

# TRAKA RESOURCES LIMITED CORPORATE GOVERNANCE SECURITIES TRADING POLICY

## 1. PURPOSE

The purpose of this policy is to ensure that Traka Resources Limited (the **Company**) complies with the ASX Listing Rules and to ensure that the Employees (as that term is defined below) do not trade in the securities of the Company in a way which:

- breaches the Corporations Act and/or other legislative prohibitions on insider trading; or
- compromises confidence in the Company's practices in relation to securities dealings.

## 2. APPLICATION OF POLICY

This Policy applies to:

- Key Management Personnel of the Company; and
- all other employees of and contractors to the Company;

(collectively **Employees**).

Key Management Personnel has the meaning set out in Accounting Standard AASB 124 Related Party Disclosure. Employees who are unsure if they are considered to be Key Management Personnel may seek guidance from the Company Secretary.

**The guidelines for permissible trading in the Company's securities set out in sections 3 and 4 below must be read subject to the insider trading provisions of the Corporations Act summarised in section 3 below. Trading is prohibited at any time if the Employee possesses inside information, irrespective of whether it is outside the Closed Period or is excluded from operation of this policy.**

## 3. DEALING IN SECURITIES

### 3.1 The rules in relation to dealing and trading in securities

If Employees possess **price-sensitive information** in relation to the Company which has not been published or which is not otherwise **generally available**, they are in possession of **inside information** and it is illegal for them to:

- buy, sell, or otherwise deal in securities in the Company;

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- advise, procure or encourage any other person to deal in the securities of the Company;
- pass on that inside information to any other person whom they know, or ought reasonably to know, would or would be likely to deal or procure another person to deal in the securities of the Company.

These rules are set down in the Corporations Act and apply to **securities**, which, in addition to ordinary shares, include options, rights, convertible notes, derivatives and other financial products.

### **3.2 Price-sensitive information**

Price-sensitive information is information relating to the Company that would, if the information were publicly known, be likely to:

- have a material effect on the price of the Company's securities; or
- influence persons who commonly invest in securities in deciding on whether or not to buy or sell the Company's securities.

Included below is a non-exhaustive list of examples of price-sensitive information:

- exploration results
- entry into or termination of a material contract
- a material acquisition or sale of assets
- any major litigation in relation to the Company or its joint venture partners
- the interim and final financial results
- raising of capital
- declaration of a dividend

### **3.3 When is the information *generally available*?**

Information is considered to be generally available if:

- it can be easily observed; or

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- it has been released to the ASX, published in the Company's half year or full year Financial Statements, an Annual Report, or a prospectus, or is generally available to the investing public and a reasonable time has elapsed since the information was communicated; or
- it may be deduced, inferred or concluded from any of the above

#### 4. TRADING GUIDELINES

##### 4.1 Closed Periods for Key Management Personnel

Key Management Personnel may not trade in the Company's securities:

- between close of trade two calendar weeks prior to the day on which the full-year financial statements are released to the ASX and close of trade one day after release of the full-year financial statements;
- between close of trade two calendar weeks prior to the day on which the half-year financial statements are released to the ASX and close of trade one day after release of the half-year financial statements; or
- any other period determined by the Directors from time to time and notified to the Key Management Personnel;

(the ***Closed Periods***).

Employees other than Key Management Personnel are not prohibited from trading in Closed Periods, but at all times are subject to the insider trading provisions of the Corporations Act and must comply with the requirements of section 4.3 of this Policy in respect of any proposed trade.

##### 4.2 Approval process within a Closed Period

Key Management Personnel may apply for approval to trade in the Company's securities within a Closed Period provided that:

1. they are not in possession of inside information in relation to the Company; and
2. their approval to trade is being sought as a result of exceptional circumstances.

Exceptional circumstances may include the following:

- financial hardship where the individual has a binding financial commitment that cannot be satisfied unless they sell or otherwise dispose of the securities in the Company;

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- the issuing or enforcement of a court order or other means of legal or regulatory enforcement where the individual is required to transfer or sell the securities of the Company.

If such an event should arise, the Key Management Person must submit a written application to the Chairman of the Board (copy to the Company Secretary), or in the event of the Chairman a written application to the CEO and the Company Secretary (in each case a **Designated Officer**). The form and evidence required to assess the application with respect to the exceptional circumstance will be as determined by the Designated Officer(s) on a case by case basis.

The Key Management Person can only trade if prior written approval, either in the form of an email or formal letter has been provided. The Designated Officer(s) will endeavour to make a determination within 1 business day of the Designated Officer(s) being provided with the requisite information to make a decision with respect to the application. If written approval is provided, the transaction must be completed within two business days of the approval.

#### **4.3 Enquiry prior to dealing in securities**

Subject to the insider trading provisions of the Corporations Act and the prohibition of trading by Key Management Personnel in Closed Periods, Employees intending to deal in the Company's securities should, prior to so dealing, enquire of the Company Secretary or the Chairman as to whether any announcements of price sensitive information are anticipated or unannounced price-sensitive information exists, such that any dealing in the securities of the Company by an Employee might constitute a breach of the insider trading provisions of the Corporations Act.

#### **4.4 Notification by Directors of completed trades or dealings**

Following a trade of or dealing in securities by a Director, the Director must provide confirmation of price and quantity to the Company Secretary within two business days of the trade to ensure that the notification obligations of Directors under ASX Listing Rule 3.19A or S205G of the Corporations Act can be satisfied.

#### **4.5 Other trading restrictions**

Key Management Personnel are prohibited from trading during the Closed Period in financial products issued or created over or in respect of the Company's securities and should not enter into margin loans which could cause a forced trade by a margin lender during a Closed Period.

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#### **4.6 Trades not subject to this Policy**

It is not the intent of this Policy to capture potential trades where the trade would result in no change in beneficial interest in the securities, where the trading occurs via a scheme or other arrangement where the investment decisions are exercised by a third party and where the Employee has no control or influence over the trading decisions, or where the trading occurs under an offer to other security holders of the Company.

Examples of trades not subject to this Policy include the following:

- trading under an offer made to all or most of the security holders of the Company such as a rights issue, buy-back or security purchase plan where the timing and structure of the offer has been approved by the Board;
- undertakings to accept, or the acceptance of, a takeover offer;
- transfers of securities of the Company between an Employee and a self managed superannuation fund in which the Employee is a beneficiary;
- an investment in a fund where the assets of the fund are invested at the discretion of a third party;
- where an Employee is a trustee, trading in the securities of the Company by that trust provided that the Employee is not a beneficiary of the trust and any decision by a Key Management Person to trade during a Closed Period is taken by the other trustees independently of the Key Management Person; or
- the exercise of an option, where the final date for the exercise of an option, falls during a prohibited period and the Company has had a number of consecutive Closed Periods to the extent that the Key Management Person could not reasonably have been expected to exercise the options at a point in time in which they were able to do so.

## **5. GENERAL**

A breach of this Policy may result in disciplinary action or termination of the Employee's contract of employment or engagement with the Company.

If an Employee is in any doubt regarding a proposed dealing in the Company's securities they should contact the Company Secretary or, in the case of a Director, the Chairman.