

## SECURITIES TRADING POLICY

### 1. Introduction

FMR Resources Ltd (**Company**) is committed to complying with insider trading laws and establishing best practice procedure for dealing in securities. This document sets out the Company's policy on dealing by Directors and employees in Company Securities and securities of other entities. This document sets out the policy of the Company concerning dealings in Company Securities by:

- a. Directors of the Company and their associates; and
- b. members of the Company's Executive Management team and their associates; and
- c. employees and their associates.

The purpose of this policy is to establish a best practice procedure relating to buying and selling securities that provides protection to the Company, Directors, Executives and employees against the misuse of unpublished information that could materially affect the value of securities.

### 2. Definitions

In this policy, unless the context otherwise requires:

**Closed Periods** means each of the following periods:

- a. two weeks prior until 10:00am on the next trading day following the release of each of the Company's annual and half yearly accounts to the ASX;
- b. one week prior until 10:00am on the next trading day following the release of the Company's quarterly reports;
- c. within 24 hours after the release of market sensitive information under ASX Listing Rule 3.1; and
- d. any other time that the Group CEO, in consultation with the Chairman, declares as a Closed Period.

**Company Securities** includes ordinary shares, preference shares, options, debentures (including convertible notes), prescribed interests, derivatives and warrants issued or made available by the Company or any associated company.

**Director** means a director of the Company and includes a "Related Party" as defined in the Corporations Act 2001 (Cth).

**Executive** means a member of the Company's Executive Management team and includes a "Related Party" as defined in the Corporations Act 2001 (Cth).

**Inside Information** is information that:

- a. is not generally available; and

- b. if it were generally available, a reasonable person would expect that it would — or would be likely to — influence investors in deciding whether to buy or sell particular securities.

**Trading** includes purchasing or selling Company Securities and trade has an equivalent meaning.

### **3. Policy**

#### **3.1 Responsibility of Directors, Executives and employees**

Directors, Executives and employees must comply at all times with the provisions of the Corporations Act 2001 (Cth) and ASX Listing Rules which relate to trading in Company Securities including:

- a. insider trading provisions;
- b. market manipulation provisions;
- c. substantial shareholder notice provisions; and
- d. notification requirements.

It is each Director's, Executive's and employee's own responsibility to ensure that they are fully aware of their legal obligations with respect to trading.

#### **3.2 Insider Trading**

If you have any Inside Information about the Company (or another relevant entity, such as a company with which the Company is considering a transaction) which is not publicly known, it is a criminal offence for you to:

- a. trade in Company Securities (or securities of the other relevant entity);
- b. advise or procure another person to trade in Company Securities (or securities of the other relevant entity); or
- c. pass on Inside Information to someone else (including colleagues, family or friends) knowing (or where you should have reasonably known) that the other person will, or is likely to, use that information to trade in, or procure someone else to trade in, Company Securities (or securities of the other relevant entity).

This offence, called "insider trading", can subject you to criminal liability including large fines and/or imprisonment and civil liability, which may include being sued by another party of the Company for any loss suffered as a result of illegal trading.

Inside Information can include rumors, matters of supposition, intentions of a person (including the Company) and information which is insufficiently definite to warrant disclosure to the public. The following list is illustrative only:

- a. the financial performance of the Company against its budget;
- b. a possible acquisition or sale of any assets by the Company;
- c. a possible change in the Company's capital structure;

- d. market sensitive information such as a material upgrade or downgrade in forecast earnings;
- e. a material trading update;
- f. a proposed dividend;
- g. senior management changes;
- h. development of a new business line or product offering; or
- i. any possible claim against the Company or other unexpected liability.

### **3.3 Insider trading is prohibited at all times.**

Directors, Executives and employees must not at any time whilst they are in possession of Inside Information trade in Company Securities or procure any other person to trade in Company Securities until after:

- a. disclosure to the public of the Inside Information, whether by way of press release, disclosure to the ASX or filing made with securities regulatory authorities; or
- b. the Inside Information ceases to be material.

The prohibition on insider trading applies not only to information concerning Company Securities. If a person has inside information in relation to securities of another company, that person must not deal in those securities.

### **3.4 Closed Periods**

In addition to the prohibition in section 3.3 above, subject to sections 3.5 and 3.6 below, Directors, Executives and employees must not trade in Company Securities during a Closed Period.

