



# **PANORAMIC RESOURCES LIMITED**

ACN 095 792 288

## **RULES FOR DEALING IN PANORAMIC RESOURCES LIMITED SECURITIES BY DIRECTORS, OFFICERS & EMPLOYEES**

Version 5 – Dec. 2015 (following review and approval by the full Panoramic Board)

**PANORAMIC RESOURCES LIMITED**  
**(“PRL” or “the Company”)**  
**RULES FOR DEALING IN PRL SECURITIES**  
**BY PRL DIRECTORS, OFFICERS & EMPLOYEES**

**1. INTRODUCTION**

PRL directors, officers and employees are likely on occasions to have in their possession sensitive commercial information which could materially affect the value or price of PRL securities.

The Corporations Act prohibits “insider trading” in relation to securities. The provisions are wide ranging and breaches are serious offences.

This document:

- (a) provides an outline of the insider trading and other relevant provisions of the *Corporations Act 2001 (Cth)* and the Australian Securities Exchange (“ASX”) Listing Rules;
- (b) sets out the rules relating to dealings in PRL securities by PRL directors, officers and employees and which are designed to assist in preventing breaches of the insider trading provisions of the Corporations Act. However, ultimately it is the responsibility of the individual to ensure that none of his/her dealings could constitute insider trading; and
- (c) sets out notification obligations of individuals.

The rules in this document apply to all directors, officers and employees of PRL. In particular, the trading restrictions, notification and confirmation requirements in Clause 4 apply not only to key management personnel (“KMP”) but to *all employees* of PRL.

**2. THE INSIDER TRADING PROHIBITION**

**2.1 The Nature of the Prohibition**

In general terms, section 1043A of the *Corporations Act 2001* makes it an offence for a person in possession of “inside information” (being information that is not generally available, but if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of a particular security) and who knows, or reasonably ought to know, that the information is “inside information” to:

- trade in (ie subscribe for, purchase or sell or enter into an agreement to do any of these things);
- agree to trade in; or
- procure another person to trade in,

the relevant securities (collectively referred to as “dealing in securities”).

This prohibition applies not only to PRL securities but to dealing in securities of other companies. For example, a PRL director, officer or employee may be in possession of inside information with respect to another company in the course of confidential negotiations.

The prohibition cannot be avoided by simply getting another person to trade on your behalf.

It is also an offence to communicate or “tip” the information to another person if you know, or ought reasonably to know, that the other person would or would be likely to deal in the relevant securities or procure another person to deal in the relevant securities.

## **2.2 How you became aware of the Information is irrelevant**

It is irrelevant how or in what capacity the person came into possession of the information. For example, information may be acquired in the course of company responsibilities, in passing, or at a social occasion. This means that any PRL director, officer or employee who acquires “inside information” in relation to a security, no matter in what capacity, will be caught by Section 1043A and is prohibited from trading in that security.

## **2.3 Policy not exhaustive**

This policy does not contain an exhaustive analysis of the restrictions imposed on, and the very serious legal ramifications, of insider trading. Directors, officers and employees who wish to obtain further advice in this matter should contact the Company Secretary.

### **3. OTHER RELEVANT CORPORATIONS ACT PROVISIONS AND ASX LISTING RULES**

Key management personnel (“KMP”) is defined by Australian Accounting Standard *AASB 124 (related party disclosures)* as “those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity”. The Company’s KMP and all other employees of the Company are subject to certain rules set out in Part 2D.1 of the *Corporations Act 2001*. In addition to this, the Company is required to impose restrictions on its KMP under *ASX Listing Rules 12.9, 12.10, 12.11 and 12.12 (share trading policy)* to facilitate compliance with the prohibition against insider trading. Relevantly, the statutory and ASX listing rules include the prohibitions set out below:

#### **3.1 No improper use of information**

A key management person, officer or employee, or a former key management person, officer or employee must not make improper use of information acquired by virtue of his or her position to gain, directly or indirectly, an advantage for himself or herself or for any other person or to cause detriment to the Company.

### **3.2 No gain by improper use of position**

A key management person, officer or employee of the Company must not make improper use of his or her position to gain, directly or indirectly, an advantage for himself or herself or for any other person or to cause detriment to the Company.

### **3.3 Restrictions on KMP**

The Company is required to have a trading policy relating to trading in the Company's securities by KMP during specified prohibited periods. The Company has extended these restrictions to all employees of the Company. These restrictions are set out in Clause 4.

## **4. THE SECURITIES DEALING RULES OF PRL**

In these rules, reference to "securities" include:

- shares, units in trusts, debentures, prescribed interests;
- rights (renounceable or non-renounceable) or options to subscribe for shares, units, debentures or prescribed interests; and
- any other financial products issued or created over or in respect of PRL securities.

