



Securities Trading Policy

1. Introduction

1.1 Background and purpose

Fenix Resources Limited (**Company**) is committed to complying with the Corporations Act and the ASX Listing Rules to create a transparent market in the trading of its securities on the ASX.

ASX Listing Rule 12.9 requires the Company, as a listed entity, to have a trading policy that restricts its key management personnel from trading in its securities during certain closed periods. The Company has determined that its key management personnel are its Directors, Managing Director and Company Secretary, and any employee (whether full-time, part-time or casual) having authority and responsibility for planning, directing and controlling, directly or indirectly, the activities of the Company (**Key Management Personnel**).

Directors and employees are encouraged to hold shares in the Company. It is important, however, that care is taken in the timing of any dealing in the Company's securities to avoid "insider trading".

The purpose of this Policy is to ensure that:

- (a) Key Management Personnel;
- (b) all other employees of the Company and its Related Bodies Corporate;
- (c) contractors or joint venture partners who have agreed to comply with:
 - (i) this Policy, as amended from time to time; or
 - (ii) the Company's policies generally; or
 - (iii) both of the above,

with the terms of their engagement or as part of their engagement,

(together, **Designated Person**), are aware of the legal restrictions on trading securities, while such a Designated Person is in possession of unpublished price sensitive information concerning the Company. If a Designated Person is uncertain of the status of unpublished information, he or she should discuss it with the Chair before engaging in any trade in the Company's securities.

Additionally, the objectives of this Policy are to:

- (a) minimise the risk of Designated Persons contravening the laws against insider trading;

- (b) minimise the risk of the appearance of insider trading and the significant reputational damage that may cause;
- (c) ensure the Company is able to meet its reporting obligations under the ASX Listing Rules; and
- (d) increase transparency with respect to trading in the Company's securities by Designated Persons.

To achieve these objectives, Designated Persons should consider this Policy to be binding on them in the absence of a specific exemption by the Board.

1.2 Who does this Policy apply to?

This Policy applies to all Designated Persons.

In addition, certain sections of this Policy also apply to the related persons of Designated Persons, including an individual's spouse, minor children, and anyone else living in the individual's household and any legal entities controlled by the individual (**Related Persons**).

If you are in any doubt as to how this Policy may affect you, you should seek assistance from the Company Secretary before trading.

2. Definitions and interpretation

2.1 Definitions

General terms and abbreviations used in this Policy have the meanings set out below:

ASX	means ASX Limited ACN 008 624 691 (ASX Limited) or the securities market operated by ASX Limited, as the case may be.
ASX Listing Rules	means the listing rules of the ASX, as amended from time to time.
Audit and Risk Committee	means the audit and risk committee established by the Board.
Board	means the board of Directors of the Company.
Chair	means the chair of the Board.
Company	means Fenix Resources Limited ACN 125 323 622.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Corporations Regulations	means the Corporations Regulations 2001 (Cth).

Designated Person	has the meaning given to that term in paragraph 1.1 of this Policy.
Director	means a director of the Company.
Key Management Personnel	has the meaning given to that term in paragraph 1.1 of this Policy.
Managing Director	means the managing director, or equivalent chief executive officer, of the Company.
Policy	means this securities trading policy.
Related Bodies Corporate	has the meaning given to it in clause 9 of the Corporations Act.
Secretary	means the Company Secretary of the Company.

3. What securities are covered by this Policy?

This Policy applies to the issue of new securities of the Company and its Related Bodies Corporate; and the trading of any securities issued by the Company and its Related Bodies Corporate from time to time.

The definition of “securities” in the Corporations Act is very broad. The Company’s securities include, but are not limited to:

- (a) debentures, stocks or bonds issued, or proposed to be issued, by a government;
- (b) shares in, or debentures of, a body;
- (c) units of such shares; and
- (d) financial products issued or created over or in respect of securities issued by the Company (for example, warrants and other derivative products), whether the financial products are created by the Company or by third parties.

4. Standards

All Designated Persons should ensure that all transactions in the Company’s securities comply with:

- (a) the Corporations Act and Corporations Regulations (including, without limitation, the insider trading provisions); and
- (b) the ASX Listing Rules (including, without limitation, the continuous disclosure requirements in ASX Listing Rule 3.1 and the disclosure of Directors’ interests in accordance with ASX Listing Rule 3.19A).

