



## SHARE TRADING POLICY

Adopted by the Board of Directors on 23 December 2010

### Policy Summary

#### What this Policy covers

- Buying and selling Strike shares; and
- The issue and exercise of Strike options.

#### Who this Policy applies to

- All Directors and employees of Strike and its subsidiaries; and
- Contractors who have agreed to be bound by this policy.

#### What this Policy requires of you

- You may not buy or sell shares in Strike or be issued with or exercise Strike options if you have Inside Information; and
- In addition, Directors, direct reports to the Managing Director, staff in Head Office - Perth and employees on secondment from Head Office - Perth may only do the above things at other times with written permission.

In summary, "Inside Information" is information which you have learned in the course of your duties with Strike (and which is not generally known outside the Company) which suggests that Strike shares are worth significantly more (or less) than the market price. Inside Information is explained in detail on page 2.

Page 3 contains a summary of what you need to do to be able to buy or sell Strike shares, or be issued with or exercise Strike options.

**This is only a summary of this Policy. You are required to read and comply with the full Policy.**

#### Questions about this Policy

If you have any questions about this Policy, contact the Company Secretary on +61 8 9324 7104 or [cosec@strikeresources.com.au](mailto:cosec@strikeresources.com.au).

**WARNING: it is a criminal offence to buy, sell or otherwise acquire or dispose of shares or options in Strike or any other listed company if you have knowledge which gives you an advantage over other investors in the share market. This offence is called "Insider Trading". You can be sent to jail or fined for Insider Trading. This Policy endeavours to ensure that:**

- you avoid Insider Trading liability in relation to Strike and other companies; and
- Strike avoids the reputational damage that could occur as a result.

**WARNING: A breach of this Policy is a serious matter and is likely to result in immediate termination of your employment.**

# Policy Background - Insider Trading

## What is Insider Trading?

### The main kind of Insider Trading

In summary “Insider Trading” (as it applies to Strike) means buying or selling shares in Strike or being issued with or exercising Strike options when you have Inside Information.

### What is Inside Information?

“Inside Information” (as it relates to Strike) means information which:

- (a) is not widely available to stock market (ASX) investors; and
- (b) a reasonable person would expect it to have a significant effect on the price of Strike shares if it was widely available.

### What else is “Insider Trading”?

The law against Insider Trading also prohibits:

- (a) you encouraging another person to buy or sell Strike shares if you have Inside Information; and
- (b) you telling Inside Information to another person where you should reasonably know that they are likely to buy or sell Strike shares or persuade another person to do so.

### When does information stop being Inside Information?

After Inside Information has been disclosed to ASX it is still Inside Information until investors have had a reasonable time to consider it. This Policy helps ensure that trading in Strike shares does not occur until that time has passed.

## Inside Information Examples

The following are examples of Inside Information:

- (a) You are aware that Strike is lodging a claim for a mining tenement over ground which has potential to contain a substantial mineral resource.
- (b) You know that a drilling program is likely to lead to a substantial increase in Strike’s mineral resources.
- (c) Strike is proposing to buy or sell a mineral project.
- (d) Another company makes a confidential approach to Strike proposing a take-over.
- (e) Strike is planning a capital raising.
- (f) You are aware of a civil disturbance in a region where a Strike project is located, before the information becomes widely known.

## Reputational Damage

Insider Trading by Strike personnel may damage Strike’s reputation. Strike’s reputation may also be damaged if a reasonable person may suspect that Insider Trading has occurred, even if it has not occurred.

*Example: an employee who was not aware that Strike was about to announce a large new mineral resource buys Strike shares shortly before the announcement. A reasonable person may suspect that the employee was aware of the subject of the announcement before it was made.*

## Enforcement of Insider Trading Laws

The ASX and Government regulators take an active interest in whether Strike and its personnel are complying with the law on Insider Trading and this Policy. Regulators may investigate share transactions which occur before significant ASX announcements to find out whether the buyer or seller acted on Inside Information.

## Compliance Table

This table is a summary of what you need to do under this Policy to be allowed to buy or sell Strike shares or be issued with or exercise Strike options.

(Words written **Like This** are defined in clause 1.3 on page 4.)

