



COMPANY SECURITIES TRADING POLICY

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1. Overview

When directors, employees or contractors of InterMet Resources Limited (**Company**) or any of its subsidiaries (collectively, the **InterMet Group**) or any spouses, dependent children, family trusts, trustees and family companies or other entities associated with any such director, employee or contractor (each a **Relevant Person**) purchase, sell or otherwise deal in any securities of the Company (each a **Security**) they must be certain that their actions do not breach the law or reflect badly on themselves or the Company.

The following Trading Policy (**Policy**) is designed to avoid the possibility that any Relevant Person breaches the law in relation to dealing in any the Securities on the basis of "inside information" or creates misconceptions, misunderstandings or suspicions as a result of any dealing in a Security.

The Corporations Act requires that "insiders" ie persons who are in possession of "inside information":

- (a) do not trade in or recommend the purchase or sale of Securities while such information remains undisclosed to the general public; and
- (b) are only allowed to trade in or recommend Securities after that information has been publicly disclosed and a reasonable time for the information to be absorbed by the general public has elapsed.

2. "Inside Information"

Information is "inside information" where it is not generally available and a reasonable person would expect that information, once publicly disclosed, to have a material effect on the price or value of any Security. Public disclosure of "inside information" is usually effected by release to the public via an announcement to the Australian Securities Exchange.

Examples of "inside information" include:

- new discoveries;
- assay results;
- significant purchases or sale of assets;
- exploration results;
- changes in capital or management structure;
- financial information (profit forecasts, borrowings, liquidity etc);
- proposed share issues; or
- impending takeovers, acquisitions, mergers or litigation.

The Corporations Act imposes severe penalties (both criminal and civil) on persons who conduct insider trading activities. Perhaps more importantly, any perceptions of improper conduct by any Relevant Person has the potential to damage substantially the Company's reputation.

In the final analysis, each Relevant Person must be guarded by a sense of fairness to all segments of the investing public.

3. Restrictions on Dealing in Securities

The Company's Policy regarding allowable dealings by any Relevant Person in any Securities is that each of those persons must:

- never engage in short term trading of Securities, whether or not whilst in possession of "inside information";
- never purchase, sell or otherwise deal in any Securities while in possession of "inside information";
- notify the Company Secretary or failing him, the Chief Executive Officer of any material transactions involving Securities that a Relevant Person is involved in or aware of;
- restrict the buying and selling of Securities to a thirty (30) day period immediately following the date of each annual and other general meeting and immediately following each date on which the Company gives to the ASX its annual, half yearly and quarterly reports (each a "**Trading Window**"). For the avoidance of doubt:
 - o all time or periods other than a Trading Window will be regarded as a **Closed Period**; and
 - o all Relevant Persons must not deal in Securities at any time outside of a Trading Window.

In addition to a Closed Period, dealings in any Securities by Relevant Persons may also be prohibited from time to time, such as where a development of major importance is expected to reach the appropriate time for public disclosure. For the avoidance of doubt, each Closed Period and any additional period in which the Company declares that dealings in its Securities by any Relevant Person are prohibited will hereafter be referred to as a **Prohibited Period**.

4. Permissible Transactions

In addition to trading permitted inside the Trading Window, dealings in Securities may also be appropriate under the following circumstances, provided that prior to making a purchase, sale or other dealing a Relevant Person obtains prior written clearance from the Chairman, Chief Executive Officer or the Company Secretary (in the manner contemplated in Section 5 below) to ensure that no important developments are pending that are likely to necessitate the declaration of a Prohibited Period in the manner contemplated in Section 3.

Dealings in Securities will be permitted:

- following a release of results, which includes adequate comment on new developments. The timing of the proposed dealing in Securities might even be more appropriate where the report has been mailed to Company shareholders; and
- following the wide dissemination of information on the status of the Company and its current results. For example, dealings in Securities may be appropriate after takeover documents or a prospectus which gives information in connection with a takeover or new financing, have been made publicly available; or

5. Requirement to Notify an Intention to Deal in Securities

All Relevant Persons other than a Director or the Company Secretary of the Company are required to notify the Company Secretary, or failing him the Chief Executive Officer, of any intended dealings in Securities (by themselves or their associates) no later than one (1) day prior to the date of such intended dealing. In the case of the Directors, Chief Executive Officer and the Company Secretary, the Chairman must be so notified.

The notice must be in writing and shall include the name of the Relevant Person, the proposed date of the dealing, the type of transaction proposed (i.e. sale, purchase etc) and the number and class of Securities involved.

Assuming the Company Secretary, or the Chairman (as appropriate), does not advise that the intended dealing is prohibited, following completion of the proposed dealing, the Relevant Person so dealing must provide written confirmation to the Company Secretary that the dealing has occurred, and details of the price per Security that was agreed in the course of that dealing.