The rules extend to all PRL securities owned or controlled by KMP, officers or employees, whether held in their own name, in a company, by a family member or friend or under some other arrangement.

### **4.1 Trading permitted following due notice**

#### **Dealing by all KMP, officers and employees (other than directors)**

Subject to Rules 4.2, 4.3 and 4.4, dealing in PRL securities by all KMP, officers and employees, but specifically excluding all PRL directors, is only permitted following notification of their intent to trade by submitting a Notification Form (**Annexure A - Part A**) to the Managing Director. Further, the relevant dealing must not occur until a confirmation is received from the Managing Director or an appointed designated authority (**Annexure A - Part B**) and may only then take place within 7 days of receipt of such confirmation.

#### **Dealing by directors**

In the case of the Managing Director and all other PRL directors, and subject to Rules 4.2, 4.3 and 4.4, dealing in PRL securities is only permitted following notification to each of the other directors of their intent to trade in PRL securities and receipt of a confirmation (**Annexure C**) from the Managing Director or, in the case of the Managing Director, from the Chairman. Any dealing may only then take place within 7 days of receipt of such confirmation. Following the dealing, directors must notify the Company Secretary and provide details of the dealing in accordance with Clause 8.

In accordance with Clause 9, directors, officers and employees must also follow the above notification procedure if they are aware that a spouse, partner or other interested party or entity which they control intends to deal in PRL securities.

## **No possession of inside information**

Please note that receipt or acknowledgement of the notification and the confirmation for dealing in PRL securities is for the purpose of compliance monitoring only, and is not an endorsement of the proposed dealing. Individuals must remain responsible for compliance with the law and this policy at all times. In particular, the individual must ensure that they are not in possession of any inside information at the time of dealing in PRL securities.

### **4.2 Restriction of trading**

The trading of PRL securities may be restricted at any time on an ad hoc basis by direction of the Managing Director and / or a majority of PRL directors. The restriction of trading is not necessarily required to be communicated to KMP, officers and employees.

### **4.3 Prohibition on dealing while in possession of relevant information**

Dealing in the securities of PRL is subject to the prohibition that a key management person, officer and employee must not deal in PRL securities at any time when he or she is in possession of unpublished information, which if generally available, might materially affect the price or value of those securities. Examples of such information are set out in Clause 5. The prohibition is explained in more detail in paragraphs 2.1 and 2.2.

Importantly, dealing in PRL securities while in the possession of relevant unpublished information is prohibited at *all times*, even if the trading might otherwise be approved or permitted under this policy.

If after having placed an order to buy or sell PRL securities, a person:

- comes into possession of relevant unpublished information; and
- the order has not been filled,

the order to deal in PRL securities must be cancelled. Prohibition in dealing in securities of PRL is maintained until such time as the Company has informed the ASX of that information in accordance with *ASX Listing Rule 3.1 (the continuous disclosure requirement)*.

### **4.4 Prohibition on dealing during a specified prohibited period**

In addition to the overriding prohibition against trading in PRL securities when in possession of inside information, dealing in the securities of PRL is subject to the prohibition on trading during specified prohibited periods. The Company's specified prohibited periods are:

- (a) for a black-out period beginning 10 business days before the legislated due date for the public release of the Company's consolidated half year and full year financial results (plus the day after the actual release);
- (b) for a black-out period beginning 5 business days before the legislated due date for the public release of the Company's quarterly activity reports (plus the day after the actual release); and
- (c) any other black-out period as deemed appropriate by a majority of PRL directors and as notified to a key management person(s), and /or an officer(s),

and/or an employee(s), but always subject to *ASX Listing Rule 3.1A (exception to rule 3.1)*.

#### **4.5 Prohibition on active trading**

Dealing in the securities of PRL is subject to the prohibition that a key management person, officer and employee must not engage in the business of active dealing in PRL securities. This means that a key management person, officer and employee must not actively trade in PRL securities with a view to deriving profit related income from that activity. "Active trading" for this purpose means to deal in PRL securities in a manner which involves frequent, short-term and regular trading activity. Margin lending and other secured financial arrangements in relation to the securities of PRL are strictly prohibited.

#### **4.6 Prohibition on hedging contracts**

Dealing in the securities of PRL is subject to the prohibition that a key management person, officer, employee and permitted nominee must not engage in the business of entering into contracts to hedge any exposure they may have on owning and dealing in PRL securities granted as part of equity based remuneration.

