

# **Securities Trading Policy**

**Investigator Resources Limited**

**ACN 115 338 979**

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<b>Reviewed/Approved by the Board</b>	
Adopted	28 May 2020
Reviewed and Approved	20 October 2022



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## **1. Purpose of this Policy**

- 1.1 This securities trading policy (Policy) is intended to ensure that persons who are discharging managerial responsibilities including but not limited to Directors, do not abuse, and do not place themselves under suspicion of abusing Inside Information that they may be thought to have, especially in periods leading up to an announcement of the Company.
- 1.2 The Policy sets out the procedure for trading in Securities of the Company and aims to provide Directors and Employees and any other persons who may be associated with the Company, with guidance on how and when trades in the Company's Securities may take place and when trading of the Company's Securities is strictly prohibited.
- 1.3 For the avoidance of doubt, nothing in this Policy sanctions a breach of the market misconduct or insider trading provisions of the Corporations Act 2001 (Cth) (Act). A person who possesses Inside Information about an entity's securities is generally prohibited from trading in those securities under the insider trading provisions of the Act and this applies even where the trade occurs as permitted within the operation of this policy.
- 1.4 References to the Company in this Policy are references to the Company and its subsidiaries.
- 1.5 Defined terms are set out in section 21 of this Policy

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## **2. Who this Policy Applies To**

- 2.1 This policy applies to Restricted Persons.

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## **3. Dealing by Restricted Persons**

- 3.1 A Restricted Person must not Deal in any Securities of the Company unless:
- (a) a clearance to Deal is obtained in accordance with section 4 of this Policy; or
  - (b) the Dealing is an Excluded Dealing.
- 3.2 Notwithstanding that a clearance to Deal may be granted by the Company (even in exceptional circumstances) or that a Dealing may be an Excluded Dealing, a Restricted Person must not Deal in Company Securities where sections 7 (Inside Information), 14 (short-term selling), 15 (short selling) and 16 (hedging transactions) of this Policy are applicable.

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## **4. Clearance to Deal**

- 4.1 All Restricted Persons (except those who are a Director, the Managing Director (MD) or the company secretary) must not Deal in any Securities of the Company (unless the Dealing is an Excluded Dealing) without first notifying the company secretary and a Director designated by the Board for this purpose and receiving clearance to Deal from the designated Director or the company secretary.



- 4.2 A Director (other than the chairperson or a managing director) or company secretary must not Deal in any Securities of the Company (unless the Dealing is an Excluded Dealing) without first notifying the chairperson (or a Director designated by the Board for this purpose) and the company secretary and receiving clearance to Deal from the chairperson (or the designated Director) (or the company secretary on their behalf).
- 4.3 The chairperson must not Deal in any Securities of the Company (unless the Dealing is an Excluded Dealing) without first notifying the managing director and the company secretary and receiving clearance to Deal from the managing director (or the company secretary on their behalf) or, if the managing director is not readily available, without first notifying a senior independent Director, a committee of the Board established for that purpose or another officer of the Company nominated for that purpose by the managing director, and receiving clearance to Deal from that Director, committee or officer (or the Company Secretary on their behalf).
- 4.4 A managing director must not Deal in any Securities of the Company (unless the Dealing is an Excluded Dealing) without first notifying the Chairperson and the company secretary and receiving clearance to Deal from the Chairperson (or the company secretary on their behalf) or, if the chairperson is not readily available, without first notifying the senior independent Director, a committee of the Board established for that purpose or another officer of the Company nominated for that purpose by the Chairperson, and receiving clearance to Deal from that Director, committee or officer (or the Company Secretary on their behalf).
- 4.5 If the role of Chairperson and managing director are combined, that person must not Deal in any Securities of the Company (unless the Dealing is an Excluded Dealing) without first notifying the Board and the company secretary and receiving clearance to Deal from the Board (or the company secretary on its behalf).
- 4.6 The Company reserves the right of a Clearance Officer to:
- (a) give or refuse a request for a clearance to Deal at its sole discretion and without giving any reasons; or
  - (b) withdraw a clearance to Deal if there is a change in circumstances or new information becomes available.
- 4.7 A response to a request for clearance to Deal must be given to the relevant Restricted Person within two Business Days of the request being made.
- 4.8 The Company must maintain a record of the response to any Dealing request made by a Restricted Person and of any clearance given. A copy of the response and clearance (if any) must be given to the Restricted Person concerned.
- 4.9 A Restricted Person who is given clearance to Deal in accordance with this section 4 must deal as soon as possible in any event within five Business Days of clearance being received by the Restricted Person.
- 4.10 The grant of a clearance to Deal by the Company is not an endorsement of the Dealing by the Company. The person seeking the clearance to Deal is solely responsible for the investment decision to Deal in Securities in the Company.
- 4.11 The grant of a clearance to Deal by the Company does not relieve a Restricted Person from their legal obligations under the insider trading provisions of the Act. The person granted the clearance to Deal should carefully consider whether or not they are in possession of Inside Information that might



preclude them from trading in those Securities and if they are in possession of Inside Information (including if they come into possession of Inside Information after obtaining a clearance to Deal), then they must not trade despite having received the clearance.

