

17 May 2021

SECURITIES TRADING AND TRADING WINDOWS POLICY (LISTING RULE 12.9)

This policy is designed to ensure Directors, officers, employees and key contractors/consultants are aware of their responsibilities under the Corporations Act 2001, the requirements of ASX Listing Rule 12.9, and draws on relevant best practice principles outlined in Principle 3 of the *Corporate Governance Principles and Recommendations (2nd edition)* issued by the ASX Corporate Governance Council in August 2007.

This Eastern Metals Securities Trading and Trading Windows Policy (the **Policy**) sets out information relating to Eastern Metals representatives (Directors, officers, employees and key contractors/consultants) trading in Eastern Metals **Company Securities** (shares or derivative products in the Company). It sets guidelines designed to protect the Eastern Metals Group and Eastern Metals representatives from intentionally or unintentionally breaching these laws. The Eastern Metals Security Trading and Trading Windows Procedures (*Appendix 1*) sets out the steps to be followed to ensure compliance with the Policy. A Declaration (*Appendix 2*) should be signed and returned to the Company Secretary.

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1 THE CORPORATIONS ACT

The Corporations Act 2001 (**Corporations Act**), and the laws of other countries in which the Eastern Metals Group operates, contain provisions which prohibit a person in possession of material, non-public information relating to a company from dealing in any way with shares, options or other securities or derivatives (including any structured financial product, swap, futures contract, contract for difference, spread bet, warrant or depositary receipt) issued by that company or issued or created over the company's securities by third parties (securities).

The principal insider trading prohibition in Australian law is contained in section 1043A of the Corporations Act. Section 1043A prohibits a person (insider) who is in possession of information relating to Eastern Metals, or any other listed entity that is not generally available but, if the information was generally available, a reasonable person would expect that information to have a material effect on the price or value of the relevant securities from:

- applying for, acquiring, disposing of or entering into an agreement to apply for, acquire or dispose of the relevant securities;
- procuring another person to apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of the relevant securities; or
- directly or indirectly communicating the price sensitive information to another person when the insider knows, or ought reasonably to know, that the other person would or would be likely to:
 - apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of the relevant securities; or
 - procure another person to apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of the relevant securities.

1.1 Insider Trading

Eastern Metals Representatives – Directors, officers, employees and key contractors/consultants (**Restricted Persons**) are prohibited from buying or selling Company Securities at any time if they are aware of any information that has not been made public that a reasonable person would take to expect to have a material effect on the price of Company Securities (or the securities of any other listed entity) if that information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to acquire or dispose of those securities (**Material Non-Public Price Sensitive Information**). A reasonable person would be taken to expect information to have a material effect on the price of Company Securities (or the securities of any other listed entity) if that information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to acquire or dispose of those securities.

Restricted Persons must not purchase or sell Company Securities while in possession of Material Non-Public Price Sensitive Information. Restricted Persons in possession of Material Non-Public Price Sensitive Information relating to other listed entities (whether inside or outside the Eastern Metals group) must not purchase or sell the securities of that entity.

Restricted Persons in possession of Material Non-Public Price Sensitive Information in relation to any listed entity (whether inside or outside the Eastern Metals group) must not cause or procure a third party to deal in the securities of that entity.

1.2 Available Information

Information relating to Eastern Metals or any other listed entity would be considered to be generally available only after it has been released to the Australian Securities Exchange (**ASX**) and the ASX has fully disseminated that information to the market.

1.3 Restricted Persons in Possession of Material Non-Public Price Sensitive Information

Eastern Metals Restricted Persons must not purchase or sell Company Securities while in possession of Material Non-Public Price Sensitive Information.

Eastern Metals Restricted Persons in possession of Material Non-Public Price Sensitive Information relating to other listed entities (whether inside or outside the Eastern Metals Group) must not purchase or sell the securities of that entity or cause or procure a third party to deal in the securities of that entity.

