



Zenith
Minerals
Limited

ABN 96 119 397 938

Securities Trading Policy & Guidelines

1. Introduction

This document sets out Zenith Minerals Limited ('Zenith') policy on restricting dealing in Zenith's securities by the Company's directors and officers, senior executives and other employees. It applies to Zenith Minerals Limited and all of its subsidiaries.

The policy imposes certain trading restrictions on dealing in Zenith securities, by its directors, officers, senior executives and employees, to prevent any breach of the Corporations Act prohibition on insider trading and to maintain market confidence in the integrity of dealings in Zenith securities so as not to give rise to reputational risk.

2. Application

This policy applies to key management personnel, including directors and officers, senior executives and employees of Zenith and their closely related parties.

Closely related parties includes spouse and minor children (including a person or persons under the control or influence of the director, officer, senior executive or employee), family company or family trust that the directors, officers, senior executives and other employees immediate family members may control or have an interest in.

Securities include any shares, options, and other debentures in the company, and other financial products issued or created by third parties in relation to Zenith securities (including derivatives and other products which limit the economic risk of holding securities in Zenith).

Dealing in relation to securities includes buying or selling securities (or entering an agreement to do so) or granting, accepting, acquiring, disposing of, exercising or discharging an option or right or obligation to buy or sell securities.

3. Insider Trading Prohibition

Broadly, if a person is in possession of inside information which is not publicly known about a company, it is a criminal offence to:

- a) deal in the securities;
- b) procure other persons to deal in the securities of the company; or
- c) pass on inside information to a third party where that person knows, or ought reasonably to know, that the third party would likely use that information to deal in the securities or procures someone else to do so.

Inside information is information about a company that is not generally available to the market and that, if it were to be made generally available, would reasonably be expected to have a material effect on the price or value of the company securities.

Information is **generally available** if:

- it is readily observable matter; or
- it has been publicly disclosed by an announcement to ASX and a reasonable period has elapsed to allow dissemination among investors; or
- it is able to be deduced, concluded or inferred from other generally available information.

Confidential information

Directors, officers, senior executives and employees have a duty of confidentiality to Zenith. Confidential information in relation to the company must not be revealed or used improperly in any way to cause loss to Zenith or use that information to gain any advantage for the individual or others.

Examples of inside information

The following list of examples of inside information about Zenith is not an exhaustive list, but could include:

- information relating to financial results of Zenith or forecasts;
- information relating to significant drilling operations;
- information relating to significant projects;
- a possible acquisition or disposal of material assets of the company;
- changes in board or senior management;
- a proposed takeover or merger involving Zenith;
- any potential change in capital structure;
- any potential material claim against the company or other unexpected liability

It does not matter how or where the inside information is obtained, whether at work or outside of work, the prohibition on insider trading must be adhered to.

The prohibition on insider trading extends to dealings by people and entities associated with directors, officers, senior executives and staff of Zenith, such as a spouse and minor child, a self managed superfund, trust or company controlled by directors, officers, senior

executives and staff. It is important that the closely related parties are aware of the restrictions and prohibition in this policy which applies to them.

The prohibition on insider trading also extends to where you have inside information in relation to other companies, such as subsidiaries, associated companies or other companies Zenith transact with or are likely to transact with (such as suppliers, customers and contractors).

General Rule for Dealing in Securities

Directors, officers, senior executives and staff must not acquire, dispose of Zenith securities or enter into other dealings in securities in the company or other companies, when they are in possession of inside information about Zenith or other such companies.

In relation to 'Closely related parties', directors, officers, senior executives and staff must take reasonable steps to prohibit any of your closely related parties from engaging in any activity that would breach this policy.

It is your responsibility to immediately inform the Managing Director or Company Secretary if you become aware of any of your closely related parties engaging in conducts which breaches, or may breach, this policy.

Consequences of breaching the insider trading prohibition and policy

Contravention of the Corporations Act in relation to the insider trading prohibition is a criminal offence and consequently there could be substantial fines or imprisonment. Civil penalties may also apply, including orders of compensation to any person who has suffered loss or damage because of insider trading.

