

# Schedule 2 - Securities Trading Policy

## 1. SUMMARY OF THIS POLICY

This policy is to clarify the obligations on Restricted People (as defined below), in relation to trading in Myanmar Metals Limited's ("MYL" or the "Company") Securities.

All queries regarding issues raised in this policy should be directed to the Company Secretary.

## 2. INTRODUCTION

The purpose of this policy is to ensure that Restricted People are aware of and abide by the legal restrictions on trading MYL Securities at all times. This policy is designed to ensure that public confidence in MYL is maintained.

This requires that the Company actively promote ethical and responsible decision making in relation to trading in its Securities. To achieve this, the Board recognises the need, and the ASX obligation under the ASX Listing Rules, to have a policy concerning the trading of MYL Securities.

This share trading policy has been approved by the MYL Board and regulates dealings by the Restricted People in MYL Securities.

## 3. PERSONS COVERED BY THIS POLICY

### 3.1 Restricted People

This policy applies to employees, officers, directors and key consultants of MYL or its subsidiaries, and:

- a) their spouses or de facto spouses;
- b) their dependents under 18 years of age;
- c) an unlisted body corporate which the director, company secretary or employee controls or is a director of;
- d) a trust of which the director, company secretary or employee is a trustee and of which he or she or any of the people referred to above is a beneficiary;
- e) any other person over whom the director, company secretary or employee has significant influence or control.

("Restricted People" or "Restricted Person" as the case may be)

It is the duty of the Restricted People to avoid dealing in any way contrary to this Policy.

## 4. SECURITIES

### 4.1 MYL Securities

This policy applies to all securities issued by the Company, and includes the following types of securities:

- (a) shares, share acquisition rights and options;
- (b) debentures (including bonds and notes);

- (c) derivatives of any of the above (including equity swaps, futures, hedges and exchange-traded or over-the-counter options) whether settled by cash or otherwise,  
("MYL Securities").

## **4.2 Securities in Other Companies**

The insider trading provisions in the Corporations Act also apply to the securities of other companies and entities if you have Inside Information about that company or entity. These other companies and entities may include suppliers or customers of MYL; joint venture partners; or companies that the Company or a subsidiary of the Company has entered (or is planning to enter) into a transaction with, for example a takeover or asset sale.

# **5. INSIDER TRADING**

## **5.1 General Prohibition**

The Corporations Act prohibits a person who has inside information about a company from:

- (a) buying or selling securities in a company, or entering into an agreement to buy or sell securities, or exercising options over securities, or otherwise applying for, acquiring or disposing of securities;
- (b) encouraging someone else to deal in securities in that company; or
- (c) directly or indirectly providing that information to another person where they know, or ought to know, that the person is likely to deal in securities or encourage someone else to deal in securities of that company.

Restricted People must not communicate price-sensitive information or cause that information to be communicated to another person other than for MYL's business purposes, and then only subject to appropriate confidentiality arrangements.

## **5.2 How You Become Aware of the Information is Irrelevant**

It is irrelevant how or in what capacity the person comes into possession of the information. This means that the insider trading prohibitions will apply to any Restricted Person who acquires inside information in relation to MYL Securities, no matter in which capacity, and that person is prohibited from dealing in MYL securities.

## **5.3 Information Which Might Affect Price or Value**

The prohibition referred to in this policy refers to unpublished information which, if generally available, might materially impact the price or value of MYL Securities.

## **5.4 What Does Information Include?**

"Information" includes matters of supposition and other matters which are insufficiently definite to warrant being made known to the public, and matters relating to the intentions or likely intentions of a person.

## **5.5 What Information Might Materially Affect Price or Value?**

This means information that a reasonable person would expect to have a material effect on the price or value of MYL Securities. A reasonable person would be taken to expect information to have a material effect on the price or value of MYL Securities if the information would be likely to influence persons who commonly invest in securities whether or not to do so.