#### **4.7 Special written approval to trade during a prohibited period**

If there are exceptional circumstances, for example a pressing financial commitment that cannot otherwise be satisfied, or a court order requiring the disposal of shares, then written approval may be given by the Managing Director, at his discretion, to a key management person (but specifically excluding PRL directors), officer and/or employee to dispose of (but not acquire) PRL securities during a specified prohibited period.

In the case of a PRL director, written approval to dispose of (but not acquire) PRL securities during a specified prohibited period may be given by the Chairman of the Board after seeking and receiving written approval from the other PRL directors. In the case of the Chairman, written approval may be given by the Managing Director after seeking and receiving written approval from the other PRL directors.

Any such approval must be obtained in advance. It cannot be given after the event.

A dealing for which special approval is given remains subject to Rules 4.2 and 4.3. In particular, the person seeking approval must not be in possession of any inside information.

#### **4.8 Dealings excluded from the operation of this policy**

The following dealings in PRL securities by directors, KMP, officers and employees are excluded from the operation of this policy:

- (a) transfers of PRL securities already held in a superannuation fund in which the restricted person is a beneficiary;
- (b) an investment in a fund or other scheme (other than a scheme only investing in PRL securities) where the assets of the fund are invested at the discretion of a third party;

- (c) undertakings to accept, or the acceptance of a takeover offer;
- (d) trading under an offer made or all or most of PRL security holders, such as a rights issue, dividend reinvestment plan or equal access buy-back where the timing and structure of the offer has been approved by the board;
- (e) dealings where the beneficial interest in PRL securities does not change;
- (f) a disposal of PRL securities that is the result of a secured lender exercising their rights; and
- (g) the exercise of an option or right under PRL employee share incentive schemes (but not any dealing in PRL securities obtained following exercise) where the Company has been in an exceptionally long prohibited period, the final date of exercise is during a prohibited period and the employee could not reasonably have been expected to exercise it at a time when he or she was free to deal in PRL securities.

It is important to note that while excluded from the operation of the policy, the above dealings remain subject to the insider trading prohibition under the Corporations Act, which is summarised in Clause 2.

## **5. INFORMATION WHICH MIGHT AFFECT PRICE OR VALUE**

The prohibition referred to in Rule 4.3 refers to unpublished information which, if generally available, might materially affect the price or value of PRL securities.

### **5.1 What does “Information” include?**

“Information” includes matters of supposition or speculation, matters that are insufficiently definite to warrant being made known to the public and matters relating to the intentions or likely intentions of a person.

### **5.2 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 PRL securities. A reasonable person would be taken to expect information to have a material effect on price or value if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to do so.

Examples of this type of information are:

- proposed changes in the capital structure, capital returns and buybacks of securities;
- a material acquisition, divestment or realisation of assets;
- proposed dividends and share issues;
- changes to the composition of the board;
- results of drilling programs;
- possible events which could have a material impact on profits (adversely or positively) eg, plant breakdown;
- proposed changes in the nature of the business of PRL;
- notification to PRL of a substantial shareholding;

- company updates containing new corporate or operational information; and
- any information required to be notified by the Company to the ASX pursuant to *ASX Listing Rule 3.1 (the continuous disclosure requirement)*.

### **5.3 What does “Unpublished” mean?**

“Unpublished” for this purpose 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 others who commonly invest in securities of a kind whose price might be affected by the information and since it was made known, a reasonable period for it to be disseminated amongst such persons has elapsed. Information will also be generally available where it consists of deductions, conclusions or inferences made or drawn from readily observable matter or information made known in a manner likely to bring it to the attention of investors and others who commonly invest in securities of a kind whose price might be affected by the information.

## **6. APPOINTMENT AND MONITORING OF COMPLIANCE**

To promote understanding of the insider trading prohibition, related Corporations Act provisions and ASX Listing Rules, a copy of this document will be provided to all PRL directors (existing or future) and all other current KMP, officers and employees will be made aware of it.

The Managing Director (or his delegated authority) will ensure that the insider trading prohibition, related Corporations Act provisions and related ASX Listing Rules are drawn to the attention of KMP (except for PRL directors), officers and employees of PRL by written memorandum, at least once in every 12 month period.

At least once in every 12 month period, the full PRL Board will review PRL’s compliance with this document.

The share trading restrictions contained in this document are embodied in the letter of appointment of new directors as forming part of the terms of appointment. All newly appointed directors and existing PRL directors (upon a release of a new version of the document), will be required to provide the Acknowledgement (Annexure B).

The completed Acknowledgement must be sent to and retained by the Company Secretary. Completed Notification Forms should also be given to and retained by the Company Secretary.