### **3.5 Trading in a Closed Period**

Subject to sections 3.3 and 3.6, Directors, Executives and employees may only be permitted to trade in Company Securities in a Closed Period with the prior written approval of:

- a. in the case of the CEO, the Chairman;
- b. in the case of the Chairman, the CEO; and
- c. in all other cases, the Chairman and the CEO

(each, an “**Approving Officer**”).

An Approving Officer will only provide prior written approval in exceptional circumstances, such as severe financial hardship, compulsion by a court order or any other circumstances that is deemed to be exceptional, subject to the other provisions of this policy.

Any application for an exemption allowing the sale of Company Securities during a Closed Period based on exceptional circumstances must be made in writing and be accompanied by relevant legal documentation and/or a statutory declaration stating all of the facts and copies of relevant supporting documentation.

An Approving Officer will not grant prior written approval to trade if they are aware that the Company is likely in the short term to:

- a. release a periodic financial report or other financial data that might come as a surprise to the market; or
- b. make an announcement of market sensitive information under its continuous disclosure requirements.

A decision to grant prior written approval to trade may be given or refused by an Approving Officer without giving reasons. Once given, prior written approval to trade can also be withdrawn if new circumstances come to light.

If an Approving Officer refuses to grant prior written approval to trade:

- a. the decision is final and binding on the person seeking the approval; and
- b. the person seeking the approval must keep that information confidential.

If prior written approval is obtained, the trading must occur in accordance with the terms of the written approval.

The Approving Officer may seek appropriate legal advice to discharge its responsibilities under this policy, and the cost of such advice shall be borne by the Company.

Any prior written approval to trade granted under this policy is not an endorsement of the proposed trade. Directors, Executives and employees are individually responsible for their investment decisions and their compliance with insider trading laws.

### **3.6 Exceptions for certain trading during Closed Periods**

The Closed Periods do not restrict Directors, Executives and employees from:

- a. transferring Company Securities their superannuation fund, in respect of which prior clearance has been obtained in accordance with section 3.5.;
- b. disposing Company Securities from the acceptance of a takeover offer, scheme of arrangement or equal access buy-back;
- c. disposing of rights acquired under a pro rata issue;
- d. acquiring Company Securities under a pro rata issue;
- e. acquiring Company Securities under a security purchase plan or dividend purchase plan where they did not commence or amend their participation in the plan during a Closed Period;
- f. acquiring Company Securities under an employee incentive scheme (however, the additional restrictions in this policy apply to any subsequent trade of any Company Securities issued); and
- g. the exercise of convertible securities issued under an employee incentive scheme, or similar arrangement where the convertible securities were issued as part of remuneration.

Directors, Executives and Employees are reminded that they must still comply with insider trading laws even where they would otherwise be permitted by this section 3.6 to trade in Company Securities.

### **3.7 Notification of Trading**

Directors must provide written confirmation of any trading in Company Securities to the Company Secretary for lodgment of the appropriate forms at the ASX within the required timelines.

### **3.8 Long Term Trading**

The Company wishes to encourage Directors, Executives and employees to adopt a long term attitude to investment in Company Securities. Therefore, Directors, Executives and employees must not engage in short term or speculative trading of Company Securities.

### **3.9 Equity Remuneration Schemes**

Directors, Executives and Employees are prohibited from entering into any arrangement that would have the effect of limiting their exposure to risk relating to an element of their remuneration that either has not vested or has vested but remains subject to a holding lock.

## **4. Breaches of this policy**

Strict compliance with this policy is a condition of employment. The Company will investigate any suspected breaches of this policy. Breaches of this policy will be subject to disciplinary action, which may include termination of employment.

## **5. Further Information**

This Policy does not contain an exhaustive analysis of the restrictions imposed on, and the very serious legal ramifications of insider trading. Directors, Executives and employees who wish to obtain further advice in this matter, are encouraged to contact the Company Secretary.

Compliance with these guidelines for trading in Company Securities does not absolve that individual from complying with the law, which must be the overriding consideration when trading in Company Securities.

## **6. Review of policy**

The policy will be reviewed regularly periodically and updated as required to ensure it remains consistent with current law and practice. The latest version of this policy can be found on the Company's website or obtained from the Company Secretary.