



# Dealings in Metals X Limited (Metals X) Shares and Options

## 1. INTRODUCTION AND PURPOSE

This policy statement summarises the law relating to insider trading and sets out the policy of Metals X Limited ("Metals X" or "the Company") on directors and employees dealing in Metals X shares and options. If you do not understand the summary of law or the Company's policy, or how it applies to you, you should raise the matter with your supervisor before trading in any securities which may be affected by the policy or the law.

This policy statement is only a summary of complex legal provisions, and should therefore only be used as a general guide, not as legal advice.

## 2. DEALINGS IN GROUP SECURITIES

### 2.1 *The Insider Trading Prohibition*

If you have "price-sensitive information" relating to the Company which has not been published or which is not otherwise "generally available", it is illegal for you to:

- buy, sell or otherwise deal in Metals X share or options;
- advise, procure or encourage another person (for example, a family member, a friend, a family company or trust) to buy or sell Metals X shares or options; or
- pass on information to any other person, if you know or ought to reasonably know that the person may use the information to buy or sell (or procure another person to buy or sell) Metals X shares or options.

It is the responsibility of each Director and employee to ensure that they do not do any of the things prohibited by the insider trading law. The consequences of breach of this law may be severe.

### 2.2 *What is "Price Sensitive" Information*

Price-sensitive information means information relating to the Company that would, if the information were publicly known, be likely to have a material effect on the price or value of Metals X shares or options, or influence persons who commonly invest in securities in deciding whether or not to buy or sell Metals X shares or options.

Examples of possible price-sensitive information include, but are not limited to:

- the financial performance of the Company against its budget;
- entry into or termination of a material contract (such as a major joint venture);
- a material acquisition or sale of assets by the Company;
- an actual or proposed takeover or merger;
- drilling results;
- an actual or proposed change to the Company's capital structure;
- a proposed dividend or a change in dividend policy; or
- a material claim against the Company or other unexpected liability.



### **2.3 Directors and Officers dealings in Company Shares**

Company policy prohibits Directors and Company officers dealing in Company shares while in possession of price sensitive information. As a matter of practice, Company shares may only be dealt with under the following guidelines:

- No trading is permitted in the period of 21 days prior to the announcement to the ASX of the Company's full year and half year results;
- Guidelines are to be considered complementary to and not replace the various sections of the Corporations Act 2001 dealing with insider trading; and
- Prior approval of the Chairman, or in his absence, the approval of two directors is required prior to any trading being undertaken.

### **2.4 When is the Information "Generally Available"?**

Information is generally available if:

- it consists of readily observable matter;
- it has been made known in a manner likely to bring the information to the attention of people 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;
- it is derived from information which has been made public; or
- it consists of observations, deductions, conclusions or inferences made or drawn from other generally available information.

### **2.5 Consequences for Breach of the Insider Trading Prohibition**

Breach of the insider trading prohibition by you or family members could expose you or them to criminal and civil liability. Breach of insider trading law or this policy will also be regarded by the Company as serious misconduct which may lead to disciplinary action and/or dismissal.

## **3. DEALING IN SHARES OF OTHER COMPANIES**

If you have "price sensitive information" relating to a company other than Metals X which is not "generally available" the same insider trading rules outlined above apply to buying and selling shares in that company. In the course of performing your duties as an employee of the Company, you may obtain price sensitive information relating to another company in a variety of circumstances.

Examples include, but are not limited to the following:

- another company may provide price sensitive information about itself to the Company in the course of a proposed transaction;
- another company with whom the Company is dealing may provide price sensitive information about a third company; or
- information concerning the Company or actions which may be taken by the Company (ie. a planned transaction or strategic change) could reasonably have an effect on a third party company.

Apart from the application of the insider trading rules to shares in other companies, employees are also bound by a duty of confidentiality in relation to information obtained in the course of their duties in respect of third parties.