

7 TRADING IN COMPANY SECURITIES POLICY

THIS POLICY IN SUMMARY

- **No insider trading**
- **No trading during Blackout Periods**
- **No short term or speculative trading**
- **Restrictions on the use of derivatives**
- **Specified individuals must obtain prior written approval to deal and comply with additional requirements.**

Definitions

For the purposes of this Policy, Trading in Company Securities, defined terms have the following meaning:

ASX Listing Rules means the Listing Rules of the Australian Securities Exchange, as amended from time to time.

Company means Eclipse Metals Limited (Eclipse).

Connected Persons means a spouse, partner or cohabitee, child or step-child under 18 years of Eclipse Persons, an unlisted body corporate which the Eclipse Persons member controls or is Director of, a trust of which the Eclipse Persons member is a trustee and of which he or she or any of the persons referred to above is a beneficiary, a self-managed superannuation fund of which the Eclipse Persons member is the beneficiary, or any other person over whom the Eclipse Persons member has significant influence or control in relation to their financial or business affairs.

Corporations Act means the Corporations Act 2001 (Cth).

Directors and Officers means Directors and officers of Eclipse Group.

Eclipse Group means the Company and its subsidiaries, from time to time.

Eclipse Persons means all Directors and Officers, employees (whether part-time, full-time, permanent or temporary), consultants and contractors of the Eclipse Group and their Connected Persons.

Inside Information means information that is: (a) not generally available; and (b) that a reasonable person would expect, if it were generally available, to have a material effect on the price of a Company's Securities, that is, influence persons who commonly acquire Securities in deciding whether or not to acquire or dispose of Securities.

Inside Information might include:

- Proposed changes in the capital structure, capital returns and buy backs of financial products;
- Information relating to the Company's investments, financial performance/results;
- Material changes in the Company's investments financial forecasts/expectations;
- Knowledge of acquisition, divestment or realisation of assets;
- Proposed dividends and share issues;
- Knowledge of Private Share Placements;
- 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 the Company or investments; and
- Notification to the Company of a substantial shareholding;

Information is “generally available” if: (a) it consists of readily observable matter; (b) it has been brought to the attention of investors by an ASX announcement and a reasonable period for its dissemination has elapsed since the announcement; or (c) it consists of observations, deductions, conclusions or inferences made or drawn from other generally available information.

Key Management Personnel means 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 the entity, as defined in AASB Standard 124 Related Party Disclosure.

Policy means this Policy for Trading in Company Securities.

Securities means shares of any class, notes, options, bonds, derivatives, managed investments and superannuation products and any other financial product able to be traded on a financial market

Eclipse Metals Limited being a publicly listed company, whose securities are traded on the Australian Stock Exchange (ASX code **EPM**) is guided by trading rules, which effectively requires the publication of a Directors’ trading policy.

The Policy establishes certain periods of time whereby Directors and key staff are prohibited from trading in the Company’s securities together with offering a best practice procedure that provides protection to both the Company and all Eclipse Persons against the misuse of unpublished information which could materially affect the value of the Company’s Securities.

Purpose of this Policy

The Securities Trading Policy has been adopted by the Company to comply with Listing Rule 12.9.

The purpose of this Policy is twofold:

- (a) It helps to prevent insider trading by Directors; and
- (b) It therefore assures shareholders and potential investors the Company takes the risk of insider trading and market integrity seriously.

Inside Information is Prohibited at all times

Whenever a person has information which may have a material effect on the price or value of Company Securities and which is not generally available to the public, then it is said to be Inside Information and the person with that information must not:

- (a) deal in securities; or
- (b) communicate the information to anyone else.

This rule applies to inside information relating to other publicly listed companies on the Australian Stock Exchange.

This policy applies to all Eclipse Persons and encapsulates all Company Securities.

In broad terms, Insider Trading will be committed, when Eclipse Persons deals in Company’s Securities who is in possession of information not generally available, but if it were generally available would, or would be likely to influence a person’s decision to transact in the Company’s Securities. It may also include the passing on of this information to another or procuring another person to deal in the Securities.

Blackout Periods

To prevent the occurrence of dealing in the Company’s Securities during times when Eclipse Persons have or may have access to Inside Information, the Company has created Blackout Periods.

Dealing in the Company’s securities includes buying and selling any listed shares or securities in the Company.