Examples of the type of information which might affect the price or value of MYL Securities, depending on the circumstances, include:

- drilling or metallurgical results;
- proposed changes in capital structure;

- information relating to MYL's financial results;
- a material acquisition, divestment or realisation of assets;
- proposed share issues;
- changes to the Board;
- possible events which could have a material impact on profits (negatively or positively);
- proposed changes in the nature of the business of MYL;
- notification to MYL of a substantial shareholding;
- takeovers or mergers involving MYL; and
- any information required to be announced to the market pursuant to Listing Rule 3.1.

#### 5.6 What does "Unpublished" Mean?

"Unpublished" for the purpose of this policy means that the information is not generally available. Information is generally available if it consists of readily observable matter, or it has been made known in a manner likely to bring it to the attention of investors and a reasonable period has elapsed to enable the information to be disseminated, or it is information that is deduced from any such information. MYL releases information to the market via the ASX announcements platform.

ASX publishes information to the market by releasing MYL announcements through the Company Announcements Platform. All announcements are available on the ASX website.

#### 5.7 Employee share schemes

The prohibition does not apply to acquisitions of shares or options by Restricted People made under employee share or option schemes, nor does it apply to the acquisition of shares as a result of the exercise of options under an employee option scheme. However, the prohibition does apply to the sale of shares acquired under an employee share scheme and also to the sale of shares acquired following the exercise of an option granted under an employee option scheme.

## 6. GUIDELINES FOR TRADING IN THE COMPANY'S SECURITIES

### 6.1 General rule

Restricted People must not, except in exceptional circumstances deal in securities of the Company during the following periods:

- From 15 September until 24 hours after the release of the Company's annual financial report;
  - From 1 March until 24 hours after the release of the Consolidated half yearly financial report of the Company; and
  - From the 15<sup>th</sup> of January, April, July and October until 24 hours after the release of the Company's quarterly reports,
- (together the Closed Periods).

The Company may at its discretion vary this rule in relation to a particular Closed Periods by general announcement to all Restricted People either before or during the Closed Periods. However, if a Restricted Person is in possession of price sensitive information which is not generally available to the market, then he or she must not deal in the Company's securities at any time.

## 6.2 No short-term trading of the Company's securities

Restricted People should never engage in short-term trading of the Company's securities except for the exercise of options where the shares will be sold shortly thereafter.

## 6.3 Exceptions

(a) Restricted People may at any time:

- (i) acquire ordinary shares in the Company by conversion of securities giving a right of conversion to ordinary shares;
- (ii) acquire Company Securities under a bonus issue made to all holders of securities of the same class;
- (iii) acquire Company Securities under a dividend reinvestment, or top-up plan that is available to all holders or securities of the same class;
- (iv) acquire, or agree to acquire or exercise options under an employee incentive scheme (as that term is defined in the ASX Listing Rules);
- (v) withdraw ordinary shares in the Company held on behalf of the Restricted People in an employee incentive scheme (as that term is defined in the ASX Listing Rules) where the withdrawal is permitted by the rules of that scheme;
- (vi) acquire ordinary shares in the Company as a result of the exercise of options held under an employee option scheme;
- (vii) transfer securities of the Company already held into a superannuation fund or other saving scheme in which the restricted person is a beneficiary;
- (viii) make an investment in, or trade in units of, a fund or other scheme (other than a scheme only investing in the securities of the Company) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (ix) where a Restricted Person is a trustee, trade in the securities of the Company 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;
- (x) undertake to accept, or accept, a takeover offer;
- (xi) trade 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 buyback, 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;
- (xii) dispose of securities of the Company resulting from a secured lender exercising their rights, for example, under a margin lending arrangement; or
- (xiii) trade under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this Policy.

Where Company securities are provided to a lender as security by way of mortgage or charge, a sale that occurs under that mortgage or charge as a consequence of default would not breach insider trading laws.

## 7. APPROVAL AND NOTIFICATION REQUIREMENTS

Any period which is not a Closed Period, is an **Open Period**. Subject to this policy and the prohibitions on insider trading set out in the Corporations Act, Restricted People are permitted to deal in MYL Securities during an Open Period subject to obtaining prior written approval.

