



Securities Trading Policy

1 INTRODUCTION

1.1 Background

OzAurum Resources Limited ACN 643 244 544 (**Company**) is a publicly listed company. The Company and its employees have obligations to avoid unlawful and unethical trading practices occurring through employee access to the Company's confidential information.

The Company is listed on the ASX and it is a requirement of the ASX Listing Rules that the Company maintains this Securities Trading Policy (**Policy**).

Trading of securities in the Company is governed by, amongst other things, the Corporations Act, the ASX Listing Rules and other applicable securities laws. As the Company's Securities are traded on ASX, this Policy focuses on Australian securities laws.

1.2 Application

This Policy applies to all Directors, officers, Senior Executives, employees of the Company and consultants and contractors who are currently engaged by the Company (**Restricted Persons**).

1.3 Objective

The Company has adopted this Policy to regulate Trading by Employees in Securities.

All Employees are required to conduct their personal investment activity in a manner that is lawful and avoids conflicts of interest between the Employee's personal interests and those of the Company. The Company also wishes to promote shareholder and general market confidence in the Company.

The Board has established this policy to:

- (a) assist Restricted Persons to comply with their legal obligations in relation to trading in the Company's securities;
- (b) raise awareness and minimise any potential for breach of the prohibitions on insider trading contained in Part 7.10 of the Corporations Act;
- (c) establish the Company's policy and procedure for Restricted Persons trading in Securities;
- (d) meet the Company's obligations under the ASX Listing Rules to maintain a Securities Trading Policy; and
- (e) maintain a proper market for the Company's Securities and ensure the Company's reputation and integrity are not adversely impacted by perceptions of trading in the Company's securities.

1.4 Securities covered by this Policy

This Policy applies to trading in all securities, including:

- (a) Shares, CHESS Depository Interests, options, performance rights and other securities issued by the Company which are convertible into shares;
- (b) debentures (including bonds and notes); and
- (c) derivatives of any of the above (including equity swaps, futures, hedges and exchange-traded or over the counter-options), whether settled by cash or otherwise.

1.5 Key principles

In conducting personal trading activities, all Restricted Persons must act lawfully and avoid conflicts of interests between their personal interests and the Company's interests.

Any Restricted Person who possesses inside information in relation to the Company must not trade in the Company's securities, regardless of any written clearance granted under this Policy.

All trading in Company securities by Restricted Persons must be conducted:

- (a) in accordance with this Policy;
- (b) generally not during any Prohibited Trading Period; and
- (c) only with the Company's prior written clearance.

2 DEFINITIONS

In this Policy, unless the context otherwise requires:

ASX means ASX Limited (ABN 98 008 624 691) or the financial market conducted by ASX Limited, as the context requires.

ASX Listing Rules means the listing rules of ASX applicable to the Company from time to time.

Board means the board of directors of the Company.

Company means OzAurum Resources Limited ACN 643 244 544.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means any director of the Company.

Employee means a person who is an employee, officer or director of the Company and includes the Senior Executives.

Exceptional Circumstances means circumstances which the Chair (or the Board in the case of proposed Trading by the Chair) decides are so exceptional that the proposed Trading of Securities is the only reasonable course of action available, which can include the circumstances set out in section 6.

Prohibited Trading Period means any time other than during a Trading Window and any additional period from time to time when the Chair or Board impose a prohibition on Trading.

Restricted Persons has the meaning given to that term in section 1.2.

Shares means ordinary shares in the Company.

Securities includes Shares, CHESS Depository Interests, options, performance rights and other securities issued by the Company which are convertible into Shares, as well as financial products issued or created over Shares by third parties, including structured financial products, swaps, futures contracts, contracts for differences, spread bets, options, warrants, depositary receipts or other derivatives over or related to the performance of Shares.

Senior Executives means:

- (a) the Chief Executive Officer and Chief Financial Officer;
- (b) all direct reports to the Chief Executive Officer;
- (c) any other person who is one of the Company's key management personnel, including those persons identified as key management personnel in the Company's most recent Annual Report; and
- (d) any other Employee who has been notified that the Board designates them as a Senior Executive for the purposes of this Policy.

Trade or Trading means:

- (a) buying or selling Securities;
- (b) entering into an agreement to buy or sell Securities; or
- (c) exercising options, rights or awards to acquire Securities.

Trading Window means any period specified in section 4.2.

3 PROHIBITION OF INSIDER TRADING

3.1 Inside information

'Inside information' is information that:

- (a) is not generally available; and
- (b) if it were generally available, a reasonable person would expect it to have a material effect on the price or value of the Company's securities.