5. Prohibition on insider trading

5.1 Insider trading prohibition

- (a) The Corporations Act makes it an offence for a person in possession of information that is not generally available but which, if generally available, a reasonable person would expect it to have a material effect on the price or value of the Company's securities to:
- (i) trade in (i.e. apply for, acquire or dispose of, or enter into an agreement to do any of these things) the Company's securities; or
 - (ii) procure another person to trade in the Company's securities,
- (each a **'dealing in the Company's securities'**).
- (b) It is an offence to communicate price-sensitive information to another person with the knowledge that the person could deal in the Company's securities. Accordingly, the prohibition on insider trading cannot be avoided by a person procuring or arranging for another person to deal on his or her behalf.

5.2 What is "price-sensitive information"

Price-sensitive information means information relating to the Company or the Company's subsidiaries that would, if the information were publicly known, be likely to:

- (a) have a material effect on the price or value of the Company's securities; or
- (b) influence persons who commonly invest in securities in deciding whether or not to buy or sell the Company's securities.

5.3 Examples of "price-sensitive information"

Examples of possible price-sensitive information include, but are not limited to, the following:

- (a) information relating to Company drilling exploration results or reserve statements;
- (b) Information on the outcome of any economic studies, such as pre-feasibility studies or definitive feasibility studies;
- (c) information on changes in production or production forecasts;
- (d) information relating to the Company's financial results or forecast results;
- (e) a material acquisition, joint venture, realisation or disposal of assets;
- (f) a threat of material litigation against the Company;
- (g) the Company's sales and profit results materially exceeding or falling short of the market's expectations or the previously announced guidance by the Company;

- (h) a material change in debt, liquidity or cash flow;
- (i) a significant new development proposal (i.e., a new product or technology);
- (j) the granting or loss of a major contract;
- (k) a management or business restructuring proposal;
- (l) a change in the capital structure, such as a capital return or the buy back of a financial product;
- (m) a payment of dividends or a share issue;
- (n) a change to the Board or significant changes in senior management;
- (o) the entering into of an agreement or option to acquire an interest in an asset or business, or to enter into a joint venture or other arrangement in relation to an asset or business; and
- (p) any information required to be announced to the market pursuant to ASX Listing Rule 3.1 (the **Continuous Disclosure Rule**) which is yet to be released to the market.

5.4 **When is the information “generally available”?**

Information is generally available if:

- (a) it consists of a readily observable matter;
- (b) it has been made known in a manner likely to bring the information to the attention of people who commonly invest in securities of a kind whose price or value might be affected by the information, and, since it was made known, a reasonable period for it to be disseminated among such persons has elapsed;
- (c) it is derived from information which has been made public; or
- (d) it consists of observations, deductions, conclusions or inferences made or drawn from other generally available information.

5.5 **Dealing through third parties**

The insider trading prohibitions extend to dealings by individuals through nominees, agents or other associates, such as family members, family trusts and family companies.

5.6 **Consequences for breach of the insider trading prohibition**

- (a) Breach of the insider trading prohibitions by a Designated Person or a Related Person could expose the Designated Person to criminal and civil liability including fines and imprisonment.

- (b) Significantly, a breach of the insider trading prohibitions could result in a Designated Person or a Related Person being sued by another party or the Company for any loss suffered as a result of insider trading.
- (c) Breach of insider trading laws or this Policy will also be regarded by the Company as serious misconduct which may lead to disciplinary action and/or dismissal.

5.7 Source of information is irrelevant

- (a) Trading is prohibited at any time if the person possesses material undisclosed price-sensitive information or knowledge of material facts or changes that are not generally available.
- (b) It does not matter how or where the person obtains the information or knowledge and it does not have to be obtained from the Company to constitute inside information. This means that section 1043A of the Corporations Act will apply to any Designated Person who acquires inside information in relation to the Company's securities, regardless of capacity.

5.8 Employee incentive scheme

- (a) The prohibition on trading in the Company's securities does not apply to acquisitions of shares or options by employees of the Company made under an employee share or option scheme or performance rights plan, nor does it apply to the acquisition of shares as a result of the exercise of options under an employee option scheme.
- (b) The prohibition does, however, apply to the sale of shares acquired under an employee share scheme or performance rights plan and also to the sale of shares acquired following the exercise of an option or performance right granted under an employee option scheme or performance rights plan.

5.9 Director fees

The prohibition on trading in the Company's securities applies to a Director's election to receive his or her fees in shares. Accordingly, a Director is prohibited from making such an election during a Closed Period or any other restricted period.