- 4.12 A refusal by a Clearance Officer to give a clearance to Deal is final and binding on the person seeking the clearance.
- 4.13 Where the Company refuses to give a clearance to Deal, this information is confidential between the Company and the person seeking the clearance and must not be disclosed to any other person.

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## **5. Circumstances for Refusal**

- 5.1 A Restricted Person must not be given clearance to Deal in any securities of the Company during a Prohibited Period unless an exceptional circumstance arises in accordance with section 6 of this Policy.

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## **6. Dealing in Exceptional Circumstances**

- 6.1 A Restricted Person, who is not in possession of Inside Information in relation to the Company, may be given clearance to Deal during a Prohibited Period if that person is in severe financial difficulty or there are other exceptional circumstances. Clearance may be given for such a person to sell (but not purchase) Securities of the Company when that person would otherwise be prohibited by this Policy from doing so. The determination of whether the person in question is in severe financial difficulty or whether there are other exceptional circumstances can only be made by the Clearance Officer designated by the Board for this purpose under section 4.
- 6.2 A person may be in severe financial difficulty if that person has a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant Securities of the Company. A liability of a person to pay tax would not normally constitute severe financial difficulty unless the person has no other means of satisfying the liability. A circumstance will be considered exceptional if the person in question is required by a court order to transfer or sell the Securities of the Company or there is some other overriding legal requirement to do so.
- 6.3 If required by the Listing Rules, the Company should consult the ASX at an early stage regarding any application by a Restricted Person to deal in exceptional circumstances.

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## **7. Prohibition on Insider Trading**

- 7.1 No Restricted Person may Deal in Company Securities at any time (including a Prohibited Period), if that person is or could reasonably be expected to be in possession of Inside Information.

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## **8. Communicating Insider Information**

- 8.1 A Restricted Person in possession of Inside Information must not, directly or indirectly, communicate the information, or cause the Inside Information to be communicated, to another person if the Restricted Person ought to know, or ought reasonably to know, that the other person would be likely to Deal in the Company's Securities.



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## **9. Dealing by Persons and Entities Associated with Restricted Persons**

- 9.1 A Restricted Person must take all reasonable steps to prevent an Associate, Related Person, or Related Entity of the Restricted Person from Dealing in the Company's Securities during a Prohibited Period.
- 9.2 A Restricted Person must take reasonable steps to advise any Associate, Related Person or Related Entity of the Restricted Person that:
- (a) they are a Restricted Person of the Company; and
  - (b) of the Prohibited Periods during which the Restricted Person and his or her Related Persons, Related Entities or Associates cannot Deal in the Company's Securities.
- 9.3 A Restricted Person must immediately notify a Clearance Officer if he or she becomes aware of or suspects a Related Party, Related Entity or Associate of Dealing in the Company's Securities during a Prohibited Period.

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## **10. Disclosure of Dealings by Directors and Substantial Shareholders**

- 10.1 In accordance with section 250G of the Act and ASX Listing Rule 3.19A, Directors must notify ASX of any Dealings (whether in a Prohibited Period or otherwise) in the Company's Securities within five Business Days of such Dealing.
- 10.2 To the extent required to do so under the Listing Rules, the Company will disclose to the market when a Restricted Person has been given a Clearance to Deal during a Prohibited Period.
- 10.3 In accordance with Section 671B of the Act, a Restricted Person must notify the Company and ASX that:
- (a) they have obtained a Substantial Holding in the Company;
  - (b) if they already hold a Substantial Holding - if they increase or decrease that Substantial Holding by at least 1%; or
  - (c) if they cease to hold a Substantial Holding,
- such notice to be provided within two Business Days of becoming aware of that information,

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## **11. Dealings in Securities of Other Companies**

- 11.1 A Restricted Person who has Inside Information about a Third Party Listed Entity as a result of his or her position in the Company is prohibited from Dealing in any Securities of that Third Party Listed Entity unless a clearance to Deal is obtained in accordance with Section 4 of this Policy or from communicating the Inside Information. Examples (without being exhaustive) of how Inside Information about a Third Party Listed Entity may be obtained are as follows:
- (a) during the course of a proposed transaction;
  - (b) during the course of due diligence investigation;



- (c) Board deliberations;
  - (d) negotiations; or
  - (e) provided by others during the ordinary course of business.
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## **12. Penalties**

12.1 There are penalties under the Act for a breach of Insider Trading provisions under the Act. Currently the maximum penalties under the Act are:

- (a) in the case of a natural person imprisonment of 10 years and/or fine the higher of;
  - (i) 4,500 penalty units (\$765,000) as at the date of adoption of this Policy); and
  - (ii) If the Court can determine the total value of the benefits the person obtained, which are reasonably attributable to the commission of the offence – three times that total value;
- (b) in the case of a body corporate, a fine the greatest of the following:
  - (i) 45,000 penalty units (\$7.65 million as at the date of adoption of this Policy);
  - (ii) if the Court can determine the total value of the benefits that have been obtained and are reasonably attributable to the commission of the offence - three times that total value; and
- (c) unlimited civil penalties.