A reasonable person would be taken to expect information to have a material effect on the price or value of securities if (and only if) the information would, or would be likely to, influence persons who commonly acquire securities in deciding whether or not to acquire or dispose of those securities. In other words, information must be

shown to be material to the investment decision of a reasonable hypothetical investor in the securities.

Information is 'generally available' if:

- (a) it consists of 'readily observable matter';
- (b) it has been made known in a manner that would, or would be likely to, bring to the attention of persons who commonly invest in securities of a kind whose price or value might be affected by the information and, since it was made known, a reasonable period for it to be disseminated among such persons has elapsed; or
- (c) it consists of deductions, conclusions or inferences made or drawn from information of the kind referred to in (a) or (b).

Restricted Persons may only assume information is generally available if it has been disclosed to the ASX.

3.2 Prohibited conduct

In summary, the Corporations Act prohibits:

- (a) the direct and indirect acquisition or disposal of securities using inside information;
- (b) the procurement of another person to acquire or dispose of securities using inside information; and
- (c) communication of inside information to another person for the purpose of the other person acquiring or disposing of securities.

Restricted Persons must not, whether in their own capacity or as an agent for another, apply for, acquire or dispose of, or enter into an agreement to apply for, acquire or dispose of, any securities, or procure another person to do so if the Restricted Person:

- (a) possesses inside information; and
- (b) knows or ought reasonably know, that:
 - (i) the information is not generally available; and
 - (ii) if it were generally available, it might have a material effect on the price or value of the securities or influence a person's decision to buy or sell the securities.

Restricted Persons must not either directly or indirectly pass on this kind of information to another person if they know, or ought reasonably know that this other person is likely to apply for, acquire or dispose of the other securities or procure another person to do so.

3.3 Trading in securities of other companies

The insider trading provisions of the Corporations Act apply to the securities of other companies and entities (including the Company's clients, suppliers or contractors) if the Restricted Person has inside information about that company or entity. Restricted Persons must not trade in securities of another company whilst in possession of inside information in respect of that company.

3.4 Confidentiality obligations

Further to their legal obligations related to insider trading under the Corporations Act and any other applicable law, Restricted Persons must not disclose the Company's confidential information to any unauthorised third party, or use that information for personal gain or in a manner that may harm the Company.

4 COMPANY IMPOSED RESTRICTIONS ON TRADING

4.1 Trading may only occur during Trading Windows

All Trading in Securities by Employees must be in accordance with this Policy and generally will only be permitted during Trading Windows and must not occur during any Prohibited Trading Period.

No Trading in Securities may occur outside of Trading Windows without the prior written permission of the Chair (or an officer of the Company designated by the Chair), unless an exception in section 4.4 applies. Permission to sell (but not purchase) Securities will ordinarily only be granted in Exceptional Circumstances and only in the event that the person involved is not in possession of inside information affecting Securities. Requests for permission should generally be made through the Company Secretary.

4.2 When are the Trading Windows?

The Trading Windows during which Employees will be permitted to Trade Securities will be notified by the Company Secretary. These will generally be open at the following times:

- (a) for a period of six weeks commencing on the trading day following the public release by the Company of its preliminary annual and half year results to ASX;
- (b) for a period commencing on the trading day following lodgement of the Company's Annual Report with ASX and continuing for up to one month after the holding of the Company's Annual General Meeting;
- (c) during the offer period (for so long as it remains open) under any publicly available prospectus, cleansing notice or other disclosure document issued by the Company offering Securities; and
- (d) at any other time as the Board may permit.

Notwithstanding the time periods described above, the Company may declare a Trading Window closed at any time at its absolute discretion and without prior notice. For example, this could occur where directors of the Company believe that certain Employees may hold inside information relating to the Company.

Trading Windows will not automatically be opened at the times described above. Details of when a Trading Window is opened or closed and any Prohibited Trading Periods will be notified by email to Employees.

4.3 When is Trading during a Trading Window prohibited?

Even if the Trading Window is open, the laws prohibiting insider trading continue to apply to Employees so that they must not trade if they possess any inside information. Refer to section 2 of this Policy for further details.

Employees are prohibited from:

- (a) **(short term trading)** other than when an Employee exercises employee options or performance rights to acquire Securities at the specified exercise price, Trading in Securities (or an interest in Securities) on a short-term trading basis. Short-term trading includes buying and selling Securities within a 12 month period, and entering into other short-term dealings (e.g. forward contracts);
- (b) **(hedging unvested awards)** entering into transactions or arrangements, including by way of derivatives or similar financial products, which operate to limit the economic risk of an Employee's holdings of unvested Securities granted under an employee incentive plan; or
- (c) **(short positions)** Trading in Securities which enable an Employee to profit from or limit the economic risk of a decrease in the market price of Securities.

