

# Securities Trading Policy

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## 1. Objective

- (a) This securities trading policy sets out the circumstances in which Directors, senior executives and employees of Warwick Resources Limited (the "**Company**") and its subsidiaries may deal in the Company securities with the objective that no Director or employee will contravene the requirements of the *Corporations Act 2001* in Australia or the ASX Listing Rules in Australia.

The objective of this policy is to ensure that:

- Directors and employees adhere to high ethical and legal standards in relation to their personal investment in Company securities; and
- Personal investments of Directors and employees do not conflict with the interests of the Company and other shareholders in relation to Company securities.

## 2. Purpose

- (a) The purpose of this policy is designed to protect the reputation of the Company and to ensure that such reputation is maintained or perceived to be maintained by persons external to the Company.
- (b) The policy is not designed to prohibit Directors and employees from investing in Company securities but does recognise that there may be times when Directors or employees cannot or should not transact in Company securities. The policy provides guidance to Directors and employees as to the times that Directors and employees may invest in the Company's securities.

## 3. Outline of Requirements

A Director or employee possesses "inside information" in relation to the Company where:

- (a) the person possesses information that is not generally available and, if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of the Company securities; and
- (b) the person knows, or ought reasonably to know, that the information is not generally available and, if it were generally available, a reasonable person would expect it to have a material effect on the price or value of the Company securities.

A reasonable person would be taken to expect information to have a material effect on the price or value of the Company securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to deal in the Company securities in any way.

## 4. If a Director or employee possesses "inside information" in relation to the Company, the person must not:

- (a) deal in the Company securities in any way; or
- (b) procure another person to deal in the Company securities in any way; or
- (c) directly or indirectly, communicate the information, or cause the information to be communicated, to another person if the person knows, or ought reasonably to know, that the other person would, or would be likely to, deal in the Company securities in any way or procure a third person to deal in the Company securities in any way.

**5. For the purposes of paragraphs 2 and 3 above:**

- (a) "the Company securities" includes any shares in the Company, debentures (including convertible notes) issued by the Company, units of shares in the Company and options to acquire or subscribe for shares in the Company;
- (b) to "deal" in the Company securities includes subscribing for, purchasing or selling the Company securities or entering into an agreement to do any of those things.

**6. Examples of "inside information"**

Examples of information which may be considered to be "inside information" include the details relating to the items listed below (this is not an exhaustive list):

- (a) mineral resources and reserves;
- (b) profit forecasts;
- (c) unpublished announcements;
- (d) proposed changes in capital structure, including share issues, rights issues and the redemption of securities;
- (e) borrowings;
- (f) impending mergers, acquisitions, reconstructions, takeovers, etc;
- (g) significant litigation;
- (h) significant changes in operations or proposed changes in the general character or nature of the business of the company or its subsidiaries;
- (i) liquidity and cashflow information;
- (j) major or material purchases or sales of assets (consideration exceeding \$500,000 should be treated as material);
- (k) management restructuring or board changes;
- (l) new significant contracts or customers; and
- (m) a new entity proposing to buy, or a shareholder proposing to sell, a substantial number of shares in the Company.

**7. Application of the Policy**

The policy applies to all Directors, all employees who from time to time possess information that could be considered inside information, or who are nominated as such by the board ("**Senior Executives**") and other employees, and to their respective associates (including a company or trust controlled by the Director or employee, a spouse, dependant children, a close relative, a person acting in concert with the Director or employee, etc).

**8. Policy**

**General Principles** - Directors and employees of the Company and its subsidiaries should note the following general principles regarding their personal trading of the Company's securities:

- (a) avoid and be seen to avoid, actual or potential conflict between their personal interest and their duty to the Company and its shareholders;

- (b) not to derive personal advantage from information which is not generally available and which has been obtained by reason of, or in the course of, their directorship or employment;
- (c) seek prior approval to trade from a designated officer to ensure the Company's and shareholder's interests are not compromised;
- (d) ensure any personal trading is on a scale that reflects your individual financial ability to fund and maintain an appropriately sized portfolio;
- (e) ensure any personal trading does not adversely impact on your ability to perform normal duties;
- (f) not utilise broker credit - relevant exchange settlement terms must apply on all occasions and all transactions must be settled according to industry standards. Such prohibition does not extend to normal documented margin lending or loan facilities offered to the general public by brokers, banks or other lending institutions;
- (g) Directors and employees who have access to price sensitive information or "inside information" should not conduct personal trading in the Company's securities.

## **9. Short term trading**

Notwithstanding the following, Directors and employees of the Company and its subsidiaries should never engage in short term trading of any of the Company securities. In general, the purchase of securities with a view to resale within a 12 month period and the sale of securities with a view to repurchase within a 12 month period would be considered to be transactions of a "short term" nature. However, the sale of shares immediately after they have been acquired through the conversion of a security (eg. exercise of an option) will not be regarded as short term trading.

## **10. Trading windows**

Subject to the conditions below, the recommended time (in terms of avoiding suggestions of insider trading) for any Director or employee to deal in the Company securities is during the 4 week period from the:

- (a) date of the Company's AGM;
- (b) release by the Company of its half yearly or annual results announcement to ASX;
- (c) release by the Company of its quarterly report announcement to ASX; or
- (d) release of a disclosure document offering equity securities in the Company,

**PROVIDED** that the person is **NOT** in possession of any inside information relating to those securities.

## **11. Directors and Senior Executives**

A Director or Senior Executive may not deal in the Company securities without the prior consent of the Chairman of the Board before commencing the transaction. A Director or Senior Executive must also provide the Chairman of the Board with subsequent confirmation of the trading that has occurred.

**12.** Prudence will dictate that dealings should generally be limited to the recommended times referred to in this policy and that the Chairman will generally refuse consent to deal in the Company securities outside these recommended times. In any event, the Director or Senior Executive should not deal in the Company's securities at any time if the Director or Senior Executive is in possession of any inside information relating to those securities.

**13. Employees other than Senior Executives**

Employees of the Company other than Senior Executives may deal in the Company securities at any time if the employee notifies the Company Secretary before commencing the transaction and after the transaction has occurred, providing confirmation of the trading. Employees are strongly advised to limit dealing in the Company securities to the recommended timing referred to in this Policy. In any event, the employees should not deal in the Company securities at any time if the employee is in possession of any inside information relating to those securities.

**14. Exercise of options, participation in employee share option plans etc**

Subject to the insider trading provisions of any applicable laws, Directors and employees may at any time:

- (a) acquire the Company's ordinary shares by conversion of securities giving a right of conversion to ordinary shares;
- (b) acquire the Company's securities under a bonus issue made to all holders of securities of the same class;
- (c) acquire the Company's securities under a dividend reinvestment, or top-up plan that is available to all holders of securities of the same class;
- (d) acquire, or agree to acquire, options under a Company share option plan; and
- (e) exercise options acquired under a Company share option plan (but may not sell all or part of the shares received upon exercise of the options other than in accordance with these procedures).

**15. ASX Notification**

- (a) A Director will notify the ASX within 14 days after any change in the Director's relevant interest in securities of the Company or a related body corporate of the Company.
- (b) A Director will also notify the Company Secretary in writing of the requisite information for the Company Secretary to make the necessary notifications to ASX as required by the ASX Listing Rules in Australia.

**16. Questions?**

If you have any questions regarding this policy you should contact the Company Secretary.

This policy was adopted on 1 July 2006.