1.4 Determining Material Non-Public Price Sensitive Information

Material Non-Public Price Sensitive Information would, as an indication, most likely include (but not be restricted to) the following types of information:

- financial results;
- budgeted or forecast financial results;
- an increase or decrease in dividends;
- proposals to raise additional equity or borrowings;
- under subscriptions or over subscriptions to an issue;
- proposed acquisitions, mergers, sales, joint ventures or takeovers;
- information about business plans, investment proposals or asset purchases or sales;
- beneficial ownership of securities obtained under Part 6C.2 of the Corporations Act;
- commencement of or major developments in litigation or other regulatory matters;
- material decisions of Australian or overseas regulatory authorities;
- material information affecting a significant customer or supplier;
- the entry into or termination of a major contract;
- significant events affecting or relating to the operation of any entity in the Eastern Metals Group;
- change in a Eastern Metals Group accounting policy;
- proposal to change the independent external auditor of Eastern Metals;
- change of significant investors' attitudes to investment in Eastern Metals;
- related party agreements;
- the appointment, retirement, health or capacity of any Director;
- the entry into employment agreements with key Executives, or obligations under those agreements (disclosure to the market should include a summary of the main elements and terms of the agreement, including termination entitlements); or
- if the independent status of a Director is lost.

1.5 Breach of the Corporations Act

A breach of insider trading prohibitions contained in the Corporations Act is a criminal offence punishable by imprisonment for up to five years, a fine of up to A\$220,000 or both.

2 RESTRICTED PERSONS

Eastern Metals Representatives (Directors, officers, employees and key contractors/consultants) are Restricted Persons and are subject to this Policy.

Restricted Persons are provided with a copy of the Policy and are required to sign a declaration (Appendix 2) to confirm that they have received, understood and agreed to abide by the conditions set out in the Policy.

3 TRADING WINDOW

Restricted Persons must consult with the Chairman before trading in Company Securities.

Purchases or sales in Company Securities by Restricted Persons may not be carried out other than in a "window", being the period commencing 1 day and ending 30 days following the date of announcement of the Company's annual or half yearly results, quarterly report or a major announcement leading, in the opinion of the Board, to an informed market.

3.1 Clearance to Trade

Restricted Persons must consult with the Chairman or the Executive Director (write or email) before dealing in Company Securities.

A response will be sent within 24 hours.

Unless otherwise advised, written clearance to trade will expire at the end of the relevant/current trading window.

4 EXCLUDED TRADING (Listing Rule 12.12.3)

Certain types of trades may be excluded from the operation of the Policy. These are limited to trades where the plan that determines the timing and nature of trading has been approved by the Board, such as certain passive trades, dividend reinvestment plans, share purchase plans, rights issues and accepting takeover offers.

A Restricted Person who is in possession of Material Non-Public Price Sensitive Information in relation to the Company is prohibited from trading in Company Securities.

5 EXCEPTIONAL CIRCUMSTANCES (Listing Rule 12.12.4)

The Chairman may, in exceptional circumstances, grant clearance to trade during periods where trading would otherwise be prohibited under the Policy. In exceptional circumstances such as severe financial hardship and where there are court orders requiring the sale of Company Securities, trading in securities may be permitted.

Restricted Persons must consult with the Chairman or the Executive Director (write or email) who will determine whether a particular set of circumstances falls within the range of exceptional circumstances. Prior written clearance must be obtained before any trading is permitted. Unless otherwise advised, written clearance to trade will expire in 5 days.

A Restricted Person who is in possession of Material Non-Public Price Sensitive Information in relation to the Company is prohibited from trading in Company Securities.

6 PROHIBITION AGAINST HEDGING UNVESTED ENTITLEMENTS

Entitlements granted under the Company's equity-based incentive plan are subject to satisfaction of various time and/or performance criteria to ensure commonly shared goals related to producing relatively high returns for shareholders. Transactions which hedge the value of entitlements could distort the proper functioning of the time and/or performance criteria and reduce the intended alignment with shareholder interests.