4.4 Exceptions for the Prohibited Trading Periods

The following exceptions to the Trading restrictions during Prohibited Trading Periods apply even if a Trading Window is not open (but subject always to insider trading laws):

- (a) an exercise (but not the sale of Securities following exercise) of an option or other right to acquire Securities under an employee incentive scheme or the conversion of 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 Trading Period;
- (b) Trading under an offer or invitation made to all or most of the security holders such as a rights or entitlement issue, a security purchase plan, or 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;
- (c) Trading where the beneficial interest in the relevant Securities does not change. This includes:
 - (i) a dealing by which the relevant Securities are transferred by an Employee from their personal holdings to a superannuation fund of which they are a beneficiary;

- (ii) the withdrawal of Securities from an employee incentive scheme and the transfer of those Securities to the participant's personal holdings or superannuation fund of which they are a beneficiary;
- (d) an acquisition of Securities under a dividend reinvestment plan, provided the election to participate in the dividend reinvestment plan was made before the Employee came into possession of any inside information;
- (e) an Employee accepting a takeover bid or transferring Securities under a scheme of arrangement in respect of the Company;
- (f) a disposal of Securities that is the result of a secured lender or financier exercising their rights. However, this does not extend to disposal under a margin lending arrangement where such arrangement is prohibited by this Policy;
- (g) an acquisition of Securities under a bonus issue made to all holders of the Company's Securities of the same class; and
- (h) an investment in, or trading in units of, a fund or some 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.

Despite the above exceptions, under the insider trading laws, a person who possesses inside information may be prohibited from trading even where Trading falls within an exception specified above.

4.5 Escrow

Any Employee who holds Securities subject to binding restrictions on transfer (either as ASX restricted securities or through voluntary escrow arrangements) must comply with the terms of any applicable escrow arrangements and will be unable to trade in Securities during that time. Once the escrow arrangements have ended, the Employee is not free to Trade in their Securities unless permitted by this Policy.

5 PRE-NOTIFICATION AND REPORTING OF TRADES

5.1 Who and when must give notification of an intention to Trade?

When permitted to Trade in accordance with this Policy, all Restricted Persons must give at least two trading days' (or such shorter period approved by the Chair) prior written notice of any proposed Trading in Securities and confirm that they do not possess any inside information:

- (a) in the case of Senior Executives (other than the Chief Executive Officer), to the Chair and Company Secretary;
- (b) in the case of the Chief Executive Officer, to the Chair and Company Secretary (in circumstances where the Chair is an independent director) or otherwise to the Board and Company Secretary;
- (c) in the case of a Director of the Company, to the Chair and Company Secretary;

- (d) in the case of the Chair, the Board and Company Secretary; and
- (e) in the case of all other Restricted Persons, to the Chair and Company Secretary,

(each a **Notification Officer**).

If the relevant Notification Officer objects to the proposed Trade, they must immediately notify the relevant Restricted Person that the Trade must not proceed, and must advise the Directors (who may overrule the decision if they think appropriate).

5.2 What Trading does not need to be pre-notified?

The only Trades that do not need to be pre-notified are those that are permitted under a specific exception in section 4.4 (Exceptions to the Prohibited Trading Periods).

5.3 Notification of Trades

In addition to providing prior notification under section 5.1, once a Trade of any Securities has been made by or for a Restricted Person, details of the Trade, including the number and price of Securities involved, must be notified by email to the Chair and Company Secretary.

So that the Company can comply with its ASX reporting obligations, without exception Directors must also give the Board prior written notice of any proposed trading in Securities on behalf of:

- (a) their spouse or partner, dependent children or parents;
- (b) any body corporate which the Director controls or of which the Director is a director; or
- (c) a trust of which the Director is a trustee or beneficiary.

Each disclosure notice will need to state whether the relevant trade occurred outside of a Trading Window and, if so, whether prior written clearance was provided.

The Company Secretary must maintain a register of notifications and clearances given in relation to trading in Securities and must report all such matters to the Board as they arise.

5.4 Notification of an intention to trade on behalf of associates

Directors and Senior Executives must give prior written notice of any proposed Trading in Securities in accordance with section 5.1 on behalf of any of their associates.

For this purpose, "associates" of a Director or Senior Executive includes their spouses, family members, trusts, companies, nominees and other persons over whom a Director or Senior Executive has, or may be expected to have, investment control or influence.

