

## SECURITIES TRADING POLICY INSIDER TRADING & DEALING IN THE COMPANY'S SECURITIES

### 1.0 INTRODUCTION

#### 1.1 NEED FOR SHARE TRADING POLICY

There are legal duties placed on directors and officers of the AuKing Mining Limited (AKN) in relation to transactions in the securities of AKN. Criminal and civil penalties apply if these duties are breached. The major issue is the matter of price sensitive information.

In view of this and the difficulties in determining whether certain information is price sensitive, AKN has adopted a Share Trading Policy governing dealings in securities by Directors, Employees and their Associates.

Nothing in this policy sanctions a breach of any relevant legal or regulatory requirement. In particular all Directors, Employees and their Associates must comply with applicable insider trading legislation.

#### 1.2 BACKGROUND - LEGAL CONSTRAINTS

Legal constraints which apply to directors and officers of a public company who buy or sell securities in that company arise from the following sources:

- Common law
- Corporations Act
- ASX Listing Rules

If a director or an officer is in possession of Price Sensitive Information, which has not been publicly disclosed, there are a number of general and some specific legal rules which provide constraints on dealing in securities.

#### 1.3 HOLDING SECURITIES IN AUKING MINING LIMITED

Whilst it is desirable that Directors, Employees and their Associates hold AKN Securities, Directors, Employees and their Associates wishing to buy or sell AKN Securities must have regard to the legal constraints and to the spirit of this Policy.

### 2.0 DEFINITIONS

**Associate** means any person or entity (including trusts or companies) whose shareholdings are controlled or influenced by a Director or Employee. It does not include parents, spouses, dependents and children who are not under the control or influence of a Director or Employee but act on their own initiative without reference to the Director or Employee.

**Board** means the board of directors of AuKing Mining Limited.

**Director** means a director of AuKing Mining or a director of a Subsidiary.

**Employee** means an employee or contractor of the AuKing Mining Group.

**Key Management Personnel** means those persons having authority and responsibility for planning, directing and controlling the activities of AuKing Mining Limited, directly or indirectly, including any director (whether executive or otherwise) of that entity, as defined in paragraph 9 of AASB 124 Related Party Disclosures.

**AuKing Mining Group** means AuKing Mining Limited and its related bodies corporate.

**AuKing Mining Securities** means all securities issued by AuKing Mining from time to time including ordinary shares, preference shares, debentures, options and convertible notes.

**Price Sensitive Information** has the meaning set out in Schedule 1.

**Short Term Trading** means the buying and selling of the same AuKing Mining Securities within a three month period.

**Subsidiary** means any subsidiary in which AuKing Mining has a controlling interest.

**Trade** means subscribe for, purchase or sell such securities, enter into an agreement for that purpose or procure another person to do so, and Trading has the corresponding meaning.

**Trading Windows** has the meaning given in column 2 of the table in clause 3.1

### 3.0 TRADING IN AUKING MINING SECURITIES

#### 3.1 PERMITTED TRADING

Irrespective of whether this Policy permits Trading in AKN Securities:

- a Director shall not buy or sell AKN Securities at any time without the prior knowledge of the Managing Director or, in the case of the Managing Director, a Non-Executive Director or Company Secretary;
- Directors at all times must inform the Company Secretary of trading to enable the appropriate ASX notification to be lodged;
- Key Management Personnel (other than Directors) shall not buy or sell AKN Securities at any time without the prior knowledge of the Chairman or Managing Director,

and in informing the Chairman or Managing Director as appropriate, the relevant Director or Key Management Personnel will enquire to confirm that there is no Price Sensitive Information which that they would be deemed to have in their possession by virtue of their respective role.

Subject to clause 3.5, the following table sets out the rules for Trading in AKN Securities:

Never Allowed To Trade	Allowed to Trade (with prior permission required for Directors and KMPs) (Trading Windows)	Allowed to Trade but only with prior permission from a Notification Officer
<p>A Director, Employee or their Associates shall not Trade in any AKN Securities:</p> <ul style="list-style-type: none"> <li>• if they are in possession of Price Sensitive Information, or</li> <li>• during any specific period designated by the Board and advised to Directors or Employees from time to time. During such periods, the relevant Directors and Employees that the restriction applies to must</li> </ul>	<p>Directors, Employees and their Associates may Trade in AKN Securities during the period of 30 days following:</p> <ul style="list-style-type: none"> <li>• the announcement to the ASX of the half year results,</li> <li>• the announcement to the ASX of the full year results,</li> <li>• the announcement to the ASX of the quarterly activities report, and</li> <li>• the annual general meeting,</li> </ul>	<p>Directors, Employees and their Associates may Trade in AKN Securities at times other than those specifically permitted by the policy provided that:</p> <ul style="list-style-type: none"> <li>• they are personally satisfied that they are not in possession of Price Sensitive Information, and</li> <li>• they seek and receive prior approval from a Notification Officer.</li> <li>• there are supporting reasons</li> </ul>

procure that their Associates do not Trade in AKN Securities.	<p>provided that:</p> <ul style="list-style-type: none"> <li>they are personally satisfied that they are not in possession of Price Sensitive Information, and</li> <li>the transaction does not amount to Short Term Trading.</li> </ul>	for the trade (as per item 3.3 below)
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### 3.2 NOTIFICATION OFFICERS

Relevant notification officer for	Notification officer
Chairman and Managing Director	Non-Executive Director or Company Secretary
Directors	Managing Director and Company Secretary
Employees	Chairman or Managing Director

### 3.3 SUPPORTING REASONS TO BE PROVIDED TO NOTIFICATION OFFICER

Prior approval to Trade in Securities pursuant to clause 3.1 will only be provided after a written request for approval, with supporting reasons, is provided to the Notification Officer.

