

Metals X Limited

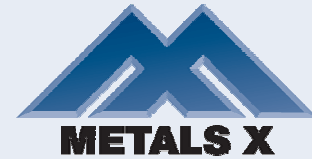
Securities Trading Policy

1. PURPOSE

- 1.1 This Policy sets out the requirements for directors, employees, consultants and contractors of Metals X Limited ('Metals X' or 'the Company') and its related entities (collectively 'Staff') in relation to dealing in securities of Metals X.
- 1.2 This Policy has important implications for all Staff. If you do not understand the implications of this Policy or how it applies to you, you should raise the matter with the Managing Director or the Company Secretary before trading in any securities which may be affected by this Policy or the law.
- 1.3 This Policy only provides a summary of applicable legal and regulatory issues which are complex, and should therefore only be used as a general guide, not as legal advice.

2. INSIDER TRADING

- 2.1 The Corporations Act 2001 prohibits insider trading.
- 2.2 A person ('the insider') who possesses inside information about a company must not apply for, acquire, or dispose of a company's securities or derivatives or procure someone else to do these things for them.
- 2.3 An insider is also prohibited from communicating inside information to another person if the insider knows or ought to know that this person will apply for, acquire, or dispose of a company's securities or derivatives or get someone else to do these things for the person.
- 2.4 Inside information, in general terms, is information that:
 - (i) is not generally available;
 - (ii) concerns a company's financial position, strategy or operations and any other information; and
 - (iii) which a reasonable person might consider, if it were generally available, would be likely to have a material effect on a decision to buy or sell a company's securities (or derivatives).
- 2.5 Examples of possible inside information include, but are not limited to:
 - a material variance in the financial performance of the Company against its budget;
 - entry into or termination of a material contract (such as a major joint venture);
 - a material acquisition or sale of assets by the Company;
 - an actual or proposed takeover or merger;
 - material drilling results;
 - an actual or proposed change to the Company's capital structure;
 - a proposed dividend or a change in dividend policy;
 - a significant change in senior management of the Company; or
 - a material claim against the Company or other unexpected liability.



- 2.6** Information is generally available if:
- it is on the Company's website;
 - it is published in the media;
 - it has been available for some time and be expected to be known to investors; or
 - it has been published from information which has already been made public.
- 2.7** Insider trading is a criminal offence. If you are found guilty of insider trading, you could be liable to a fine or a jail term. You may also have to compensate others for their losses.

3. THE TRADING POLICY

- 3.1** As a general rule Staff must not:
- (i) buy, sell or otherwise deal in Metals X securities while in possession of price sensitive information;
 - (ii) advise, procure or encourage any other person to buy, sell or otherwise deal in Metals X securities while in possession of price sensitive information;
 - (iii) pass on information to any person, if you know or ought to reasonably know that the person may use the information to buy, sell or otherwise deal (or procure another person to buy, sell or otherwise deal) in Metals X securities.
- 3.2** Staff should not buy, sell or otherwise deal in Metals X securities during a prohibited period. A prohibited period is:
- (i) the period of one month immediately preceding the announcement of Metals X annual results;
 - (ii) the period of one month immediately preceding the announcement of Metal X half-year results;
 - (iii) the period of one month immediately preceding the announcement of Metals X quarterly results or, if shorter, the period from the relevant end of quarter up to and including the time Metals X quarterly results are announced;
 - (iv) any period when Metals X is in possession of unpublished price sensitive information;
 - (v) any other period notified by the Company, when Staff are prohibited from trading, which may be imposed by the Company from time to time when the Company is considering matters which are subject to Listing Rule 3.1A.
- 3.3** Senior Management is required to obtain prior written approval from the Chairman, or in his absence, the approval of two directors prior to any trading being undertaken.
- 3.4** The dealing in financial products issued or granted over or in respect of Metals X securities which have the effect of limiting the economic risk of participating in unvested entitlements is prohibited during a prohibited period.
- 3.5** If you have price sensitive information relating to a company other than Metals X which is not generally available, the same insider trading rules apply.
- 3.6** Dealing in Metals X securities during a prohibited period by a family member is to be discouraged.