6 EXCEPTIONAL CIRCUMSTANCES

The Company may grant Restricted Persons who are not in possession of inside information prior written clearance to trade in Securities during a Prohibited Trading Period where, in the reasonable opinion of the Board:

- (a) the person is in severe financial hardship, where they have a pressing financial commitment that cannot be satisfied otherwise than by selling Securities;
- (b) a court order, court enforceable undertaking or other legal or regulatory requirement obliges the person to transfer or sell, or accept a transfer of, the Securities; or
- (c) any other exceptional circumstances apply.

A request for permission to Trade due to Exceptional Circumstances should be made by written notice to the relevant Notification Officer outlining:

- (a) the name of the Employee;
- (b) details of the Exceptional Circumstances and the reasons for requesting permission to Trade;
- (c) the type of proposed transaction (purchase, sale, etc.); and
- (d) the number and type of Securities involved.

The Notification Officer will consult with the Chair (or where the Notification Officer is the Chair or in the case of proposed Trading by the Chair, with the Board) in relation to any proposed Trading due to Exceptional Circumstances. Permission to Trade is entirely discretionary, and Employees should not Trade in the expectation that permission will later be given.

If permission to Trade is granted, it will be given in writing and the Employee may only Trade the Securities during the period specified in the permission. A permission expires five business days from its date, unless it specifies a different date.

7 OTHER OBLIGATIONS

7.1 Short term trading

Restricted Persons must not trade in Securities on a short term basis. Generally, short term trading includes acquiring and disposing of securities within a 12 month period.

7.2 Hedging arrangements

Restricted Persons must not enter into arrangements or transactions which would have the effect of limiting the economic risk related to the Securities without first obtaining prior written clearance from the Board in accordance with this Policy.

7.3 Margin loans and similar funding arrangements

Directors of the Company and Senior Executives may not include their Securities in a margin loan portfolio or otherwise Trade in Securities pursuant to a margin lending arrangement (**Margin Lending Arrangement**) without first obtaining the consent of the Chair (or, in the case of the Chair, the Board). This is because the terms of the arrangement may require the Securities to be sold during a Prohibited Trading Period or when the relevant Director or Senior Executive possesses inside information.

A Margin Lending Arrangement would include:

- (a) entering into a margin lending arrangement in respect of Securities;
- (b) transferring Securities into an existing margin loan account; and
- (c) selling Securities to satisfy a call under a margin loan except where the holder of Securities has no control over the sale.

8 ASX LISTING RULES

The Company will comply with the ASX Listing Rules requirements related to trading in company securities, including:

- (a) maintaining this Policy in accordance with applicable legislation and regulations;
- (b) providing ASX with a copy of this Policy upon its adoption, material amendment or on ASX's request; and
- (c) notifying ASX of trades in Securities, as required.

9 POLICY COMPLIANCE

9.1 Compliance with Policy and legal obligations

Restricted Persons are individually responsible for ensuring their compliance with this Policy and their legal obligations relating to insider trading.

9.2 Consequences of breaching Policy and legal obligations

Engaging in insider trading may subject Restricted Persons to:

- (a) criminal liability, including substantial monetary fines and/or imprisonment; and/or
- (b) civil liability, which may include being sued by another party for any loss suffered as a result of insider trading.

Further, the Company will not tolerate any breach of Restricted Persons' legal obligations regarding insider trading. Restricted Persons who breach any applicable insider trading law or this Policy will likely face disciplinary action, including termination of employment or engagement with the Company. Any Employee who becomes aware of a violation of this Policy should immediately report the violation to the Chair.

The Company may be required to notify relevant authorities of a serious breach of this Policy.

9.3 Guidance

If any Restricted Persons do not understand, or have any questions regarding, any aspect of this Policy or its application they should contact the Company Secretary prior to dealing with any securities covered by this Policy.

10 ADOPTION AND REVIEW OF THIS POLICY

10.1 Adoption

The Board adopted this Policy on the date specified below. It takes effect from that date and replaces any previous securities trading policy in this regard.

10.2 Review and amendment

The Board is responsible for regularly reviewing this Policy, having regard to changing circumstances and any changes to the ASX Listing Rules, the Corporations Act or other applicable legislation.

This Policy can only be amended with the approval of the Board. The Board may, at its discretion, amend this Policy to extend its application to securities of other companies or entities with which the Company has a close business relationship (including the Company's clients, suppliers or contractors). The Board will communicate any amendments to Restricted Persons as appropriate.

Status		Approved and Issued
Approved By		Board
Effective Date		[insert] 2020
Approval Date		[insert] 2020
Policy Owner		Company Secretary
Amendment History		
Version	Date	Author
2020.1	[insert] 2020	Company Secretary