12.2 A breach of this Policy will also be regarded as serious misconduct which may lead to disciplinary action, up to and including dismissal.

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## **13. Policy on Margin Loan Arrangements**

- 13.1 A Restricted Person may enter into a margin loan or similar funding arrangement in respect of any Company Securities (Funding Arrangements) but must disclose the existence, nature and terms of the Funding Arrangements to a Clearance Officer who will notify the Board.
- 13.2 The Company and its Board will disclose any Funding Arrangements which would require disclosure under Listing Rule 3.1.
- 13.3 Without limiting section 13.2, where a Restricted Person's Funding Arrangement involves 5% or more of the Company's shares, the Board and Company secretary will make appropriate disclosure to the market of any key terms of the Funding Arrangements.
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## **14. Policy on Short-term Trading**

14.1 A Restricted Person must not Deal in any Securities of the Company where the Dealing involves the short-term trading of Securities in the Company, being instances where trading in and out of Securities occurs within a period of less than three months.



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**15. Policy on Short Selling**

- 15.1 A Restricted Person must not Deal in any Securities of the Company where the Dealing involves the short selling of Securities in the Company.

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**16. Hedging Transactions**

- 16.1 The Act prohibits Key Management Personnel and a closely related party of Key Management Personnel from entering into an arrangement if the arrangement would have the effect of limiting the exposure of the member to risk relating to an element of the members remuneration that has not vested or has vested but remains subject to a holding lock. Key Management Personnel of the Company should not Deal in Securities in the Company which may infringe this prohibition under the Act.

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**17. What is Inside Information**

- 17.1 Inside Information is information that is not Generally Available and, if it were Generally Available, a reasonable person would expect it to have a Material Effect on either the price or the value of the Company's Securities.

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**18. When is Information Generally Available**

- 18.1 Information is Generally Available if:
- (a) it consists of readily observable matter; or
  - (b) where the information has been made known in a manner that would, or would be likely to, bring it to the attention of persons who commonly invest in Securities, a reasonable period for it to be disseminated among such persons has elapsed (for example, it has been released to the ASX or published in an annual report or prospectus); or
  - (c) it may be deduced, inferred or concluded from the information referred to above.

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**19. What is Material Effect**

- 19.1 Material Effect in relation to Inside Information, is where that information would, or would be likely to, influence persons who commonly acquire Securities in deciding whether or not to acquire or dispose of Securities of that nature.
- 19.2 Examples of information, that may have a Material Effect on the price or value of Securities when it becomes Generally Available, include:
- (a) revenue;
  - (b) profit forecasts;
  - (c) inventory levels;
  - (d) forecasts;



- (e) items of major capital expenditure;
  - (f) borrowings;
  - (g) liquidity and cashflow information;
  - (h) management restructuring;
  - (i) changes in distribution arrangements;
  - (j) litigation;
  - (k) impending mergers and acquisitions, reconstructions or takeovers;
  - (l) major asset purchases or sales;
  - (m) exploration results; or
  - (n) new product and technology.
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## 20. What is Dealing in Securities?

20.1 Dealing in Securities means:

- (a) applying for, acquiring or disposing of Securities;
  - (b) entering into an agreement to apply for, acquire or dispose of Securities; or
  - (c) procuring another person to:
    - (i) apply for, acquire or dispose of Securities or
    - (ii) entering into an agreement to apply for, acquire or dispose of Securities.
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## 21. Definitions

21.1 In this Policy:

**Act** means Corporations Act 2001 (Cth) as amended from time to time.

**Associate** has the same meaning as set out in the Act.

**ASX** means the Australian Securities Exchange owned and operated by ASX Limited.

**Blackout Period** means:

- (a) to the extent that the Company is required to report on a quarterly basis under the Listing Rules, the period between the first of January, April, July and October until 24 hours following the release of the Company's quarterly reports as required by the Listing Rules;
- (b) the period commencing from the release of information to the ASX which a reasonable person would expect to have a Material Effect on either the price or the value of the





Company's Securities and ending 24 hours after the release of such information to the ASX;  
and

- (c) any other period determined by the Directors in their absolute discretion

**Board** means board of Directors

**Business Day** means a day, other than a Saturday or Sunday, on which banks are open for general banking business in Brisbane.

