1; or
- b. approval obtained in accordance with paragraph 5.2,

any Key Management Personnel who (or through his or her Associates) buys, sells, or exercises rights in relation to Company Securities **must** notify the Company Secretary in writing of the details of the transaction within two (2) business days of the transaction occurring. This notification obligation **operates at all times** and includes applications for acquisitions of Securities by employees made under employee incentive schemes and also applies to the acquisition of shares as a result of the exercise of convertible Securities under an employee incentive scheme.

5.7 Key Management Personnel Sales of Securities

Key Management Personnel need to be mindful of the market perception associated with any sale of Company Securities and possibly the ability of the market to absorb the volume of shares being sold. With this in mind, the management of the sale of any significant volume of Company Securities (i.e. a volume that would represent a volume in excess of 10% of the total Securities held by the seller prior to the sale, or a volume to be sold that would be in excess of 10% of the average daily traded volume of the shares of the Company on the ASX for the preceding 20 trading days) by a Key Management Personnel needs to be discussed with the Board and

the Company's legal advisers prior to the execution of any sale. These discussions need to be documented in the form of a file note, to be retained by the Company Secretary.

5.8 No trading where in possession of inside information

Under the insider trading laws, a person who possesses inside information is generally prohibited from trading even where approval has been granted under this policy to trade (in severe financial hardship, exceptional circumstances or otherwise). A Key Management Personnel must not trade if they come into possession of inside information after:

- a. giving notice in accordance with paragraph 5.1; or
- b. receiving approval in accordance with paragraph 5.2.

6. ASX Notification for Directors

The ASX Listing Rules require the Company to notify the ASX within 5 business days after any dealing in Securities of the Company (either personally or through an Associate) which results in a change in the relevant interests of a Director in the Securities of the Company. The Company has made arrangements with each Director to ensure that the Director promptly discloses to the Company Secretary all the information required by the ASX.

7. Effect of Compliance with this Policy

Despite anything else in these guidelines, any conduct by Key Management Personnel in breach of insider trading laws is prohibited. Under those laws, a person who possesses inside information is generally prohibited from dealing in Securities even where:

- a. the dealing occurs outside of a Closed Period; or
- b. the dealing falls within an exception in these guidelines; or
- c. the person has been given approval under these guidelines to deal (whether due to financial hardship, exceptional circumstances determination or otherwise).

Any approval to deal in the Company's Securities given under these guidelines is not an endorsement of the proposed dealing. Key Management Personnel are individually responsible for their investment decisions and their compliance with insider trading laws.

Compliance with these guidelines for dealing in the Company's Securities does not absolve that individual from complying with the law, which must be the overriding consideration when trading in the Company's Securities. Before dealing in the Company's Securities, Key Management Personnel should carefully consider whether they are in possession of any inside information that might preclude them from dealing in Securities at that time and, if they have any doubt in this regard, they should not deal in Securities.

8. Breaches

Breaches of this Policy will be viewed seriously and may lead to disciplinary action being taken against the relevant Key Management Personnel. In serious cases, disciplinary action may include dismissal.

Any Key Management Personnel who becomes aware of a violation of this Policy should immediately report the violation to the Company Secretary.

It should be noted that, in some circumstances, the Company may be obliged to notify regulatory and/or criminal authorities of a breach of this Policy.