Action	Type of Personnel	
	You: <ul style="list-style-type: none"> <li>• are a Director,</li> <li>• work in head office,</li> <li>• are on secondment to AF, or</li> <li>• have been told that this applies to you.</li> </ul>	All other employees of Strike or of any subsidiary of Strike.
<b>When the Action is allowed</b>		
Buy Strike shares.	You may do so only if you have: <ul style="list-style-type: none"> <li>• no <b>Inside Information*</b>; and</li> <li>• a <b>Trading Approval</b>.</li> </ul>	You may do so only if you have no <b>Inside Information*</b> (unless you have been instructed not to buy shares).
Sell Strike shares (even if you received the shares by exercising options).	You may do so only if you have: <ul style="list-style-type: none"> <li>• no <b>Inside Information*</b>; and</li> <li>• a <b>Trading Approval</b>.</li> </ul>	You may do so only if you have no <b>Inside Information*</b> (unless you have been instructed not to sell shares).
Receive Strike shares or options under your employment contract.	These will not be issued while <b>Inside Information*</b> exists.	(Personnel entitled to receive shares or options will be included in the other column.)
Exercise Strike options.	You may do so only if you have no <b>Inside Information.*</b>	(Personnel entitled to options will be included in the other column.)
Transfer Strike shares or options to an <b>Associate</b> (such as your spouse or superannuation fund).	You may do so only if you: <ul style="list-style-type: none"> <li>• have no <b>Inside Information*</b>; and</li> <li>• advise the <b>Trading Officer</b> in writing.</li> </ul> (Note: the terms of any options may not allow transfers.)	You may do so only if you have no <b>Inside Information*</b> (unless you have been instructed not to make any transfer to an <b>Associate</b> ).

*\*If you have **Inside Information** and the Company then announces it to ASX, you must not do any of the above things before the start of the second full ASX trading day after the day of the announcement. (Example: if **Inside Information** is announced on ASX at 11:00 am on Tuesday none of the above activities are permitted before the market opens on Thursday.)*

# Share Trading Policy

## 1 Introduction

### 1.1 Purpose

The main purposes of this Policy are to assist:

- (a) Strike **Personnel** to comply with the law on **Insider Trading**; and
- (b) Strike to protect its reputation by preventing **Insider Trading** by **Personnel** and avoiding the suspicion of **Insider Trading** by **Personnel**.

### 1.2 Who this Policy applies to

- (a) This Policy applies to all Directors and employees of Strike and of its subsidiaries, and contractors who have agreed to comply.
- (b) You must also use reasonable efforts to have your **Associates** comply with this Policy.

### 1.3 Definitions

Words and phrases defined below have those meanings in this Policy:

**“Associate”** means your spouse or other domestic partner, your dependent children under 18, any company or trust which you control and any self-managed superannuation or pension fund you are a member of.

**“Executive Personnel”** means:

- (a) a Director of Strike or of any subsidiary;
- (b) an executive who reports directly to the Managing Director;
- (c) an employee of Strike or of any subsidiary whose base of employment is Perth or who is on secondment to any other company; and
- (d) any other **Personnel** whom the **Trading Officer** has notified is included in this definition.

**“Inside Information”** means information relating to Strike which:

- (a) is not widely available to ASX investors; and
- (b) a reasonable person would expect to have a significant effect on the price of Strike shares if it was widely available.

**“Insider Trading”** means doing any of the following when you have Inside Information:

- (a) **Trading** in **Securities**;
- (b) encouraging another person to **Trade** in **Securities**; or
- (c) telling the **Inside Information** to another person where you should reasonably know that they are likely to **Trade** in **Securities** or persuade another person to do so.

**“Personnel”** or **“you”** means a Director or employee of Strike or of any subsidiary and a contractor who has agreed to be bound by this Policy.

**“Prohibited Period”** is defined in Clause 4.

**“Security”** means:

- (a) a share in Strike; and
- (b) an option to acquire a share in Strike.

(Note: the law against **Insider Trading** includes other kinds of securities which Strike does not have. This definition will be expanded in future should Strike issue other kinds of securities.)

**“Short-Term Trading”** means:

- (a) buying Securities with the intention of selling that kind of **Security** within 3 months; or
- (b) selling Securities with the intention of buying the same kind of **Security** within 3 months.

Exercising options with the intention of selling the shares at any time is not **Short-Term Trading**.

**“Trade”** means:

- (a) buy or sell;
- (b) otherwise acquire or dispose of; and
- (c) be issued with (for example, be issued with an option or be issued with a share by exercising an option.)

**“Trading Approval”** means a written approval to **Trade** in **Securities** from the **Trading Officer**.

**“Trading Officer”** means the Company Secretary, except that in relation to:

- (a) the Chairman of the Board, the **Trading Officer** is the Audit Committee Chairman; and
- (b) any other Director or the Company Secretary, the **Trading Officer** is the Chairman of the Board.

**“You”** or **“Personnel”** means a Director or employee of Strike or of any subsidiary and a contractor who has agreed to be bound by this Policy.

Where a word or phrase is defined, other grammatical forms of the word or phrase have corresponding meanings. A reference to the singular includes the plural and vice versa. A reference to any gender includes all other genders.

## 2 Trading by All Personnel

**2.1** You must not **Trade** in **Securities** when you have **Inside Information**.

**2.2** If you have **Inside Information** which is then announced on ASX you must not **Trade** in **Securities** before the start of the second (2nd) full ASX trading day after the day of the announcement.

**2.3** You must not Trade in Securities if the Trading Officer directs you not to.

## 3 Additional Procedures for Executive Personnel

**3.1** If you are **Executive Personnel** you may **Trade** in **Securities** only if clause 2 does not prevent you from **Trading** and:

- (a) you have a **Trading Approval**; or
- (b) you do not need a **Trading Approval** because of clause 3.5.