The following is a guide to when prior written approval may or may not be given:

Examples of where approval may be given	Examples of where approval is not likely to be given
<p>Prior written approval may be given by the Notification Officer where, for example, it can be shown that AKN Securities:</p> <ul style="list-style-type: none"> <li>cases of financial or personal hardship or necessity</li> <li>are required to be sold in accordance with a court order or other legal obligation.</li> </ul>	<p>It is highly unlikely that prior written approval would be given by the Notification Officer to Trade in AKN Securities during the following periods:</p> <ul style="list-style-type: none"> <li>30 day prior to announcement of the half year results</li> <li>30 day prior to the announcement of the full year results</li> <li>30 days prior to the annual general meeting,</li> <li>30 days prior to the release of the quarterly activities report</li> </ul> <p>or where it would result in Short Term Trading occurring.</p>

### 3.4 INFORMING THE COMPANY AND THE ASX

Directors, Employees and their Associates who have been involved in any Trading in AKN Securities, must advise the Company Secretary in writing of the details of the completed transactions within 2 business days of each transaction. Such notification is necessary whether or not prior written approval from a Notification Officer has been required.

Directors must notify the Company Secretary, who in turn must notify the ASX of any changes in their holdings of AKN Securities. Such notification must be made to the ASX within 5 business days of the Trade.

### **3.5 CERTAIN TRADING EXCLUDED FROM POLICY**

Subject to insider trading laws, the restrictions on trading in columns 2 and 3 of the table in clause 3.1 do not apply in relation to the following dealings in AKN Securities to the extent specified below:

- (a) being issued AKN Securities under:
  - a rights issue;
  - a dividend reinvestment plan;
  - a security purchase plan; or
  - an employee option plan, employee share acquisition scheme, executive share acquisition plan or similar arrangement;
- (b) disposing of AKN Securities:
  - under a buy back or capital reduction made available to most or all security holders; or
  - as a result of a secured lender exercising their right under a margin lending arrangement;
- (c) disposing of entitlements under a renounceable pro rata rights issue;
- (d) accepting (or undertaking to accept) an offer under a takeover bid, disposing of AKN Securities under a scheme of arrangement or agreeing to cancel options over unissued securities in conjunction with a change of control transaction;
- (e) transferring AKN Securities to a superannuation fund or other saving scheme in which the transferee is a beneficiary;
- (f) investing in, or trading in units of, a fund or other scheme (other than a scheme investing only in AKN) where the assets of the fund or other scheme are invested at the discretion of a third party; and
- (g) entering into a transaction where the beneficial interest in AKN Securities will not change.

### **3.6 OTHER COMPANIES' SECURITIES**

In the event that the Board declares that a nominated company is the subject of an investment activity (whether direct or indirect) by AKN, a Director or Employee who is aware of the Board's declaration and holds shares in that nominated company, must immediately disclose the existence of that shareholding to the Company Secretary who in turn must notify the Board.

Directors, Employees or Associates who are made aware of an AKN investment activity in a nominated company are deemed to have Price Sensitive Information and are prohibited from trading

### **3.7 TRUSTEES**

A person who is included under this Policy and who is a joint trustee or a trustee of a deceased estate should advise his co-trustees or trust beneficiaries, as the case may be, of his relationship with AKN the consequential restrictions on his ability to give advice in respect of AKN Securities.

### **3.8 DISCLOSURE**

Directors are to note that the terms and existence of any finance arrangements, such as margin loans, in relation to their AKN Securities, may require disclosure by AKN under Listing Rule 3.1, if the information is such that a reasonable person would expect it to have a material effect on the price or value of AKN Securities.

As the obligation to disclose this information is placed on AKN, Directors are to immediately disclose to the Chairman and the Company Secretary, whenever their holding of AKN Securities encounter or could encounter, a situation which could have a material effect on the orderliness of general market trading in the AKN Securities.

Directors should not enter into any arrangements in respect of their AKN Securities which could lead them to encounter a situation which could have a material effect on the orderliness of general market trading in the AKN Securities or could lead them to breach the provisions of this Share Trading Policy.

Directors and key management personnel, must inform the Company Secretary if they have entered into margin loans (including by way of security lending) in respect of securities in AKN or in an associated entity or subsidiary. The Company Secretary must in turn inform the Board of the existence of such loans.

Directors and key management personnel may only sell all or part of the securities held that are subject to the margin loan to meet a margin call in accordance with the terms of the policy. Cases of hardship or special circumstances will also be dealt with in accordance with this policy.

The use of derivative or hedging arrangements by directors or key management personnel in relation to unvested AKN securities or vested AKN securities which are still subject to an AKN imposed holding lock is prohibited.

## **SCHEDULE 1**

### **Price Sensitive Information**

Price sensitive information can be both financial and non-financial information.

Price sensitive information is any information that a reasonable person thinks would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, or buy or sell, the securities.

This list is not exhaustive. It aims to provide examples of what information could be considered price sensitive:

- current or prospective profit/loss figures
- proposed action in the form of dividends, bonus or new share issues
- proposed major disposals or acquisition of assets
- proposed major contracts beyond the size and nature of contracts normally undertaken by the company
- proposed changes in the debt and equity structure of AKN
- information to be disclosed under the continuous disclosure provisions of the Corporations Act and ASX Listing Rules
- proposed changes to the membership or structure of the Board
- proposed changes in the general character or nature of the business
- information regarding changes in the holdings of substantial shareholders
- an agreement between AKN and a director
- a change in accounting policy to be adopted by the entity
- drilling results
- resource/reserve estimations