**Clearance Officer** means:

- (a) the Company Secretary;
- (b) the Chairperson;
- (c) the MD; or
- (d) a Director designated by the board for the purposes of clause 4.

**Company** means Investigator Resources Limited.

**Constitution** means the constitution of the Company as amended from time to time.

**Dealing** has the meaning set out in section 20 of this Policy.

**Director** means a director of the Company.

**Employee** means an individual who works for the Company under a contract of employment.

**Excluded Dealings** means:

- (a) undertakings or elections to take up entitlements under a rights issue or other offer made to all or most of the Company's Security holders (including an offer of the Company's Securities in lieu of a cash dividend);
- (b) allowing entitlements to lapse under a rights issue or other offer made to all or most of the Company's Security holders (including an offer of the Company's Securities in lieu of a cash dividend);
- (c) the sale of sufficient entitlements arising for nil consideration under a rights issue where the sale is for the sole purpose of facilitating the take up of the balance of those entitlements under that rights issue;
- (d) undertakings to accept, or the acceptance of, a takeover offer;
- (e) dealing where the beneficial interest in the relevant Security does not change;
- (f) transfers of the Company's Securities already held into a superannuation fund or other saving scheme in which the Restricted Person is a beneficiary;
- (g) in the event the Restricted Person is a trustee of a trust but is not a beneficiary of the trust, trading in the Company's Securities by that trust provided any decision to trade during a Blackout Period is taken by the other trustees or investment manager independently of the Restricted Person;



- (h) the exercise of an option or right under an incentive scheme or the conversion of a convertible security, where the final date for the exercise or conversion falls during a Blackout Period and the Restricted Person could not reasonably have been expected to exercise or convert the Security at a time when it was entitled to, due to the Company having an exceptionally long Blackout Period or a number of consecutive Blackout Periods;
- (i) the cancellation or surrender of an option under an employee share scheme;
- (j) bona fide gifts to a Restricted Person by a third party.

**Generally Available** has the meaning set out in section 18 of this Policy.

**Information** includes:

- (a) matters of supposition and other matters that are insufficiently definite to warrant being made to the public; and
- (b) matters relating to the intentions, or likely intentions, of a person.

**Inside Information** has the meaning set out in section 17 of this Policy.

**Key Management Personnel** has the definition given in the Accounting Standard AASB 124 Related Party Disclosure as 'those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of that entity'.

**Listing Rules** means the Listing Rules of the ASX.

**Material Effect** has the meaning set out in section 19 of this Policy.

**Procuring** means to incite, induce or encourage an act or omission by another person.

**Prohibited Period** means:

- (a) any Blackout Period; or
- (b) any period where any matter exists which could constitute Inside Information in relation to the Company.

**Restricted Person** means any of the following persons or entities discharging managerial responsibilities for the Company including, but not limited to:

- (a) Directors;
- (b) the Company Secretary;
- (c) Key Management Personnel
- (d) any Employee, contractor or consultant who provides managerial or administrative services to the Company;
- (e) any Employee who, depending upon their individual circumstances, the MD specifies from time to time to be a Restricted Person;
- (f) any other persons specified from time to time by the MD as being a Restricted Person; and



- (g) any Related Person or Related Entity (or an Associate of a Related Person or Related Entity) of a person referred in paragraphs (a), (b), (c), Error! Reference source not found., (e) or (f) above,

of the Company.

**Related Entity** of a Restricted Person means an entity in which:

- (a) the Restricted Person is a director or secretary;
- (b) the Restricted Person otherwise controls or has an interest in; or
- (c) a Related Person may control or have an interest in.

**Related Person** of a Restricted Person means a parent, spouse or child of a Restricted Person.

**Securities** means:

- (a) shares;
- (b) debentures;
- (c) legal or equitable interests in a security covered by paragraph (a) or paragraph (b) above;
- (d) options to acquire, by way of issue, a security covered by paragraph (a) or paragraph (b) above; and
- (e) rights (whether existing or future and whether contingent or not) to acquire, by way of issue, the following under a rights issue:
  - (i) a security covered by paragraph (a) or paragraph (b) above; or
  - (ii) an interest or right covered by paragraph 764A(1)(b) or paragraph 764A(1)(ba) of the Act.

Substantial Holding has the meaning given by section 9 of the Act (which, at the date of adoption of this Policy, includes where a person or entity (and their associates) has total votes attached to voting shares in the Company representing 5% or more of the total number of votes attaching to voting shares in the Company).

Third Party Listed Entity means any company, other than the Company, which is listed on the ASX, or other recognised exchange or otherwise has Securities which are traded in an open market.