It is mandatory for strict compliance with this policy. Breaches are taken seriously which result in disciplinary action and /or termination of a person's employment.

You are encouraged to discuss this policy with the Managing Director or Company Secretary, should you not understand any part of this policy before dealing in any securities.

4. Closed periods for dealing in the company's securities

Directors, officers, senior executives and staff are not permitted to deal in Zenith securities during certain prohibited periods (**Closed Periods**), even if they are not in possession of inside information. Note that the prohibition on dealing in Zenith securities while in possession of inside information about the company is the overriding rule. The Closed Periods are:

- the period commencing 2 weeks before the announcement of Zenith's full year results to the ASX and until the end of 2 trading days following the release;
- the period commencing 2 weeks before the announcement of Zenith's half year results to the ASX and until the end of 2 trading days following the release;
- the period commencing not less than 5 days prior to the release of Zenith's quarterly report to the ASX and until the end of 2 trading days following the release;
- the period commencing not less than 5 days prior to the day of Zenith's annual general meeting and until the end of 2 trading days after such release; and

- any other period as determined by the Board or Managing Director (prior to the release of a price sensitive report or announcement to the ASX by the company).

The Board may vary, at any time at its discretion, any Closed Period, and prohibit dealings in the company's securities at any time, by giving written notice (or by email) without explanation.

5. Dealings excluded from this Policy

The prohibitions in this policy do not apply to the following dealings:

- An investment in or trading in a managed securities portfolio (other than a portfolio only investing in Zenith securities) where the asset of that portfolio is invested by a third party using their discretion;
- undertakings to accept, or the acceptance of, a takeover offer or disposal of securities arising from a scheme of arrangement;
- where the dealing is a transfer of Zenith securities already held by the individual into a superannuation fund to which the individual is a beneficiary;
- dealings under an offer or invitation made to all or most of the security holders (for example, as a rights issue, share purchase plan, dividend or distribution reinvestment plan or equal access buyback) where 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;
- where the dealing is as a result of subscription for securities the subject of a current prospectus or other form of disclosure document Zenith has on issue;
- dealings under an offer or invitation made to all or most of the security holders (such as a rights issue, share purchase plan, dividend or distribution reinvestment plan or equal access buyback) where 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;
- the exercise (but not subsequent sale) of an option or right under an employee incentive scheme, where the final date for the exercise of the option or right, falls during a Closed Period. Any subsequent sale of such securities is subject to the prohibition of insider trading and terms of this policy;
- the cancellation or forfeiture of securities received under an employee share scheme;
- where the dealing in the company securities by an individual that is a trustee but not a beneficiary of the trust and any decision to trade in a prohibited period is by other trustees or investment managers independent of the individual;
- A dealing in Zenith's securities where the beneficial interest in the securities does not change.

6. Exceptional circumstances and clearance procedures

In exceptional circumstances, provided you are not in possession of inside information, clearance may be given to dispose of (but not to acquire) Zenith securities during a Closed Period.

Examples of exceptional circumstances:

- disposing of company securities is necessary as a result of severe personal financial hardship;
- required by court order, law or regulatory requirement to dispose or transfer company securities;
- other circumstances (not identified in this policy) where the Chairman deems the circumstances exceptional. Where the Chairman is involved, then the Managing Director.

Clearance procedures to deal under exceptional circumstances

If exceptional circumstances exist and the individual want to dispose (or otherwise) of company securities during a closed period, an application in writing addressed to Chairman, must be given to the Chairman explaining the exceptional circumstances which is accompanied with evidence of the exceptional circumstances. It must be demonstrated that the proposed disposal of the company securities is the only reasonable course of action available.

Prior written approval must be given by the Chairman (or the Managing Director, where the Chairman is involved), who will determine whether the circumstances are exceptional before the proposed dealing takes place. Approval may be given only if the applicant does not possess price sensitive inside information regarding the company's securities that is not generally available to the market, and there are exceptional circumstances.

Clearance must be provided in writing (including by email) and must be for a fixed period being not more than two business days. The Company Secretary is required to maintain a record of all applications submitted for clearance to dispose of the company securities during a Closed Period, and final decisions made.