Blackout Periods are maintained during certain times of the year, close to the release of financial or trading results of the Company. It is during these times there is an increased likelihood of Inside Information being

available or known by Eclipse Persons and a greater risk of suspicion arising if Eclipse Persons deal in Securities during these times.

The following times have been mandated by the Board as Blackout Periods:

Report	Blackout Period
Release of Annual Report	From the commencement of ASX trading on 1 August each year, until commencement of ASX trading following the release of the Company's Annual Report.
<i>Financial year-end</i> , results for the period ending 30 June must be released to the ASX by 30 September. 1 August to 30 September is a Blackout Period.	
Release of Interim Financial Report	From the commencement of ASX trading on 15 February each year, until commencement of ASX trading following the release of the Company's Interim Financial Report.
<i>Half year-end</i> , results for the period ending 31 December must be released to the ASX by 15 March. 15 February to 16 March is a Blackout Period.	
Release of Quarterly Reports	From the commencement of ASX trading on 1 April, 1 July, 1 October, and 1 January each year, until commencement of ASX trading following the release of the Company's Quarterly Reports
April, July, October, and January are a Blackout Period	
Annual General Meeting	From the commencement of ASX trading on the day that is five (5) trading days prior to the date of the Annual General Meeting, until commencement of ASX trading following the release of the Meeting results.
Price sensitive information/release – as determined by the Company	From the commencement of ASX trading on the day that five (5) trading days prior to release, until commencement of ASX trading following the release of the price sensitive information/results

Trading during blackouts does not necessarily mean that there has been insider trading. If Directors trade during a blackout period, the reputational benefit of the Company's trading policy, and the integrity of the market, are put at risk. It is not the kind of risk the Company wants to take.

During these Blackout Periods no trading in the Company's Securities may occur, except if Eclipse Persons have prior written clearance/approval.

The Company may also restrict dealing in the Company securities outside of a Blackout Period. Notice of this prohibition from trading will be provided in writing from the Company to the Eclipse Persons.

Notification - Written Clearance/Approval Prior to Trading

Eclipse Persons must always first obtain written clearance/approval to trade.

This requirement to obtain clearance is irrespective of whether the trade is during a Blackout Period, an exceptional circumstance exists or on normal trading days.

Written clearance is to be given by the relevant Approving Officer as set out below:

Staff	Approving Officer
Chairman	1. Chairman of Audit Committee. 2. In the absence of an Audit Committee, the Chair must obtain the prior approval of the Board.
Directors (Including Managing Director)	Chairman
All other Company staff	Company Secretary

A request for prior written clearance/approval under this Policy should be made in writing using the form **attached** to this Policy entitled *Request for prior written clearance to trade in Eclipse Metals Limited Securities (refer to page 6)* and given to the Approving Officer. The request may be submitted in person, by mail, or by email.

Any written clearance granted under this Policy will be valid for the period of 10 business days from the time which it is given or such other period as may be determined by the Approving Officer. Written clearance under this Policy may be given in person, by mail, by email or by facsimile.

A record of all requests as well as written clearance will be maintained by the Company Secretary whether accepted or not by the Approving Officer.

Exceptional circumstances when trading is permitted in a Blackout Period

Eclipse Persons may trade in the Company's securities during a Blackout Period, if exceptional circumstances exist. What constitutes "exceptional circumstances" will be assessed on a case-by-case basis at the discretion of the Authorising Officer and may apply as follows:

- (a) Eclipse person is in severe financial hardship and the only way possible to meet the pressing financial commitment is by selling the relevant Company securities; or
- (b) Where trading is required for compliance with a court order or court enforceable undertaking or for some other legal or regulatory requirement

Eclipse Persons wanting to trade through exceptional circumstances are still obligated to comply with the notification process and obtain prior written clearance/approval from the relevant Authorising Officer.

Other Restrictions

- Short term trading

The Company endorses Eclipse Persons taking a long-term approach to their investment in the Company. Therefore, it is recommended that Eclipse Persons do not engage in short term or speculative trade in the same Company securities within a 3-month period of acquisition.

- Other

The following transactions are prevented under this Policy:

- Agreements that provide lenders with rights over their interests in the Company Securities;
- Transactions or arrangements which limit the economic risk of participating in unvested entitlements under any equity-based remuneration schemes;
- Profit from a decrease in the market price of Company Securities;
- Transactions or arrangements involving Company Securities which are escrowed or subject to a holding lock

Notification to ASX

Directors' Relevant Interests

The Company is required to inform the market of any changes in a Directors' relevant interest in Company Securities whether held directly or indirectly within 5 business days of the change.

