

# INTERMET RESOURCES LIMITED

## SHARE TRADING POLICY

### Overview

When directors and employees deal in securities of the Company they must be sure that it does not reflect badly on them or the Company. The following policy is designed to avoid the possibility that misconceptions, misunderstandings or suspicions might arise.

Until released to the public, information that is “material” to the price of securities that are traded and relevant to the Company’s plans, information concerning the success or failure of the Company and other results may be confidential “inside” information under the provisions of the Corporations Act 2001 (Cth).

The Corporations Act requires that insiders do not trade in or recommend the Company’s securities while such inside information remains undisclosed to the general public, and are allowed to trade in or to recommend the Company’s securities only after the inside information has been publicly disclosed and a reasonable time for the information to be absorbed by the general public has elapsed.

Information is material if there is a substantial likelihood that, under all the circumstances, the information could reasonably be expected to have been of significance in the deliberations of a reasonable shareholder in deciding whether to purchase or sell securities in the Company.

Material information may be either inside information, that is, information affecting the Company’s assets or earning power, or market information – ie. information affecting the market for the Company’s securities.

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 directors and employees of the Company has the potential to substantially damage the Company’s reputation.

In the final analysis, directors and employees must be guarded by a sense of fairness to all segments of the investing public.

### Directors to Notify ASX of Shareholding

Directors are required (under ASX Listing Rule 3.19A and section 205 of the Corporations Act) to notify the Australian Stock Exchange Limited of the acquisition or disposal of any Company securities.

### Restrictions on Dealing

The Company’s policy regarding allowable dealings by directors and employees and their respective associates in the Company’s securities is that those persons should:

- never engage in short term trading of the Company’s securities;
- not deal in the Company’s securities while in possession of price sensitive, non-public information;

- notify the Company Secretary of any material transactions involving the Company's securities;
- restrict their buying and selling of the Company's securities to a 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 (the "trading window").

Where a development of major importance is expected to reach the appropriate time for an announcement within the next few months, transactions by directors and employees will also be prohibited from dealing in Company securities.

These restrictions apply to all directors and employees and their respective associates, including spouse, dependent children, family trust trustee and family companies.

### **Permissible Transactions**

In addition to trading permitted inside the "trading window", transactions may also be appropriate under the following circumstances, provided that prior to making a purchase or sale a Director or employee contacts the Chairman or the Company Secretary to ensure no important developments are pending which need to be made public before an insider could properly participate in the market.

- Following a release of results, which includes adequate comment on new developments during the period. This timing of transactions might even be more appropriate where the report has been mailed to shareholders.
- Following the wide dissemination of information on the status of the Company and current results. For example, transactions may be appropriate after takeover documents or a prospectus which gives information in connection with a takeover or new financing.
- At those times when there is relative stability in the market for the Company's securities and the Company's operations. Under these circumstances, timing of transactions may be relatively less important. Of course such periods of relative stability will vary greatly from time to time and will depend on the circumstances applicable at the time.

### **Requirement to Notify an Intention to Deal in Company Securities**

Employees restricted from dealing in Company securities in the manner described in this policy are required to notify the Company Secretary of any intended dealings in Company securities (by themselves or their associates) three (3) days prior to such intended dealings. In the case of directors and the Company Secretary, the Chairman must be so notified.

The notice must be in writing and shall include the name of the security holder, the proposed date of the dealing, the type of transaction proposed (ie sale or purchase etc) and the number 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 Director or employee so dealing must provide written confirmation to the Company Secretary that the dealing has occurred, and details of the price per security.

## **Confidentiality**

The prohibitions under the Corporations Act extend to communicating inside information to other persons. To this end, directors and employees 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 likely to do any of the prohibited dealings described in this policy.

## **Dealings with Analysts, Institutional Investors and Journalists**

Directors and employees may be exposed to persons outside the Company such as security analysts, institutional investors and journalists. It is important that directors and employees are aware that selective disclosure of non-public information may result in a breach of the insider trading rules. Accordingly, if a report containing material, non-public 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 this 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 material, non-public information that gives rise to liability, not the manner in which it is conveyed. 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 violation as the direct conveyance of the information to an analyst.

A director or employee 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 bits of information not available as an aggregate to the general public. It is essential to avoid the indirect conveyance of information by any means whatsoever.

If, during the course of a discussion with an analyst, journalist, investor or other outsider, material, non-public information concerning the Company is disclosed, inadvertently or otherwise, the recipient of the information should be informed of its non-public nature and cautioned against its use unless and until the Company has made full disclosure of that information. The Company Secretary should be notified of the situation immediately so that a decision can be made regarding the disclosure of the information.

## **Board's Discretion**

The Board of the Company have an absolute discretion to place an embargo on directors and employees and/or their respective associated parties trading in securities in the Company at any time.

- : -

**Adopted by the Board on 3 May 2006**