Approval may be given as follows:

- The Chairman/CEO, in respect of trading by another Director other than the Chairman/CEO;
- The CEO in respect of trading by a Restricted Person other than a Director, but including the Chairman
- The Chairman in respect of trading by a Restricted Person other than a Director, but including the CEO.

Any such approval must be obtained in advance. It cannot be given after the event. Such approval will last for no more than 14 days from the date on which it is granted. Approval is only to be granted in writing in the form of a Securities Trading Request Form as has been adopted by the Board. Execution of the Securities Trading Request Form may be completed electronically. Executed Securities Trading Request Forms shall be kept in a register at the Company's registered office.

This notification obligation operates at all times but does not apply to acquisitions of shares or options by employees made under employee share or option schemes, nor does it apply to the acquisition of shares as a result of the exercise of options under an employee option scheme.

## **8. DIRECTOR AND KEY MANAGEMENT PERSONNEL SALES OF SECURITIES**

The Restricted People need to be mindful of the market perception associated with any sale of Company Securities and possibly the ability of the market to absorb the volume of shares being sold.

## **9. EXEMPTIONS FROM CLOSED PERIOD RESTRICTIONS DUE TO EXCEPTIONAL CIRCUMSTANCES INCLUDING FINANCIAL HARDSHIP**

Restricted People who are not in possession of inside information in relation to the Company, may be given prior written clearance by the CEO or Chairman, as per Clause 7, to sell or otherwise dispose of Company securities in a Closed Period where the person is in severe financial hardship or where there are exceptional circumstances as set out in this policy.

A Restricted Person may be in severe financial hardship if they have a pressing financial commitment that cannot be satisfied other than by selling the securities of the Company.

MYL considers that the following circumstances will constitute other exceptional circumstances:

- the person has a tax liability and has no other means of satisfying the obligation without selling or otherwise disposing of the person's MYL securities; or
- where dealings in MYL Securities are required to comply with a court order or court enforceable undertaking or for some other legal or regulatory requirement, such as may be issued by the family court.

This list is not exhaustive and other circumstances will be assessed on their merits if and when they arise. The discretion will be applied taking into account the hardship of the Restricted Person and weighing this against any perceived detriment to MYL's reputation, however

subject to the person granting the clearance being satisfied that the relevant Restricted Person is not in possession of inside information relating to MYL.

A financial hardship or exceptional circumstances determination can only be made by examining all of the facts and if necessary obtaining independent verification of the facts from banks, accountants or other like institutions.

In the interests of an expedient and informed determination by the CEO (or all other members of the Board as the context requires), any application for an exemption allowing the sale of Company securities in a Closed Period based on financial hardship or exceptional circumstances must be made in writing stating all of the facts and be accompanied by copies of relevant supporting documentation, including contact details of the person's accountant, bank and other such independent institutions (where applicable).

Approval to deal in MYL Securities during a Closed Period in the exceptional circumstances referred to above may be given by:

- The Chairman/CEO, in respect of trading by another Director other than the Chairman/CEO;
- The CEO in respect of trading by a Restricted Person other than a Director, but including the Chairman.
- The Chairman in respect of trading by a Restricted Person other than a Director, but including the CEO.

Any such approval must be obtained in advance. It cannot be given after the event. Approval must be in writing which includes electronic communications. Such approval will last for no more than 14 days from the date on which it is granted.

## **10. ASX NOTIFICATION FOR DIRECTORS**

The ASX Listing Rules require the Company to notify the ASX within 5 business days after any dealing in securities of the Company (either personally or through an Associate) which results in a change in the relevant interests of a Director in the securities of the Company. The Company has made arrangements with each Director to ensure that the Director promptly discloses to the Company Secretary all the information required by the ASX.

## **11. COMPLIANCE WITH THIS POLICY**

Compliance with these guidelines for trading in the Company's securities does not absolve that individual from complying with the law, which must be the overriding consideration when trading in the Company's securities.

## **12. BREACH OF THIS POLICY**

A breach of this policy will be regarded as serious and may lead to disciplinary action, including dismissal.