

SECURITIES TRADING POLICY

1. GENERALLY

The Coppermoly Trading Policy regulates dealings in shares and other securities issued by Coppermoly by Directors, key management personnel, employees and contractors of Coppermoly Ltd and Copper Quest (PNG) Ltd (in this Policy, referred to as **restricted persons**).

In order to preserve the reputation and integrity of Coppermoly it is vital that when people who are associated with Coppermoly, and deal in Coppermoly's securities, those dealings are not only fair, but are seen to be fair. When restricted persons deal in securities of Coppermoly they must be sure that it does not reflect improperly on them or Coppermoly.

The rationale for the Policy is to ensure that restricted persons are aware of the legal restrictions on trading Coppermoly securities while a person is in possession of unpublished Coppermoly price-sensitive information and to impose certain closed periods during which trading is prima facie prohibited.

2. STANDARDS

All restricted persons should ensure that all transactions in Coppermoly shares or other Coppermoly securities which may be issued from time to time by Coppermoly (**Coppermoly securities**) comply with:

- The Corporations Act 2001 and Regulations (particularly the insider trading provisions); and
- The ASX Limited Listing Rules, including:
 - the continuous disclosure requirements in Listing Rule 3.1 and the disclosure of the director's interest in accordance with Listing Rule 3.19A; and
 - the trading policy requirements contained in Listing Rules 12.9 -12.12.

3. THE INSIDER TRADING PROVISIONS

The insider trading provisions of the Corporations Act (**Insider Trading Provisions**) operate to prohibit a person (which includes a company) in possession of "inside information" about financial products (including shares and other securities) from:

- applying for, acquiring or disposing of those financial products (or entering in an agreement to do so) (the trading offence);
- "procuring" another person to do any of the things set out in paragraph (i) (the procuring offence); and
- in some cases where the financial products are able to be traded on a financial market, merely communicating the information.

A person will be taken to have **procured** another if that person incites, induces, or encourages or causes an act or omission by another person.

"Inside information" is information which is not "generally available" and information which a reasonable person would expect to have a "material effect on the price" or value of the particular financial products in question.

4. RESTRICTIONS ON TRADING AND DEALING

4.1 General restriction

Restricted persons must not, despite anything on the contrary in this Policy, trade in any Coppermoly securities while that person is in possession of inside information.

4.2 Specific restrictions

Restricted persons who hold Coppermoly securities under an incentive plan offered by Coppermoly from time to time, must not, without the prior consent in writing of Coppermoly, sell, create a security interest in, or otherwise dispose or deal with their Coppermoly securities or any of their interests in any of those Coppermoly securities.

Coppermoly Directors and key management personnel are also prohibited from entering into transactions which limit the economic risk of participating in unvested entitlements. This prohibition includes hedging of unvested options or any other activity which may negate the incentive such options provide.

5. CLOSED PERIODS FOR TRADING

Subject to paragraph 6 below, restricted persons must not trade in Coppermoly's securities during the following "closed periods":

- 1 January up to and including the day on which Coppermoly's quarterly cash flow report is released;
- 1 April up to and including the day on which Coppermoly's quarterly cash flow report is released;
- 1 July up to and including the day on which Coppermoly's quarterly cash flow report is released; and
- 1 October up to and including the day on which Coppermoly's quarterly cash flow report is released.
- when the Board has resolved that there is a prohibition on trading in Coppermoly's securities.

At any other time, other than a black out period, restricted persons may trade in Coppermoly securities, but only if they do not have inside information.

6. EXEMPTIONS

6.1. Excluded trading

A restricted person may trade in Coppermoly securities during a closed period if that trading falls within one of the following categories of "excluded trading":

- transfers of Coppermoly securities already held from a restricted person's own name into a superannuation fund to 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 Coppermoly securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- undertakings to accept, or the acceptance of, a takeover offer;
- trading under an offer or invitation made to all or most of Coppermoly's members such as, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan or an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board;
- a disposal of Coppermoly securities that is the result of a security lender exercising their rights, for example, under a margin lending arrangement; or
- trading under any Coppermoly employee incentive scheme in accordance with the rules of a Board approved Incentive Plan.

6.2. Trading with Consent

A restricted person may trade in Coppermoly securities during a closed period if that person obtains written permission to do so in accordance with paragraph 6.3.

6.3. Procedure for Obtaining Written Consent to Trade

- (a) A restricted person who wishes to trade in Coppermoly securities during a closed period (**Applicant**) must obtain the prior written permission (whether by letter, facsimile, electronic or other form of visible communication) of:
- (i) The Chairman and the Managing Director; or
 - (ii) Where the Chairman or the Managing Director is the Applicant, the other of them and another Director (collectively the **Approvers**).

- (b) As part of his or her application, an Applicant must give the Approvers an undertaking that the Applicant complies with paragraph 4.1;
- (c) The Approvers may only provide written permission (whether by letter facsimile, electronic or other form of visible communication) to trade in Coppermoly securities where:
 - (i) The restricted person is in severe financial hardship or other exceptional circumstances exist; and
 - (ii) The Approvers are satisfied that there is no inside information which has not been disclosed to ASX Limited.
- (d) The following are examples of situations of severe financial hardship or other exceptional circumstances which the Approvers may consider sufficient to warrant approval under this paragraph 6:
 - (i) “severe financial hardship” could include (but is not limited to) the Applicant having a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant Coppermoly securities; and
 - (ii) “exceptional circumstances” could include (but is not limited to) where the Applicant is required by a court order, or there are court enforceable undertakings, for example, in a bona fide family settlement, to transfer or sell Coppermoly securities or there is some other overriding legal or regulatory requirement for him or her to do so.
- (e) An Applicant seeking clearance to trade must satisfy the Approvers that they are in severe financial hardship or that their circumstances are otherwise exceptional and that the proposed sale or disposal of the relevant Coppermoly securities is the only reasonable course of action available.
- (f) Determination as to whether the Applicant is in severe financial hardship or whether a particular set of circumstances exist may only be made by the Approvers.
- (g) Any permission provided under this paragraph 6 must be obtained by the Applicant not less than two business days before the proposed trade.

7. POLICY RESPONSIBILITY

Each restricted person is responsible for adhering to Coppermoly’s standard for trading in Coppermoly securities.

Directors must advise the Company Secretary in writing of the details of any completed transactions within 5 business days of the transaction. The Company Secretary will be responsible for maintaining a record of disclosures.

The Company Secretary has responsibility for maintaining the Policy.

8. INSIDER TRADING

The requirements imposed by the Policy are separate from, and additional to, the legal prohibitions in the Corporations Act on insider trading.



Dr Wanfu Huang
NON-EXECUTIVE DIRECTOR
18 September 2015

Reviewed at Board Meeting 2 August 2011
Reviewed at Board Meeting 31 August 2012
Reviewed, amended and adopted by Directors’ circulating resolution dated 18 September 2015