## **7. AUDIT**

The full Board of PRL, in conjunction with supporting information from the Managing Director and the Company Secretary, will annually audit PRL’s adherence to the procedures set out in this document.

## **8. DIRECTORS MUST NOTIFY PRL OF DEALINGS**

Directors must notify the Company Secretary immediately of sufficient details of any dealing to enable notice to be filed with the ASX within 5 business days in accordance with *ASX Listing Rule 3.19A*. The required details include the date of the dealing, the number and class of securities held before and after the dealing, and the nature of the dealing (for example, an on-market transfer).



## **9. RELATED PARTIES**

Any PRL director who acts as trustee of a trust must ensure that his or her co-trustees are aware that he or she is a PRL director so that possible difficulties may be anticipated. Similar considerations apply to a PRL director having investments under management and appropriate notification should be given.

Any PRL director who is a beneficiary, but not a trustee, of a trust which deals in securities of PRL should:

- (a) ensure that the trustees are aware that he or she is an PRL director; and
- (b) endeavour to ensure that the trustees notify him or her after they have dealt in PRL securities on behalf of the trust, in order that he/she in turn may notify PRL.

The restriction on dealings by a key management person, officer and employee are equally applicable to any dealings:

- (a) by their spouse or partner;
- (b) by or on behalf of any infant child;
- (c) by any other immediate family member; and
- (d) by a trust or other entity controlled by the key management person, officer and employee (or an investment adviser on behalf of the person).

It is the duty of the key management person, officer and employee to seek to avoid any dealing in particular securities by the above persons/permitted nominees and entities at a time when he or she is himself or herself prohibited from dealing in those securities.

## **10. CONCLUSION**

Compliance with the rules set out in this document is very important. Infringement of the insider trading provisions can attract a substantial monetary penalty, imprisonment or both. Failure to comply with the rules could have a damaging impact on the reputation and perception of PRL within the investment community. Any key management person, officer or employee who does not comply with the rules set out in this document will be considered to have engaged in serious misconduct which may result in the termination of their engagement or employment by PRL.



## ANNEXURE A

### NOTIFICATION AND CONFIRMATION FORMS REGARDING INTENT TO DEAL IN PRL SECURITIES

#### Part A - For completion by officers and employees (excluding directors)

Name of officer or employee of PRL	
Description of PRL securities (proposed number and class of securities)	
Nature of proposed dealing (sale, purchase, subscription etc)	
Proposed date of completion <i>(must be within 7 days of receipt of confirmation)</i>	

I confirm that:

- I am not in possession of any information that is not generally available (including unpublished information), which, if generally available, or published, a reasonable person would expect it to materially affect the price or value of PRL securities; and
- the dealing in PRL securities described above does not contravene the Rules for Dealing in PRL Securities (Version 5) dated December 2015.

Signature:.....

Date: .....

#### Part B - For completion by the Managing Director

I confirm that I am not aware of any circumstances pursuant to which the person above is, or is likely to be, in possession of information that is not generally available, which, if generally available, a reasonable person would expect to materially affect the price or value of PRL securities. This confirmation does not constitute an approval or endorsement by me or PRL of the proposed dealing by the above person.

Name: .....

Signature: .....

Date: .....

***After Part A of this form is completed, it should be sent / given to the Managing Director. Once Part B is completed by the Managing Director a copy should be sent / given to the relevant officer or employee with a copy to the Company Secretary.***



## ANNEXURE B

### FORM OF ACKNOWLEDGEMENT BY DIRECTOR

- 1) I have read and understood the document titled “Rules for Dealing in Panoramic Resources Limited Securities” (Version 5, December 2015) (the “Dealing Rules”).
- 2) I agree to be bound by and to comply with the Dealing Rules.
- 3) I acknowledge and agree that the Dealing Rules may constitute a variation of the terms of my appointment as a director.

Signature: .....

Name: .....

Date: .....

***To be sent / given to the Company Secretary on completion.***



## ANNEXURE C

### FORM OF CONFIRMATION BY MANAGING DIRECTOR OR CHAIRMAN

I confirm that I am not aware of any circumstances pursuant to which *[Insert director's name]* who has notified me that they intend to deal in PRL securities is, or is likely to be, in possession of information that is not generally available, which, if generally available, a reasonable person would expect it to materially affect the price or value of PRL securities. This confirmation does not constitute an approval or endorsement by me or PRL of the proposed dealing by the above person.

Name: ..... (Managing Director or Chairman, as appropriate)

Signature: ..... Date: .....

*After this form is completed it should be sent to the relevant director with a copy to the Company Secretary*