

# Securities Trading Policy

## Navarre Minerals Limited

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The insider security trading provisions are prescribed in Australian law under the **Corporations Legislation** including the **Corporations Act 2001** and are set out in the **ASX Listing Rules**. Breach of the insider trading provisions is a serious criminal offence and may result in imprisonment, substantial fines and possible liability under civil penalty provisions.

### 1. Policy Overall

The board of Navarre Minerals Limited (**NML**) has given insider trading provisions careful consideration having due regard to the nature of its business and its reporting cycle and has agreed that:

- a. the policy shall extend beyond “key management” personnel, as defined in AASB 124 Related Part Disclosures, and shall include all “directors and their associates, staff and contractors and their related third parties”, hereinafter referred to collectively as “**staff**” and/or “**staff member**” as defined on page 2;
- b. at all times staff require written approval to trade in the company’s shares and other securities as set out in clause 2 (this requirement will be periodically reviewed as NML grows with a view to exempting staff other than directors and key management);
- c. **trading** is not permitted at any time when **staff** possess **price sensitive** information;
- d. the following **black-out periods** shall apply when no staff trading in the company’s shares and other securities is permitted:

Start	End
1 January	The day following release of the quarterly activities and cash flow reports to ASX (generally by the third week of January).
1 April	The day following release of the quarterly activities and cash flow reports to ASX (generally by the third week of April).
1 July	The day following release of the quarterly activities and cash flow reports to ASX (generally by the third week of July).
1 October	The day following release of the quarterly activities and cash flow reports to the ASX (generally by the third week of October).
-	The day following release of any other <b>price sensitive</b> announcements such as drilling results.
-	Such other times as agreed and advised by the board of directors.

- e. the most appropriate time for staff to trade in the company’s securities is within the two (2) week period following any black-out period, after obtaining approval to trade as per b above;

- f. notwithstanding the forgoing, NML directors continue to be bound by the ASX requirement to notify the company of trading in the company's shares within five (5) business days so that the company can make the necessary disclosures to the ASX;
- g. exercise of unlisted NML options to purchase shares is also covered by this procedure;
- h. breaches of this policy may result in a breach of contracts or agreements entered into jointly by NML and the breaching party such as employment, supply and other contracts;
- i. dealings in other company's shares as a result of price sensitive information obtained as a result of working with NML are also precluded; and
- j. excluded trading and permitted exceptions to these rules are detailed below.

## Key Definitions

- **trading** is defined as to subscribe, purchase or sell, or "engage in dealings", or advise, or in any way encourage another person ("related third parties") to buy or sell NML shares and other securities.
- **staff** and **staff member** for the purpose of this policy includes all directors and their associates, group executives and employees (permanent, temporary and casual), contractors and consultants and their related third parties. A person does not need to be directly associated with NML to be guilty of insider trading in relation to securities of NML. The prohibition extends to dealings through nominees, agents or their associates, such as family members, family trusts or family companies ("related third parties").
- **price sensitive** information is information that a reasonable person would expect to have a material effect on the price of the securities if the information were generally available, and staff know, or ought reasonably to know, that the information is not generally available; and if it were generally available, it might have a material effect on the price of the securities.

Examples of price sensitive information may include inter alia: – material drill results

- the discovery of a major ore body
- the entry into or termination of a major joint venture
- a proposed or actual takeover or amalgamation
- an unexpected liability or possible claim against NML
- a significant change in senior management
- a proposed new share issue
- **generally available** information is information in the public domain via ASX market releases, publications and/or on the company's website.

## 2. Approval to Trade

Staff shall notify the Company Secretary of NML of any intention to engage in any dealings in securities of NML. Written notification, using the Securities Trading - Approval to Trade Form, of such intention, including details of proposed type of dealing, date of dealing, number of securities, seller (where relevant), purchaser as may be applicable in the circumstance, confirming that he or she is not in possession of any price sensitive information, should be sent to:

Company Secretary  
Navarre Minerals Limited  
Email: [info@navarre.com.au](mailto:info@navarre.com.au) or Fax: (61 3) 9820 2586

The Company Secretary in consultation with the Managing Director and / or the Chairman of the Board shall have the power to approve the trade in a non-blackout period provided they are not party to the trade and do not have a “conflict of interest”. When approval is sought by the Chairman or the Managing Director to trade in NML securities, the Company Secretary will confer with the Chairman of the Audit Committee. Upon approval, a “trading window” of up to ten (10) business days will be granted, ceasing upon completion of the trade or at the commencement of a black-out period.

