

# Securities Trading Policy

## 1. Introduction

Helix Resources Limited (the “Company”) is committed to conducting its business ethically and in accordance with the highest standards of corporate governance. In determining these standards, the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations (as amended from time to time) (the “ASX Corporate Governance Principles”) have been referred to.

This policy applies to directors, officers, employees and contractors (together “Employees”) of the Company and its subsidiaries (together “Helix”) and sets out the policy on the sale and purchase of securities of the Company.

Employees are encouraged to be long-term holders of the Company’s securities. However, it is important that care is taken in the timing of any purchase or sale of such securities.

The purpose of these guidelines is to assist Employees to avoid conduct known as ‘insider trading’. In some respects, the policy extends beyond the strict requirements of the Corporations Act 2001 (Cth).

What types of transactions are covered by this policy?

This policy applies to both the sale and purchase of any securities of the Company on issue from time to time.

What is insider trading?

### Prohibition

Insider trading is a criminal offence. It may also result in civil liability. In broad terms, an Employee will be guilty of insider trading if:

- (a) that Employee possesses information which is not generally available to the market and, if it were generally available to the market, would be likely to have a material effect on the price or value of the Company’s securities (i.e., information that is ‘price sensitive’); and
- (b) that Employee:
  - i. buys or sells securities in the Company; or
  - ii. procures someone else to buy or sell securities in the Company; or
  - iii. passes on that information to a third party where that Employee knows, or ought reasonably to know, that the third party would be likely to buy or sell the securities or procure someone else to buy or sell the securities of the Company.

### Examples

To illustrate the prohibition described above, the following are possible examples of price sensitive information which, if made available to the market, may be likely to materially affect the price of the Company’s securities:

- (a) the Company considering a major acquisition or disposal of assets;
- (b) the threat of major litigation against the Company;
- (c) the Company’s sales and profit results materially exceeding (or falling short of) the market’s expectations;
- (d) a material change in debt, liquidity or cash flow;
- (e) a significant new development proposal (e.g. new product or technology);
- (f) the grant or loss of a major contract;
- (g) a management or business restructuring proposal;
- (h) a share issue proposal;
- (i) an agreement or option to acquire an interest in a mining tenement, or to enter into a joint venture or farm-in or farm-out arrangement in relation to a mining tenement; and
- (j) significant discoveries, exploration results, or changes in reserve/resource estimates from mining tenements in which the Company has an interest.

### Dealing through third parties

A person does not need to be a director or employee of Helix to be guilty of insider trading in relation to securities in the Company. The prohibition extends to dealings by Employees through nominees, agents or other associates, such as family members, family trusts and family companies (referred to as “Associates” in these guidelines).

### **Information however obtained**

It does not matter how or where an Employee obtains the information – it does not have to be obtained from the Company to constitute inside information.

### **Consequences of breach**

As of 1 January 2014, the maximum penalty for insider trading is 10 years imprisonment and/or a fine being the greater of \$765,000 or three times the amount of the benefit obtained. Civil penalties and compensation may also be ordered against a person for engaging in insider trading.

Strict compliance with this policy is mandatory for all Employees. Breaches of this policy may damage Helix's reputation in the investment community and undermine confidence in the market for securities in the Company. Accordingly, breaches will be taken very seriously by Helix and will be subject to disciplinary action, including possible termination of an Employee's employment or appointment.

### **Employee share schemes**

The prohibition 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. 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.

## **2. Guidelines for trading in the Company's securities**

### **General rule**

An Employee is not permitted to buy or sell Company securities during the period commencing on the fifteenth (15th) day of the month in which the Company is required to release its Quarterly Activities Report, Quarterly Cashflow Report, Half Year Financial Statements and Annual Report to the ASX ("Reports") in accordance with the ASX Listing Rules, and ending the close of the following day following the date of release of these Reports ("Black-out Period").

The periods that an Employee is permitted to buy or sell the Company securities is referred to in these guidelines as (the "Trading Window").

The Company may at its discretion vary this rule in relation to a particular period by general announcement to Employees, either before or during the period.