**3.2** A request for a **Trading Approval** must be in writing and state:

- (a) the identity of the person proposing to **Trade** (i.e. is it you or your **Associate**);
- (b) the type and number of **Securities** and the type of **Trading** proposed (*example: buy or sell*); and
- (c) that you are not in possession of **Inside Information**.

**3.3** The **Trading Officer** may cancel or suspend a **Trading Approval** by notice to you.

**3.4** A **Trading Approval** will not be issued to operate in a **Prohibited Period** but you may apply to be exempt from a **Prohibited Period** under clause 4.3.

**3.5** You do not need a **Trading Approval** to:

- (a) exercise options; or
- (b) transfer **Securities** between you and your **Associates** but you must tell the **Trading Officer** in writing. (Note: the terms of some options prohibit transfer.)

(Note: You must not do either of these things if you have **Inside Information**.)

## 4 Prohibited Periods

(Note: you do not need to consider whether a **Prohibited Period** exists before **Trading**. A **Trading Approval** will not be issued to operate in a **Prohibited Period**.)

**4.1 Prohibited Periods** start when stated in the table below and finish at the time of actual release of the relevant announcement or the completion of the relevant event.

Event	Start of Period
Release of full-year results on ASX.	28 days before the proposed date for release.
Release of half-year results on ASX.	28 days before the proposed date for release.
Release of quarterly cash-flow report on ASX.	14 days before the proposed date for release.
Annual General Meeting (AGM).	14 days before the AGM.
Significant exploration drilling campaign.	5 days before the proposed date for release of the drilling results on ASX.

**4.2** The **Trading Officer** may declare that any other period is a **Prohibited Period**. Such a period may have a fixed end date or may last until further notice.

**4.3** If you are suffering from financial hardship the Trading Officer has the discretion to exempt you from a **Prohibited Period** in relation to a proposed sale of **Securities**. (A tax liability is not considered a financial hardship unless you have no other means of meeting it.)

**4.4** A request for an exemption must be in the form - and attach the information - specified by the **Trading Officer**.

## 5 Director and Employee Options

**5.1** This Policy does not apply to the issue of any **Securities** to you under an employee equity scheme. (Note: You may not exercise any options or sell any shares received under a scheme if you have **Inside Information**.)

**5.2** If you or Strike have **Inside Information** the issue of any **Securities** under your contract of employment (as distinct from an employee equity scheme) will be delayed until the **Inside Information** no longer exists. (Note: You may not exercise any options or sell shares received under an employment contract if you have **Inside Information**.)

## 6 Prohibited and Restricted Practices

**6.1** You must not engage in insider trading (as defined in the Corporations Act) in relation to Strike or any other company.

**6.2** You must not:

- (a) hedge or limit your exposure to risk in any unvested options which were issued to you or your **Associate** by Strike in connection with your Directorship or employment;
- (b) use any **Securities** held by you as security for borrowing or other obligations (including in a margin lending facility) without the written consent of the **Trading Officer**; or
- (c) engage in **Short-Term Trading**.

## 7 Relations with Security Analysts, Institutions and Journalists

**7.1** In the course of your duties you may deal with external parties like security analysts, institutional investors and journalists. You must not disclose **Inside Information** to any external person without permission.

- 7.2** If you are aware that **Inside Information** has been disclosed without authority, notify the Company Secretary or the Managing Director immediately. They will inform the recipient that the information is **Inside Information** and warn them against improper use of that information.
- 7.3** You must not make public comments regarding any undisclosed operating results or other developments without permission.

## **8 Administrative and Miscellaneous Provisions**

- 8.1** You must give the **Trading Officer** any information he or she reasonably requests about Securities held or **Traded** by you or your **Associates**.
- 8.2** The **Trading Officer** will use reasonable efforts to give notices in writing but may give notices verbally for good reason.
- 8.3** Neither Strike nor the **Trading Officer** is liable to you or your **Associate** for not giving a **Trading Approval**, for imposing conditions on a **Trading Approval**, for cancelling or suspending a **Trading Approval** or for any other decision made or not made under this Policy.
- 8.4** The **Trading Officer** does not have to issue a **Trading Approval** and may include conditions in a **Trading Approval**. A **Trading Approval** will state its validity period, which will not exceed 14 calendar days.

## **9 Implementation and Review**

- 9.1** The Company Secretary will train Personnel on this Policy. All Personnel will be given an induction on this Policy at the start of their Directorship or employment.
- 9.2** The Company Secretary will periodically remind Personnel of the need to comply with this Policy.
- 9.3** The Company Secretary must keep a register of **Trading Approvals** given and **Securities Traded**.
- 9.4** The Board will review this Policy annually, or more often if required by a change in the law or other relevant circumstances. The Company Secretary will report to the Board on the operation of this Policy for the purpose of such reviews.
- 9.5** This Policy or a summary will be disclosed to ASX annually. Material amendments to this Policy will be disclosed to ASX when made.