7. Trading restrictions for Key Management Personnel

ASX listing rules requires additional restrictions to apply to the company's Key Management Personnel on trading in the company's securities.

Key Management Personnel (**KMP**) are those persons having authority and responsibility for planning, directing and controlling the activities of Zenith, directly or indirectly, including the directors, officers, senior executives or otherwise identified as KMP in the annual report.

Other than a dealing set out in section 5. of this policy document, written clearance for a dealing in company securities by a KMP (or their closely related parties defined in section 2.) must be obtained prior to any proposed dealing in company securities, whether or not in a Closed Period. The written clearance must be obtained from:

- in relation to KMP (excluding directors), the Chairman or in his absence the Managing Director;
- in relation to the Chairman, the Managing Director;

- in relation to directors, the Chairman.

The KMP must notify of intention to trade and confirm when seeking clearance before any trading:

- the details of the proposed dealing, such as number and type of company securities and name of the person that will be dealing;
- that they are not in possession of any inside information;
- the dealing will not occur during a Closed Period.

Any approval or clearance given will be valid for up to five business days from the date given, unless otherwise specified. However, even if clearance has been given and then you become aware of inside information about the company, you must not deal in the company securities despite having been given clearance. The company can refuse or withdraw a clearance to deal in its securities:

- at its discretion, without giving any reasons;
- where there is a change in circumstances or where it receives new information;

Where the company refuses the clearance to trade, then you must keep the information confidential and not disclose it to anyone.

Notification of authorised trading to Company Secretary

ASX Listing Rules and the Corporations Act requires that a director must notify the ASX within five business days after any dealing in the company's securities of a change in the director's relevant interests. To ensure this requirement is adhered to, details of the dealing must be advised in writing to the Company Secretary within two business days after the dealing. In relation to dealings by directors, sufficient information must be forwarded to the Company Secretary to submit an Appendix 3Y to ASX on behalf of the director, to fulfill the Company's and the director's reporting obligation to ASX.

The Company Secretary must maintain a record of all KMP applications (including on behalf of their closely related parties) for clearance to deal in Zenith securities, including decisions made on such applications.

8. Other employees

Other employees (not including KMP) may deal in the company securities at any time as long as it is not in a closed period (as outlined in section 4.) and provided you are not in possession of inside information.

The Board or Managing Director may identify from time to time, individual or certain groups of employees to whom Section 7 applies. This maybe the case where certain employees may come into possession of market sensitive information not yet publicly available, for example employees working on a market-sensitive project.

Prior to any dealing in company securities at any time, details of the dealing must be advised in writing to the Chairman (or in his absence, Managing Director) prior to the dealing and notify the Company Secretary within 2 business days after the dealing has occurred.

Any approval or clearance given will be valid for up to five business days from the date given, unless otherwise specified. However, even if clearance has been given and then

you become aware of inside information about the company, you must not deal in the company securities despite having been given clearance. The company can refuse or withdraw a clearance to deal in its securities:

- at its discretion, without giving any reasons;
- where there is a change in circumstances or where it receives new information;

Where the company refuses the clearance to trade, then you must keep the information confidential and not disclose it to anyone.

You are encouraged to consult with the Managing Director or Company Secretary before dealing in those securities should you have any concerns of breaching the company trading policy or the prohibition of insider trading.

9. Other trading types

Short term dealing and short selling

Directors, officers, senior executives and staff are encouraged to be a long term holders of Zenith securities as short term dealing does not promote market confidence in the integrity of the company. Short Selling or speculative dealing in, Zenith securities is not encouraged.

Margin loans

Directors, officers, senior executives and staff are not permitted to enter into a margin loan or other financing arrangement where there is a risk that Zenith securities will be traded pursuant to the terms of the margin loan or financing arrangement.

Derivatives and Hedging

Directors, officers, senior executives and staff are prohibited from using hedging or derivatives or other products which alter or limit the economic risk derived in relation to the company securities held by them, regardless of how or when those securities were acquired and are vested or unvested.

10. Board review and approval of policy

It's the Board's responsibility to review this policy from time to time. Any proposed amendments are approved by the Board. Material changes to this policy will be advised to ASX in accordance with ASX Listing Rule 12.10.