



TRADING POLICY

1. Introduction

These guidelines set out the policy on the sale and purchase of securities in Black Rock Mining Limited (the **Company**) by its Key Management Personnel and other Designated Persons (as defined below).

For the purposes of this policy, the following definitions apply:

- a. **Key Management Personnel** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.
- b. A **Designated Person** means:
 - i. the Key Management Personnel, all directors and senior management including the Chief Executive Officer, the Company Secretary, all employees of the Company and any other person designated as a Designated Person by the Board;
 - ii. a spouse (including a de facto spouse), child (including a stepchild or adopted child), a close relative, a person financially dependent on or acting in concert with any of the persons referred to in paragraph (i) above; and
 - iii. a company or trust controlled by any of the persons referred to in paragraph (i) or (ii) above.

The purpose of this policy is not only to minimise the risk of Designated Persons engaging in insider trading contrary to the *Corporations Act 2001* (Cth), but also to avoid the appearance of insider trading and the significant reputational damage associated with the perception of insider trading. In some respects, the Company's policy extends beyond the strict requirements of the *Corporations Act 2001* (Cth).

2. What Types of Transactions are Covered by this Policy

This policy applies to both the sale and purchase of any securities of the Company and its subsidiaries on issue from time to time.

3. What is Insider Trading

3.1. Prohibition

Insider trading is a criminal offence. It may also result in civil liability. In broad terms, a person will be guilty of insider trading if:

- a. that person possesses information, which is not generally available to the market and, if it were generally available to the market, would be likely to have a material effect on the price or value of the Company's securities (i.e. information that is 'price sensitive'); and

- b. that person:
 - i. buys or sells securities in the Company; or
 - ii. procures someone else to buy or sell securities in the Company; or
 - iii. passes on that information to a third party where that person knows, or ought reasonably to know, that the third party would be likely to buy or sell the securities or procure someone else to buy or sell the securities of the Company.

3.2. Examples

To illustrate the prohibition described above, the following are possible examples of price sensitive information which, if made available to the market, may be likely to materially affect the price of the Company's securities:

- a. the Company considering a major acquisition;
- b. the threat of major litigation against the Company;
- c. the Company's revenue and profit or loss results materially exceeding (or falling short of) the market's expectations;
- d. a material change in debt, liquidity or cash flow;
- e. a significant new development proposal (e.g., new product or technology);
- f. the grant or loss of a major contract;
- g. a management or business restructuring proposal;
- h. a share issue proposal;
- i. an agreement or option to acquire an interest in a mining tenement, or to enter into a joint venture or farm-in or farm-out arrangement in relation to a mining tenement; and
- j. significant discoveries, exploration results, or changes in reserve/resource estimates from mining tenements in which the Company has an interest.

3.3. Dealing through third parties

The insider trading prohibition extends to dealings by individuals through nominees, agents or other associates, such as family members, family trusts and family companies (referred to as "Associates" in these guidelines).

3.4. Information however obtained

It does not matter how or where the person obtains the information – it does not have to be obtained from the Company to constitute inside information.

3.5. Employee incentive schemes

The insider trading prohibition does not apply to certain acquisitions of shares or convertible securities by employees made under employee incentive schemes, nor does it apply to the

acquisition of shares as a result of the exercise of convertible securities under an employee incentive scheme.

However, the insider trading prohibition does apply to the sale of shares acquired under an employee incentive scheme and to the sale of shares acquired following the exercise of a convertible security granted under an employee incentive scheme.

The exception to the insider trading prohibition for employee incentive schemes is limited in scope. Employees are cautioned against relying on this exception without having obtained independent advice.

4. Guidelines for Trading in the Company's Securities

4.1. General rule

Designated Persons must not, except in exceptional circumstances deal in securities of the Company during the following periods:

- a. two weeks prior to, and 48 hours after the release of the Company's Annual Financial Report;
- b. two weeks prior to, and 48 hours after the release of the Half Year Financial Report of the Company;
- c. two weeks prior to, and 48 hours after the release of the Company's quarterly reports (if applicable);
- d. two weeks prior to, and 48 hours after the date of the Company's Annual General Meeting; and
- e. any other period that the Board specifies from time to time,

(together the **Closed Periods**).

The Company may at its discretion vary this rule in relation to a particular Closed Periods by general announcement to all Designated Persons either before or during the Closed Periods. However, if a Designated Person is in possession of price sensitive information which is not generally available to the market, then he or she must not deal in the Company's securities at any time.

4.2. Ad hoc restrictions

The Company may impose, without notice and in its sole and absolute discretion, additional restrictions on trading in the Company's securities by any or all Designated Persons as the Company considers appropriate. For the avoidance of doubt, the Company may impose ad-hoc restrictions even where the proposed trade would otherwise take place outside a Closed Period provided for in this policy. Any restriction communicated by the Company to any or all Designated Persons must be kept strictly confidential.