5.10 Dealing in shares of other companies

- (a) If a Designated Person has price-sensitive information relating to a company other than the Company which is not generally available, the same insider trading rules outlined above apply to buying and selling securities in that company.
- (b) In the course of performing duties as an employee of, or contractor or partner to, the Company, Designated Persons may obtain price-sensitive information relating to another company in a variety of circumstances. Examples include, but are not limited to the following:

- (i) another company may provide price sensitive information about itself to the Company in the course of a proposed transaction;
 - (ii) another company with whom the Company is dealing may provide price sensitive information about a third company; or
 - (iii) information concerning the Company or actions which may be taken by the Company (i.e. a planned transaction or strategic change) could reasonably have an effect on a third party company.
- (c) Apart from the application of the insider trading rules to securities in other companies, Designated Persons are also bound by a duty of confidentiality in relation to information in respect of third parties obtained in the course of their employment or engagement with the Company.

6. Guidelines for trading in the Company's securities

6.1 General rule

There are certain periods when Designated Persons must not deal in the Company's securities, given the heightened risk of actual or perceived insider trading. These periods are set out in paragraph 6.2 and referred to as **Closed Periods**.

Unless otherwise provided by this Policy, Designated Persons are prohibited from dealing in the Company's Securities during Closed Periods.

6.2 Closed Periods

The following are the Company's designated Closed Periods:

- (a) when the Designated Persons are in possession of price sensitive information relating to the Company which is not generally available;
- (b) during the period commencing one month prior to the release of the Company's full year financial results or annual report and ending one trading day after the release of those results or reports to the ASX; and
- (c) during the period commencing two weeks prior to the release of half yearly results announcements and ending at close of the next trading day after the release of those results to the ASX.

The Closed Period trading prohibition does not limit any other obligations of Employees prescribed by this Policy.

6.3 Other restricted periods

- (a) Key Management Personnel

- (i) The Company reserves the right to impose ad hoc restrictions on its Key Management Personnel from trading in its securities in addition to the fixed Closed Periods set out in paragraph 6.2.
 - (ii) In determining when ad hoc restrictions should be imposed on its Key Management Personnel, the Company may have regard to any imminent announcements of market sensitive information it is proposing to make under ASX Listing Rule 3.1.
- (b) Other individuals
- (i) In addition to the Key Management Personnel, the Company may also impose ad hoc trading restrictions on:
 - (A) staff who work closely with, or in close proximity to, Key Management Personnel;
 - (B) staff who work in the finance area or in a strategic planning group;
 - (C) the next layer of management below Key Management Personnel;
 - (D) staff (such as IT staff) who may have access to email or document folders belonging to Key Management Personnel;
 - (E) specific contractors or joint venture partners who may be privy to strategic or sensitive information; and
 - (F) family members and entities closely connected to Key Management Personnel.

6.4 Approval for dealing in Company securities outside of Closed Periods

- (a) A Designated Person who wishes to trade in the Company's securities outside of a Closed Period (**Applicant**) must obtain the prior written consent (which may be provided by way of an email) of:
 - (i) the Chair; or
 - (ii) where the Chair is the Applicant, either the chair of the Audit and Risk Committee or by two other Directors of the Company.

6.5 Exceptions

- (a) This Policy does not apply in the following circumstances:
 - (i) an acquisition of ordinary shares in the Company which results from conversion of securities which carry a right of conversion to ordinary shares;

- (ii) an acquisition of the Company's securities under a bonus issue made to all holders of securities of the same class;
- (iii) an acquisition of the Company's securities under a dividend reinvestment or top-up plan that is available to all holders or securities of the same class;
- (iv) a transfer of the Company's securities between a Designated Person and someone closely related to that Designated Person (such as a spouse, child, family company or family trust) or by Designated Person to his or her superannuation fund, in respect of which prior written clearance has been provided in accordance with the procedures set out in this Policy;
- (v) a disposal of securities arising from the acceptance of a takeover offer, scheme of arrangement or equal access buy-back;
- (vi) a disposal of rights acquired under a pro rata issue;
- (vii) an acquisition of securities under a pro rata issue;
- (viii) an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in the Company's securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (ix) where the Designated Person is a trustee, trading in the Company's securities by that trust provided that the Designated Person is not a beneficiary of the trust and any decision to trade during a Closed Period is taken by the other trustees or by the investment managers independently of the Designated Person;
- (x) an undertaking to accept, or the acceptance of, a takeover offer;
- (xi) trading under an offer or invitation made to all or most of the Company'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. This includes decisions relating to whether or not to take up the entitlements, the take-up by any underwriter under a renounceable or non-renounceable pro rata issue and the sale of entitlements required to provide for the take up of the balance of entitlement under a renounceable pro rata issue;
- (xii) a disposal of the Company's securities that is the result of a secured lender or financier exercising their rights under a margin lending or other secured financing arrangement permitted by this Policy;
- (xiii) an acquisition of securities under an employee incentive scheme;
- (xiv) where the Company has an employee incentive scheme with a member of Key Management Personnel as a trustee of the scheme, an acquisition of securities by that Key Management Personnel in his or her capacity as a trustee of the scheme;