6. Excluded Trading

There may be instances of trading that the Company may consider excluding from the operation of this Policy, such as:

- transfers of Securities already held into a superannuation fund or other saving scheme in which the restricted person is a beneficiary;
- an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in the Securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- where a restricted person is a trustee, trading in the Securities by that trust provided the restricted person is not a beneficiary of the trust and any decision to trade during a prohibited period is taken by the other trustees or by the investment managers independently of the restricted person;
- undertakings to accept, or the acceptance of, a takeover offer;
- trading under an offer or invitation made to all or most of the Security holders, such as, a 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;
- a disposal of Securities that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement;
- the exercise (but not the sale of Securities following exercise) of an option or a right under an employee incentive scheme, or the conversion of a convertible security, where the final date for the exercise of the option or right, or the conversion of the Security, falls during a Prohibited Period and the Company has been in an exceptionally long Prohibited Period or the Company has had a number of consecutive Prohibited Periods and the restricted person could not reasonably have been expected to exercise it at a time when free to do so; and

- trading under a non-discretionary trading plan for which prior written clearance has been provided in accordance with the manner set out in Section 5 and where:
 - the Relevant Person did not enter into the plan or amend the plan during a Prohibited Period;
 - the trading plan does not permit the Relevant Person to exercise any influence or discretion over how, when, or whether to trade in any Securities; and
 - this Policy does not allow the Relevant Person to cancel the trading plan or cancel or otherwise vary the terms of the Relevant Person's participation in the trading plan during a Prohibited Period other than in exceptional circumstances.

7. Exceptional Circumstances

In addition, a Relevant Person who is not in possession of inside information may be given prior written clearance for an expressly designated period of time, to sell or otherwise dispose of Securities during a Prohibited Period where that Relevant Person is in severe financial hardship or there are other exceptional circumstances. The evaluation of such circumstances will be a matter that is to be determined by the Chief Executive Officer, or where relevant Chairman, of the Company.

Without limitation to the above, a Relevant Person may be in severe financial hardship if that Relevant Person has a pressing financial commitment that can only be satisfied by the sale or disposal of Securities, such as payment of a tax liability or satisfaction of a court order. The burden will be on the Relevant Person to satisfy the Chief Executive Officer, or where relevant Chairman, of the existence of the severe financial hardship or that their circumstances are otherwise exceptional and that the proposed sale of the Securities is the only reasonable course of action available.

8. Confidentiality

The prohibitions under the Corporations Act extend to communicating inside information to another person or persons. To this end, Directors, employees and contractors of any member of the InterMet Group must not, either directly or indirectly, give inside information, or allow such information, to be given to another person who they know, or should know, would be reasonably likely to commit a prohibited dealing as described in this Policy.

9. Dealings with Analysts, Institutional Investors and Journalists

Directors, employees and contractors of any member of the InterMet Group may be exposed to persons outside the Company such as security analysts, institutional investors and journalists. It is important that those individuals are aware that selective disclosure of inside information may result in a breach of the insider trading laws and this Policy. For instance, if a report containing inside information concerning the Company was communicated only to local or trade journals and if full public disclosure of the information was not made at the same time, it is possible that that communication may give rise to a breach of the Corporations Act.

It is important to stress that it is the mere fact of conveyance of the inside information that gives rise to liability, not the manner in which it is conveyed or the direct or indirect consequences that arise as a result of that communication. For example, the confirmation of an analyst's educated guess about a situation not known to the general public may be just as much a breach of the Corporations Act as the direct conveyance of the information to an analyst.

A Relevant Person will convey information in breach of this Policy and the Corporations Act by expressing subjective attitudes about the Company's performance or calling attention to disparate pieces of information not publicly available in aggregate to the general public. It is essential to avoid the indirect conveyance of inside information by any means whatsoever.

If, during the course of a discussion with an analyst, journalist, investor or other outsider, inside information concerning the Company is disclosed, inadvertently or otherwise:

- the recipient of the information should be immediately informed in writing of its non-public nature and cautioned against its use unless and until the Company has made full disclosure of that information; and
- the Company Secretary should be immediately notified in writing of the situation so that a decision can be made regarding the disclosure of the information.

10. Board's Discretion

The Board of the Company has an absolute discretion to place an embargo on Directors, employees, contractors and any other Relevant Person trading in Securities at any time.

11. Breaches of the Securities Trading Policy

Any employee of contractor proven to be dealing in Securities in breach of this Policy will be subject to a full disciplinary investigation in accordance with the Company's Disciplinary Policy.

The outcomes of which may include result a range of penalties including termination of employment or contractual engagement.

12. Further Information

Further information concerning the obligations of all Directors, employees and contractors of any member of the InterMet Group in relation to the Corporations Act or the terms of this Policy are available from the Company Secretary.

When in doubt, employees are strongly advised to seek independent legal or other professional advice on the matter.