4.3. No short-term trading in the Company's securities

Designated Persons should never engage in short-term trading of the Company's securities.

4.4. Securities in other companies

Buying and selling securities of other companies with which the Company may be dealing is prohibited where an individual possesses information which is not generally available to the market

and is 'price sensitive'. For example, where an individual is aware that the Company is about to sign a major agreement with another company, they should not buy securities in either the Company or the other company.

4.5. No protection arrangements

The entering into of all types of "protection arrangements" for any Company securities:

- a. is prohibited at any time in respect of any Company securities which are unvested or subject to a holding lock; and
- b. otherwise, requires consent under paragraph 5 of this policy.

For the avoidance of doubt and without limiting the generality of this policy, entering into protection arrangements includes entering into transactions which:

- a. amount to "short selling" of securities beyond the Designated Person's holding of securities;
- b. operate to limit the economic risk of any Designated Person's security holding (e.g., hedging arrangements) including Company securities held beneficially (for example, in trust or under an incentive plan) on that Designated Person's behalf; or
- c. otherwise enable a Designated Person to profit from a decrease in the market price of securities.

4.6. No granting security

- a. Designated Persons may not at any time, directly or indirectly, grant any form of security (whether by way of charge, mortgage, pledge or otherwise) over any Company securities which are unvested or subject to a holding lock, to secure any obligation of that Designated Person or any third-party involving Company securities.
- b. Designated Persons may, directly or indirectly, grant any form of security (whether by way of charge, mortgage, pledge or otherwise) over any of Company securities, to secure any obligation of that Designated Person or any third party or enter into any margin lending arrangement involving Company securities, with consent under paragraph 5 of this policy.

4.7. Exceptions

- a. Subject to a Designated Person first complying with the notification requirements under paragraph 5 of this policy, and the insider trading prohibitions under the *Corporations Act 2001* (Cth), the Designated Person may:
 - i. acquire Company securities under a dividend reinvestment, or top-up plan that is available to all or most of holders of securities of the same class;
 - ii. acquire, or agree to acquire securities under an employee incentive scheme (as that term is defined in the ASX Listing Rules);
 - iii. exercise convertible securities issued under an employee incentive scheme (as that term is defined in the ASX Listing Rules), where the final date for the conversion, falls during a Closed Period or the Company has had a number of consecutive Closed Periods and the Designated Person could not reasonably have been expected to exercise it at a time when free to do so; or

- iv. withdraw ordinary shares in the Company held on behalf of the Designated Person in an employee incentive scheme (as that term is defined in the ASX Listing Rules) where the withdrawal is permitted by the rules of that scheme;
 - v. transfer securities of the Company already held into a superannuation fund or other saving scheme in which the Designated Person is a beneficiary;
 - vi. make an investment in, or trade in units of, a fund or other scheme (other than a scheme only investing in the securities of the Company) where the assets of the fund or other scheme are invested at the discretion of a third party;
 - vii. where a Designated Person is a trustee, trade in the securities of the Company by that trust, provided the Designated Person is not a beneficiary of the trust and any decision to trade during a Closed Period is taken by the other trustees or by the investment managers independently of the Designated Person;
 - viii. undertake to accept, or accept, a takeover offer;
 - ix. trade under an offer or invitation made to all or most of the security holders of a class, such as a bonus issue, rights issue, a security purchase plan, a dividend or distribution 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;
 - x. subject to compliance with paragraphs 4.5 and 4.6 of this policy, dispose of securities of the Company resulting from a secured lender exercising their rights, for example, under a margin lending arrangement;
 - xi. trade under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this policy.
- b. Without limiting any other provision of this policy, in respect of any employee incentive plans adopted by the Company, it must be noted that it is not permitted to provide the exercise price of convertible securities by selling the shares acquired on the exercise of such convertible securities unless:
- a. the sale of those shares occurs outside a Closed Period; and
 - b. at the time of the sale of those shares, the person is not in possession of any inside information.

Where the sale of those shares to occur at a time when the person possessed inside information, then the sale would be a breach of insider trading laws, even though the person's decision to sell may not have been influenced by the inside information that the person possessed, and the person may not have made a profit on the sale.

- c. Where Company securities are provided to a lender as security by way of mortgage or charge, a sale that occurs under that mortgage or charge as a consequence of default would not breach insider trading laws

The Company Secretary will endeavour to notify all Designated Persons of the times when they are not permitted to buy or sell the Company's securities as set out in paragraph 4.1.

5. Approval and Notification Requirements

5.1. Approval requirements

- a. Any Designated Person (other than the Chair) wishing to buy, sell or exercise rights in relation to the Company's securities outside the Closed Periods or where a provision in this policy requires the person to obtain a consent under this paragraph 5, must obtain the prior written approval of the Chair or the Board before doing so.
- b. If the Chair wishes to buy, sell or exercise rights in relation to the Company's securities outside the Closed Periods or where a provision of this policy requires the Chair to obtain a consent under this paragraph 5, the Chair must obtain the prior approval of the Board before doing so.