### 3. Excluded Trading

The following dealings are excluded from the operation of this Securities Trading Policy:

- a. dealings that do not result in a change to the beneficial interest in the securities, including, but not limited to transfers of the NML’s securities already held by a staff member into a superannuation fund or other saving scheme in which the he or she is a beneficiary;
- b. where a staff member is a trustee, trading in the Company’s securities by that trust provided the staff member is not a beneficiary of the trust and any decision to trade during a blackout period is taken by the other trustees or by the investment managers independently of the staff member;
- c. undertakings to accept, or the acceptance of, a takeover offer;
- d. trading under an offer or invitation made to all or most of the security holders, such as, a rights issue, a security purchase plan, a dividend reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;
- e. subject to clause 6, a disposal of the Company’s securities that is the result of a secured lender exercising their rights; and
- f. trading under a non-discretionary trading plan where approval to trade has been obtained as set out in clause 2 of the Securities Trading Policy and where:
  - the staff member did not enter into the plan or amend the plan during a blackout period, and
  - the trading plan does not permit the staff member to exercise any influence or discretion over how, when, or whether to trade.

### 4. Approval to Trade in Exceptional Circumstances

If a staff member needs to sell or otherwise dispose of NML Securities during a blackout period due to “exceptional circumstances”, such that the sale or disposal would breach this policy, the staff member may request prior written “approval to trade” in accordance with the procedure set out in this clause.

- Staff seeking clearance must obtain approval to trade as set out in clause 2.
- The Company Secretary in consultation with the Managing Director and/or Chairman has full discretion to decide whether “exceptional circumstances” exist, and whether approval to the sale or disposal should be given.

Exceptional circumstances include but are not limited to the following circumstances:

- Severe financial hardship where the staff member has a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant NML securities.
- The staff member is required by a court order, or there are court enforceable undertakings, for example, in a bona fide family settlement, to transfer or sell the securities of the entity or there is some other overriding legal or regulatory requirement for him or her to do so.

If approval to trade is provided pursuant to this clause it will be provided in writing (including by email). Approval is effective for ten (10) business days and the staff member concerned cannot sell or otherwise deal in NML Securities until approval has been received.

## **5. Prohibition on Hedging**

### **5.1 Unvested Securities**

Staff must not engage in hedging arrangements over unvested securities issued pursuant to the NML Employees Option Plan or outside of the Plan.

### **5.2 Vested Securities**

In relation to vested securities these may only be hedged once they are exercised into shareholdings and only under the following conditions:

- The details of the hedge are fully disclosed (to the ASX and in the Annual Report, as appropriate);
- The hedge transaction is treated as a sale or purchase of shares and the relevant notifications must be made in accordance with this policy; and
- All holding locks have been removed from the relevant vested securities.

## **6. Other Financial Arrangements (including Margin Loans)**

Staff who hold NML securities are prohibited from entering into financial arrangements such as margin loans, stock lending or any other arrangements involving NML securities where the lender or other third party is granted a right to sell, or compel the sale of all or part of the staff member's NML securities.

## **7. Securities in Other Companies**

Staff must not deal in securities of other companies if he or she possesses "inside information or price sensitive information" in relation to that other company. Through their work, staff may become aware of price sensitive information relating to NML contractors, joint venture partners or other business partners. For example, if staff is aware that NML is about to sign a major agreement with another company that is likely to have an effect on the share price of either company, staff should not deal in shares in either NML or the other company.

## **8. Breach of Securities Trading Policy**

Compliance with this NML Securities Trading policy is regarded as a condition of employment and/or engagement by contractors and other third parties. Should this be breached, disciplinary action will be taken which may include termination of employment.

## **9. Guidance**

Any queries and/or questions arising from this policy are to be directed to the Company Secretary.