



## **CORPORATE GOVERNANCE POLICIES**

### **SECURITIES TRADING POLICY**

The Catalyst Metals Limited (Company) share trading policy regulates dealings by directors, officers and employees in securities issued by the Company. Where appropriate, this policy also applies to contractors and consultants.

The securities trading policy also establishes rules to minimise the risk that directors, officers and employees bear when in possession of unpublished price sensitive information and to give confidence to the market and investors that the Company respects the integrity of the market.

This policy imposes basic trading restrictions on all directors and employees of the Company and its related companies who possess inside or unpublished price-sensitive information. Additional trading restrictions apply to:

- all directors (and any of their associates);
- key management personnel, as defined in Australian Accounting Standard AASB 124: Related Party Disclosure; and
- any other employees, contractors or consultants of the Company considered appropriate by the Managing Director and Company Secretary from time to time.

#### **GENERAL RESTRICTIONS WHEN IN POSSESSION OF INSIDE INFORMATION**

##### ***Insider trading laws***

Insider trading laws cover all personnel, including directors and employees of the Company. Broadly, if a person is in possession of any unpublished price-sensitive information, it is a criminal offence to:

- trade in the Company's securities;
- advise or procure another person to trade in the Company's securities; or
- pass on inside information to someone else, knowing that the other person may use that information to trade in, or procure someone else to trade in, the Company's securities.

Unpublished price-sensitive information includes any information which relates to the Company or its securities and:

- is not generally available; and
- if it were generally available, a reasonable person would expect it to have a material effect on the price or value of the Company's securities, or would be likely to influence a person in deciding whether to buy or sell the Company's securities.

##### ***Confidential information***

Employees and directors also have a duty of confidentiality to the Company. A person must not reveal any confidential information concerning the Company, use that information in any way which may cause loss to the Company, or use that information to gain an advantage for themselves or anyone else.

It does not matter how or where the person obtains the information (i.e. the information does not have to be obtained from the Company to constitute inside information).

## **ADDITIONAL TRADING RESTRICTIONS FOR DIRECTORS, KEY MANAGEMENT PERSONNEL AND CERTAIN EMPLOYEES**

Additional restrictions on trading in the Company's securities apply to directors of the Company, all key management personnel and any other employees of the Company considered appropriate by the Managing Director and Company Secretary from time to time (Restricted Persons).

### ***Closed periods***

Restricted Persons generally hold positions where it can be assumed that they will have inside information regarding the Company. Accordingly, additional restrictions apply for any proposed trading in securities by Restricted Persons during nominated "Closed Periods".

Restricted Persons are prohibited from trading in the Company's securities during the following designated Closed Periods:

- in the period from the first day after the end of the quarter to the release of the Company's quarterly reports and for one business day after the release of the report;
- in the period of two weeks prior to the release of the Company's half year financial results and for one business day after the release of the results;
- in the period of two weeks prior to the release of the Company's full year financial results and for one business day after the release of the results.
- any other period determined by the Chair or Managing Director to be a Closed Period from time to time.

### ***Trading with permission during closed period***

In exceptional circumstances clearance may be given for a Restricted Person to sell (but not to purchase) securities when they would otherwise be prohibited from doing so but not while there exists any matter which constitutes unpublished price-sensitive information in relation to the Company's securities. If a Restricted Person is in possession of inside information, then they must not deal in the Company's securities at any time.

Examples of circumstances where clearance may be given include severe financial hardship where the Restricted Person has a pressing financial commitment that cannot be satisfied other than by disposing of securities; or the disposal of securities under a court order or enforceable undertaking (such as a family court settlement).

The determination on whether to give clearance for trading during a closed period under exceptional circumstances must be made by either the Chairman and/or Managing Director and at least one other non-executive director. Consideration will be given to whether the disposal of the relevant securities is the only reasonable course of action available to the Restricted Person.

Permission for trading must be evidenced by prior written communication, by letter, facsimile or e-mail.

### ***Requirements for trading by Restricted Persons***

Before trading, or giving instructions for trading in the Company's securities, a Restricted Person must:

- notify either the Managing Director or Chief Financial Officer and the Company Secretary (or in the case of the Managing Director intending to trade, notify the Chair of the Board of Directors) of their intention to trade;
- confirm that they do not hold any unpublished price sensitive information;
- have been advised by the Managing Director or Chief Financial Officer that there is no reason to preclude them from trading in the Company's securities as notified; and
- have complied with any conditions on trading imposed by the Managing Director or Chief Financial Officer (including, for example, any time limits applicable to the clearance).

**Associates**

Each Restricted Person has a personal responsibility to ensure that their “associated parties” (being immediate family (including a spouse (or equivalent) or dependent), family company or trust) complies with the same respective restrictions as apply to Restricted Persons of the Company.

**Short term trading**

This trading policy encourages directors and employees to be long-term holders of the Company's securities and discourages short-term trading.

In order to prevent the unfair use of information, Restricted Persons are generally prohibited from short-term trading at all times. Short-term trading is a purchase and sale of the same securities within a period between one to six months.

In addition, the Board has an absolute discretion to place an embargo on Restricted Persons and/or employees and/or their respective associated parties trading in Company securities at any time.

**Notification of trading**

As required by the Corporations Act and the ASX Listing Rules, directors must notify the Company Secretary of any dealings in the Company's securities immediately and in any event within 5 business days of the date of any such dealings.

**Securities issued under equity-based remuneration scheme**

Directors, officers and employees of the Company are prohibited from entering into arrangements for the hedging, or otherwise limiting their exposure to risk in relation to unvested shares, options or rights issued or acquired under the Company's employee equity scheme.

Directors, key management personnel and any other designated Restricted Persons covered under this policy are also prohibited from entering into any transaction to hedge securities held in the Company.

**Trading circumstances excluded from share trading policy**

The following forms of trading activity are excluded from the operation of the share trading policy but remain subject to the insider trading provisions of the Corporations Act:

- transfers of securities which result in no change in the beneficial ownership of the securities;
- transfers of securities already held in a person's own name into a superannuation fund to which that person is a beneficiary;
- investments in or trading by a fund or other scheme where the assets of the fund or other scheme are invested at the discretion of a third party;
- the conversion of convertible securities where the expiry date of the securities occurs during a closed period;
- the acquisition (but not disposal) of shares or options offered under an employee share or option scheme;
- the acquisition of securities arises under an offer made to all or most security holders, including a security purchase plan, pro-rata rights issue, bonus issue, dividend re-investment plan and equal access buy-back;
- acceptance of or agreement to accept a takeover offer, scheme of arrangement or equal access buy-back;
- a disposal of securities that is a result of a secured lender exercising its rights, for example, under a margin loan arrangement.

**General**

The requirements imposed by this policy are separate from and additional to, the legal prohibitions in the Corporations Act on insider trading. Strict compliance with this policy is a condition of employment.