5.2. Approvals to buy or sell securities

- a. All requests to buy or sell securities as referred to in paragraph 5.1 must include the intended volume of securities to be purchased or sold and an estimated time frame for the sale or purchase.
- b. Copies of written approvals must be forwarded to the Company Secretary prior to the approved purchase or sale transaction.

5.3. Notification

Subsequent to approval obtained in accordance with paragraphs 5.1 and 5.2, any Designated Person who (or through his or her Associates) buys, sells, or exercises rights in relation to Company securities must notify the Company Secretary in writing of the details of the transaction within two (2) business days of the transaction occurring. This notification obligation operates at all times and includes applications for acquisitions of securities by employees made under employee incentive schemes and also applies to the acquisition of shares as a result of the exercise of convertible securities under an employee incentive scheme.

5.4. Designated Persons sales of securities

Designated Persons need to be mindful of the market perception associated with any sale of Company securities and possibly the ability of the market to absorb the volume of shares being sold. With this in mind, the management of the sale of any significant volume of Company securities (i.e. a volume that would represent a volume in excess of 10% of the total securities held by the seller prior to the sale, or a volume to be sold that would be in excess of 10% of the average daily traded volume of the shares of the Company on the ASX for the preceding 20 trading days) by a Designated Person needs to be discussed with the Board and the Company's legal advisers prior to the execution of any sale. These discussions need to be documented in the form of a file note, to be retained by the Company Secretary.

5.5. Exemption from Closed Periods restrictions due to exceptional circumstance

A Designated Person who is not in possession of inside information in relation to the Company, may be given prior written clearance by the Chair (or in the case of the Chair by the Managing Director) to sell or otherwise dispose of Company securities in a Closed Period where the person is in, without limitation, severe financial hardship or where there are exceptional circumstances as set out in this policy. What constitutes "exceptional circumstances" will be assessed on a case-by-case basis within the absolute discretion of the Chair or, the Board, as applicable.

Any clearance to trade under this paragraph is not an endorsement to trade. The Designated Person doing the trading is individually responsible for their investment decisions and their compliance with insider trading laws. The Designated Person must carefully consider whether they are in possession of any inside information that might preclude them from trading at that time. If the Designated Person is in any doubt, they should not trade.

If a Designated Person comes into possession of inside information after receiving a clearance to trade, they must not trade despite having received the clearance.

Any decision to grant or refuse to grant clearance to a Designated Person to trade in Company securities:

- a. may be made by the Chair (or the Managing Director, as applicable) in its absolute discretion, without giving any reasons;
- b. can be withdrawn (if clearance has been given) if new information comes to light or there is a change in circumstances; and
- c. is final and binding on the Designated Person seeking clearance; and
- d. must be kept strictly confidential by the Designated Person and not disclosed to any other person.

5.6. Severe financial hardship or exceptional circumstances

The determination of whether a Designated Person is in severe financial hardship will be made by the Chair (or in the case of the Chair by the Managing Director).

A financial hardship or exceptional circumstances determination can only be made by examining all of the facts and if necessary, obtaining independent verification of the facts from banks, accountants or other like institutions.

5.7. Financial hardship

Designated Persons may be in severe financial hardship if they have a pressing financial commitment that cannot be satisfied other than by selling the securities of the Company.

In the interests of an expedient and informed determination by the Chair (or the Managing Director, as the context requires), any application for an exemption allowing the sale of Company securities in a Closed Period based on financial hardship must be made in writing stating all of the facts and be accompanied by copies of relevant supporting documentation, including contact details of the person's accountant, bank and other such independent institutions (where applicable).

Any exemption, if issued, will be in writing and shall contain a specified time period during which the sale of securities can be made.

5.8. Exceptional circumstances

Exceptional circumstances may apply to the disposal of Company securities by a Designated Person if the person is required by a court order, a court enforceable undertaking for example in a bona fide family settlement, to transfer or sell securities of the Company, or there is some other overriding legal or regulatory requirement to do so.

Any application for an exemption allowing the sale of Company securities in a Closed Period based on exceptional circumstances must be made in writing and be accompanied by relevant court and/or supporting legal documentation (where applicable).

Any exemption, if issued, will be in writing and shall contain a specified time period during which the sale of securities can be made.

6. ASX Notification for Directors

The ASX Listing Rules require the Company to notify the ASX within five (5) business days after any dealing in securities of the Company (either personally or through an Associate) which results in a change in the relevant interests of a Director in the securities of the Company. The Company has made arrangements with each Director to ensure that the Director promptly discloses to the Company Secretary all the information required by the ASX.

7. Effect of Compliance with this Policy

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