Three ASX Appendixes are included in the Listing Rules for the purpose of Directors' relevant interest notification, being 3X Initial Director's Interest Notice, 3Y Change of Director's Interest Notice and 3Z Final Director's Interest Notice.

To meet this ASX Listing Rule reporting obligation, Directors must provide to the Company Secretary the pertinent details of the relevant event no later than 3 business days after the event so the Company Secretary can draft the appropriate ASX Appendix 3X, 3Y or 3Z notification for approval by the Director, prior to ASX lodgement.

Typically, the events resulting in changes in a Directors' relevant interest will be the acquisition and/or disposal of Company Securities under a contract to buy or sell as well as if the Directors' begin or cease to have a substantial shareholding or there is a change to their substantial holding.

Trading Policy

Any amended version of this Trading Policy which reflects a “material change” is to be released to the market within 5 business days of the material changes being approved by the Board.

A material change to the Policy may cover

- changes to the Blackout Periods specified in the Policy; and/or
- changes to the exceptional circumstances in which Eclipse Persons may be permitted to trade during a Blackout Period.

Policy History

Date	Change Reason
March 2020	2 nd Revision
December 2017	1 st Revision
July 2013	Established

I ACKNOWLEDGE that I have read and considered the Securities Trading Policy of Eclipse Metals Limited and agree to adhere to the trading prohibitions during the Blackout Period and the notification requirements.

Signature

Name/Position

Date

Request for prior written clearance to trade in Eclipse Metals Limited Securities

I, _____, an Eclipse Person, request prior written clearance/approval to trade in securities of the Company in accordance with the terms of the Company's Policy for Trading in Company Securities (**Policy**) and provide the following information:

Details of securities

Nature of proposed trading: _____

Number of securities: _____

Class of securities: _____

Name of registered holder: _____

Reason for request

Standard request to trade

OR

Request to trade in exceptional circumstances

Please provide complete details of the circumstances which you wish to be considered as exceptional (attach additional documents if necessary)

I confirm that:

- I have read and understood the Policy and the proposed trading does not breach the Policy or any legal obligations referred to in it, and in particular, that I am not in possession of any Inside Information in relation to the Company, as defined in the Policy.
- I acknowledge that in accordance with the Policy, I cannot trade in the Company's securities until clearance is given and I understand that any clearance given will be valid only for the period stated in the clearance.
- I understand that approval under the Policy (if given) will not be an endorsement of the above dealing, and that I remain individually responsible for complying with any applicable laws and the Policy.
- There are exceptional circumstances that justify a sale of the relevant Company Securities as the only reasonable course of action and these are attached to this document.

Signed:

Name:

Date:

OFFICE USE – Clearance to be completed by Approving Officer

Clearance given by:		
.....
Name of Approving Officer	Signature of Approving Officer	Date
Clearance valid for:		
<input type="checkbox"/> 10 business days from the date of clearance (default period)		
<input type="checkbox"/> _____ business days from the date of clearance		

ASX DISCLOSURE OBLIGATIONS

Directors:

The acquisition or sale of the Company's securities by a Director of the Company must be disclosed to the ASX under Listing Rule 3.19A within five (5) business days of the transaction taking place. The details of the dealing must be provided to the Company Secretary as soon as possible after the dealing to allow the Company Secretary adequate time to complete and release the documentation to the ASX on the Director's behalf.

Details of any changes in Directors' interest in the Company's securities must be noted in the Board minutes of the next meeting.

Substantial Shareholdings:

Restricted persons with a substantial shareholding in the Company's securities (ie more than 5% of the issued capital) are also required to comply with the substantial shareholding notification provisions of the Corporations Act 2001 when there is a change in their holding. In this instance a notice must be provided to the ASX and to the Company in the prescribed form within two (2) business days of the change.

1. Introduction

These guidelines set out the policy on the sale and purchase of securities in Company by the Directors, officers and all employees of the Company. In certain circumstances this policy also applies to contractors and consultants. Directors and employees are encouraged to be long term holders of the Company's securities.

The law prohibits and imposes severe penalties on insider trading, in particular the *Corporations Act* 2001 (Cth) (**Corporations Act**), and the ASX Listing Rules (as applicable) require the disclosure of any trading in the Company's securities by its Directors or their related entities.