4. EXCLUDED TRADING

4.1 For the purpose of this trading policy, the following dealing in securities are permitted during a prohibited period:

- (i) transfers of securities where the beneficial ownership of the securities does not change, e.g. the transfer of securities already held into a superannuation fund where the Staff is a beneficiary;
- (ii) the exercise of an option or a right, or the conversion of a convertible security, where the final date to exercise the option or right, or convert the security, falls during a prohibited period;
- (iii) undertakings to accept, or acceptance of, takeover offers;
- (iv) trading under an offer or invitation made to all or most of the Company's security holders, such as a rights issue, security purchase plan, a dividend reinvestment plan or securities buy-back.

4.2 Staff who are not in the possession of price sensitive information, may be given prior written clearance by the Board to sell or otherwise dispose of Metals X during a prohibited period, where the Staff is in severe financial difficulties or other exceptional circumstances determined by the Board, such as required under a court order, in a bona fide family settlement, or some other overriding legal or regulatory requirement to do so.

5. DEFINITIONS

5.1 What are securities?

For the purpose of this Policy, securities are any listed or unlisted class of share, right, option, warrant, convertible note, bond, debenture, or any financial products issued or created over or in respect of Metals X securities.

5.2 What is dealing in securities?

For the purpose of this Policy, dealing includes buying, selling, subscribing for any Metals X securities, whether on your own account or on behalf of another person.

Legally there are many forms of dealing such as granting options over shares, entering conditional contracts to buy or sell securities and so on. If you are considering any transaction whatsoever involving Metals X securities, you should only do so in consideration of this Policy.

5.3 What is price sensitive information?

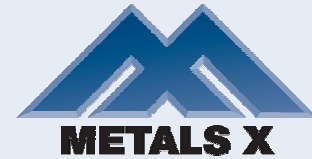
For the purpose of this Policy, price sensitive information means any information relating to Metals X that would, if the information were publicly known, be likely to:

- (i) have a material effect on the price or value of Metals X securities; or
- (ii) influence persons who commonly invest in securities in deciding whether or not to buy, sell or otherwise deal in Metals X securities.

5.4 Who are Senior Management?

Senior Management of the Company for the purposes of this policy is:

- (i) the Board;
- (ii) the Chief Executive Officer or any other senior executives; and
- (iii) the Company Secretary.



5.5 What is insider trading?

For the purpose of this Policy, insider trading arises when you buy, sell or otherwise deal in securities whilst in the possession of price sensitive information which has not been published or which is not otherwise generally available.

5.6 Who is a family member?

For the purpose of this Policy, a family member is your spouse or partner, your parents or parents-in-law (including parents of partners), your children/stepchildren (including children of partners) and the spouse/partners of any of those people.

6. CONSEQUENCE

6.1 Compliance with this Policy is a condition of employment. Failure to comply with this Policy, whether or not involving actual insider trading as a matter of law, could result in disciplinary action being taken against you by Metals X or your dismissal from employment.

6.2 Compliance with this Policy is a condition of contracting with Metals X. Failure to comply with this Policy, whether or not involving actual insider trading as a matter of law, could result in the termination of your contract with Metals X.

7. PROCEDURES

7.1 You can deal in Metals X securities outside of the prohibited periods, unless you hold price sensitive information. Senior Management is required to obtain prior written approval from the Chairman, or in his absence, the approval of two directors prior to any trading being undertaken.

7.2 Directors of Metals X are required to notify the Company Secretary details of:

- (i) all Metals X securities they hold directly or indirectly at the time they are appointed as a director;
- (ii) all changes in Metals X securities they hold directly or indirectly within 2 days of the transaction occurring.

8. PUBLICATION OF CHARTER

This Policy will be made available to Metals X shareholders on request.

A copy of this Policy will be made available on the Metals X website:

www.metalsx.com.au