- (xv) an exercise (but not the sale of the Company's securities following exercise) of an option or a right granted under a Company employee incentive plan, 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 Closed Period and the Company has been in an exceptionally long prohibited period or the Company has had a number of consecutive Closed Periods and the Designated Person could not reasonably have been expected to exercise it at the time when free to do so;
 - (xvi) trading under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this Policy and where:
 - (A) the Designated Person did not enter into the plan or amend the plan during a Closed Period;
 - (B) the plan does not permit the Designated Person to exercise any influence or discretion over how, when, or whether to trade; and
 - (C) this Policy does not allow a Designated Person to cancel any such trading plan, or to cancel or otherwise vary the terms of his or her participation in the trading plan during a Closed Period other than in exceptional circumstances; or
 - (xvii) the obtaining by a Director of a share qualification.
- (b) In respect of any share or option plans adopted by the Company, it should be noted that it is not permissible to provide the exercise price of options by selling the shares acquired on the exercise of the options unless the sale of those shares occurs outside the Closed Period. Were this to occur at a time when the person possessed inside information, the sale of the Company's securities would be a breach of insider trading laws, even though the person's decision to sell was not influenced by the inside information that the person possessed and the person may not have made a profit on the sale.
 - (c) Where the Company's 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.
 - (d) Notwithstanding the above, under insider trading laws, a Designated Person who possesses inside information may be prohibited from trading even where the trading falls within any of the exceptions in paragraph 6.4(a) of this Policy.

6.6 Restricted Trades

Despite any other provision of this Policy Designated Persons must not:

- a) trade in any derivative products issued by the Company over its securities, including warrants, options and contracts for difference.

- b) engage in short term trading of any of the Company's securities. An example of this would be to purchase the Company's shares with an intention to sell them within a 12 month period.
- c) engage in short selling of the Company's securities.
- d) enter into an arrangement that would have the effect of limiting their exposure to risk relating to either unvested remuneration, or vested remuneration which remains subject to a holding lock.
- e) enter into any margin lending or other secured financing arrangements in respect of the Company's securities.

6.7 **Approval for dealing in Company securities during Closed Periods in exceptional circumstances**

- (a) A Designated Person who wishes to trade in the Company's securities during a Closed Period (**Applicant**) must obtain the prior written consent (which may be provided by way of an email) of:
 - (i) the Chair; or
 - (ii) where the Chair is the Applicant, either the chair of the Audit and Risk Committee or two other Directors of the Company.

(collectively, the **Decision Maker(s)**).
- (b) As part of such application, an Applicant must give the Decision Maker(s) a written undertaking confirming that the Applicant is not in possession of inside information and falls within the parameters of either:
 - (i) financial hardship, as set out in paragraph 6.7(d); or
 - (ii) exception circumstances, as set out in paragraph 6.7(f); or
 - (iii) the parameters set out in paragraph 6.4(a)(iv),

of this Policy.
- (c) The Decision Maker(s) may only provide written permission to trade during a Closed Period in the Company's securities where:
 - (i) the Designated Person is in severe financial hardship (or where other exceptional circumstances exist); and
 - (ii) the Decision Maker(s) is satisfied that there is no inside information which has not been disclosed to the ASX.
- (d) A Designated Person may be in severe financial hardship if he or she has a pressing financial commitment that cannot be satisfied other than by selling some or all of his or her securities in the Company.