Hedging is a form of dealing and must therefore be undertaken in accordance with this Policy. Any person who has entitlements to Eastern Metals securities under an equity-based incentive plan is prohibited from entering into any transactions which would have the effect of hedging or otherwise transferring to any other person the risk of any fluctuation in the value of those entitlements until they have vested.

After vesting, the entitlements cannot be hedged or dealt with in any way other than in a trading window in accordance with this Policy.

7 BAN ON MARGIN LENDING

A Restricted Person must not obtain margin loans using Eastern Metals Securities (either solely or as part of a portfolio) as security for loans.

8 ADDITIONAL PROCEDURES FOR DIRECTORS

Directors must notify the Chairman and Company Secretary immediately trades are completed. Eastern Metals must notify the market through an Appendix 3Y Change of Directors Interest Notice within 5 days of the trade (Listing Rule 3.19A).

9 BREACH OF EASTERN METALS SECURITY TRADING AND TRADING WINDOW POLICY

Failure to comply with this Policy by any Restricted Person constitutes cause for immediate dismissal by the Company.

In addition, as set out in 1.5 above, a breach of insider trading prohibitions contained in the Corporations Act is a criminal offence punishable by imprisonment for up to five years, a fine of up to A\$220,000 or both.

Appendix 1 Securities Trading Procedure

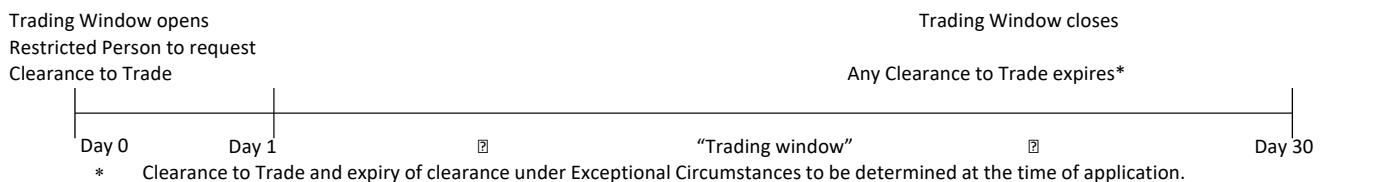
Notification of trading window or closed period:

The Company Secretary will inform Restricted Persons who are subject to this policy.

A trading window commences 1 day following and ends 30 days following:

- * Annual results
- * Half yearly results
- * Quarterly reports
- * Any major announcement leading, in the opinion of the Board, to an informed market.

Relevant
release
(refer
above)
Company Secretary advises



If you wish to trade Eastern Metals securities: Write to the Chairman seeking confirmation that the Company is in a trading window and stating your trading requirements.	Exceptional circumstances: Write to the Chairman seeking confirmation that the Company is in a trading window and stating your trading requirements, including a detailed explanation of the circumstances underpinning the view that Exceptional Circumstances apply.	Excluded trades: Trades where the plan that determines the timing and nature of trading has been approved by the board, such as certain passive trades, for example, dividend reinvestment plans, share purchase plans, rights issues and accepting takeover offers are excluded from the plan and do not require prior written approval of the Chairman.
Written clearance to trade is required.	Written clearance to trade is required.	Written clearance to trade is not required.
If you can trade: The Chairman will send you clearance to trade, including expiry of clearance.	If you cannot trade: The Chairman will send you notification that trading is not permitted.	
Additional reporting requirements for Directors: Directors must inform the Company Secretary of all trades as this information must be announced to the market.		INSIDER TRADING TRADING IS NOT PERMITTED WHEN IN POSSESSION OF MATERIAL NON PUBLIC PRICE SENSITIVE INFORMATION. IF IN ANY DOUBT, CONTACT THE COMPANY SECRETARY OR THE CHAIRMAN.

Appendix 2 Declaration

I, declare that I am aware of, understand and will abide by the **Eastern Metals Limited** Securities Trading and Trading Windows Policy.

Signed

Name

Date