- (e) In the interests of an expedient and informed determination by the Decision Maker(s), any application for an exemption allowing the sale of the Company's securities during a Closed Period based on financial hardship must be made in writing and be accompanied by copies of relevant supporting documentation, including contact details of the person's accountant, bank and other such independent institutions. Any exemption, if issued, will be in writing and will contain a specified time period during which the sale of securities can be made.
- (f) Exceptional circumstances may apply to the disposal of the Company's securities by a Designated Person if the person is required by a court order, a court enforceable undertaking (for example in a bona fide family settlement, to transfer or sell securities of the Company) or there is some other overriding legal or regulatory requirement to do so. Any application for an exemption allowing the sale of the Company's securities during a Closed Period based on exceptional circumstances must be made in writing and be accompanied by relevant court and/or supporting legal documentation. Any exemption, if issued, will be in writing and will contain a specified time period during which the sale of securities can be made.
- (g) An Applicant seeking clearance to trade must satisfy the Decision Maker(s) that he or she is in severe financial hardship or that their circumstances are otherwise exceptional and that the proposed sale or disposal of the relevant Company securities is the only reasonable course of action available.
- (h) 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 Decision Maker(s).
- (i) Any permission provided under this paragraph 6.7 must be obtained by the Applicant not less than two trading days before the proposed trading.
- (j) Copies of written approvals must be forwarded to the Secretary prior to the approved purchase or sale transaction.
- (k) A clearance to trade can be given or refused by the Company in its absolute discretion. The Company's decision to refuse clearance is final and binding on the person seeking clearance.
- (l) A clearance to trade can be withdrawn if new information comes to light or there is a change in circumstances.
- (m) If clearance to trade is refused, the person seeking the clearance must keep the information relating to the refusal (including the refusal itself) confidential and not disclose it to anyone.

6.8 Sales of securities

Designated Persons need to be mindful of the market perception associated with any sale of the Company's securities and possibly the ability of the market to absorb the volume of shares being sold. With this in mind, the management of the sale of any significant volume of the Company's securities (i.e. a volume that would represent a volume in

excess of 10% of the total securities held by the seller prior to the sale, or a volume to be sold that would be in excess of 10% of the average daily traded volume of the shares of the Company on the ASX for the preceding 20 trading days) by a Designated Person must be discussed with the Board prior to the execution of any sale. These discussions must be documented in the form of a file note, to be retained by the Secretary.

7. ASX notification by Directors

- (a) Directors are required to notify the Chair and the ASX of any dealing in the Company's securities (either personally or through a third party) which results in a change in the relevant interests of the Director in securities in the Company.
- (b) While the Corporations Act requires Directors to notify the ASX of any changes to their holdings within 14 days (or if also a substantial shareholder as early as by 9.30am on the next trading day), the Company is required under the ASX Listing Rules to notify the ASX:
 - (i) of the initial holding of each Director upon appointment and such subsequent dealings within five business days of the change; and
 - (ii) whether the dealing occurred during a Closed Period and if so, whether written clearance was obtained and on what date it was obtained.
- (c) To enable the Company to comply with these requirements, each Director must enter into a letter agreement with the Company in a form consistent with the pro forma agreement set out in Attachment 1 to Guidance Note 22 of the ASX Listing Rules. Directors must furnish the relevant information as soon as reasonably possible and in any event no later than three business days after the date of appointment or change, to the Secretary who will facilitate the transmission of these notifications to the ASX. Notifications will also be tabled before the Board.

8. Employment and monitoring

- (a) To promote understanding of the insider trading prohibition and related Corporations Act provisions and this Policy, a copy of this Policy will be distributed to all Designated Persons (present and future) and will be available on the Company's website.
- (b) The induction procedures for new Designated Persons must require that a copy of this document be provided to each new Designated Person.

9. Compliance

- (a) Compliance with the rules set out in this Policy is mandatory and is a condition of the:

- (i) employment of each employee; and
- (ii) engagement of each specified contractor or joint partner

by the Company.

Infringement of the insider trading provisions can attract a substantial monetary penalty, imprisonment or both in addition to loss of employment or other disciplinary action.

- (b) Any Designated Person who does not comply with this Policy will be considered to have engaged in serious misconduct which may result in the termination of their engagement by the Company.
- (c) Ultimate discretion rests with the Chair in respect of granting a waiver to the requirements of this Policy to allow Designated Persons to trade in the shares of the Company, provided that to do so would not be illegal.
- (d) A waiver can be given or refused by the Chair in his or her absolute discretion. The Chair's decision to refuse a waiver is final and binding on the person seeking the waiver.

10. Review

The Board will review this Policy annually and this Policy may be amended by resolution of the Board.

11. Policy responsibility

Each Designated Person is responsible for adhering to this Policy. The Secretary has responsibility for enforcing this Policy.

12. Disclosure of Policy

This Policy will be made available, and updated as required, on the Company's website (<https://fenixresources.com.au/>) in a clearly marked "Corporate Governance" section.