It is important to remember, if an Employee is in possession of price sensitive information that is not generally available to the market, then he or she must not deal in the Company's securities at *that* time, irrespective of whether a Black-out Period is in progress.

## **3. No short-term trading in the Company's securities**

Employees 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.

## **4. Securities in other companies**

Buying and selling securities of other companies with which the Company may be dealing is prohibited where an Employee possesses information that is not generally available to the market and is 'price sensitive'. For example, where an Employee is aware that the Company is about to sign a major agreement with another company, they should not buy securities in either the Company or the other company.

## 5. Exceptions

Employees may at any time:

- (a) acquire ordinary shares in the Company by conversion of securities giving a right of conversion to ordinary shares;
- (b) acquire Company securities under a bonus issue made to all holders of securities of the same class;
- (c) acquire Company securities under a dividend reinvestment, or top-up plan that is available to all holders or securities of the same class;
- (d) acquire, or agree to acquire or exercise options under a Company Share Option Plan;
- (e) withdraw ordinary shares in the Company held on behalf of the Employee in an employee share plan (where the withdrawal is permitted by the rules of that plan);
- (f) acquire ordinary shares in the Company as a result of the exercise of options held under an employee option scheme;
- (g) transfer securities of the Company already held in a superannuation fund or other saving scheme in which the restricted person is a beneficiary;
- (h) 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;
- (i) where an Employee is a trustee, trade in the securities of the Company by that trust, provided the Employee 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;
  - i. undertake to accept, or accept, a takeover offer;
  - ii. 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 buy-back, where the plan that determines the timing and structure of the offer has been approved by the board of the Company (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;
  - iii. dispose of securities of the Company resulting from a secured lender exercising their rights, for example, under a margin lending arrangement;
  - iv. exercise (but not sell securities following exercise) an option or a right under an employee incentive scheme, or convert a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a prohibited period and the Company has been in an exceptionally long prohibited period or the Company has had a number of consecutive prohibited periods and the restricted person could not reasonably have been expected to exercise it at a time when free to do so; or
  - v. trade under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this Policy.
  - vi. In respect of any share or option plans adopted by the Company, it should be noted that:
  - vii. it is not permissible to provide the exercise price of options by selling the shares acquired on the exercise of these options unless the sale of those shares occurs during the period specified in article 2 above; and
  - viii. where the exercise price of options is being provided by a margin loan or other form of lending arrangement, then there may be a risk that the employee or director may need to sell shares to avoid providing additional capital or security to the lender in the event of a decrease in the value of the shares.

Were this is to occur at a time when an Employee possessed inside information, then the sale of Company securities would be a breach of insider trading laws, even though the Employee's decision to sell was not influenced by the inside information that the Employee possessed and the Employee may not have made a profit on the sale. 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.

## 6. Notification of periods when Employees can trade

The Company Secretary of the Company (the "Company Secretary") will endeavour to notify Employees of the Trading Window and Black-out Periods.

## 7. Approval and Notification Requirements

### Approval requirements | Directors of the Company

Any director of the Company wishing to buy, sell or exercise rights in relation to the Company's securities must obtain the prior approval of either the Chairman of the Company (the "Chairman"), in consultation with the Managing Director of the Company (the "MD") or the Board before doing so.

### Approval requirements | Key Management Personnel

Any Key Management Personnel (as defined below) of the Company wishing to buy, sell or exercise rights in relation to the Company's securities must obtain the prior approval of the MD before doing so.

For the purpose of this policy, "Key Management Personnel" are defined as:

- (a) those Employees that report directly to the MD; and
- (b) any other person designated by the MD as key management personnel on the basis that they have authority and responsibility for planning, directing and controlling the activities of the Company, either directly or indirectly.

### Notification to Company Secretary

Any employee, officer, contractor of the Company or Key Management Personnel who (or through his or her Associates) buys, sells, or exercises rights in relation to Company securities (including entering into an agreement that provides a lender with rights in their securities held in the Company) must notify the Company Secretary of the details of the transaction within five (5) business days of the transaction occurring.

Any director of the Company who (or through his or her Associates) buys, sells, or exercises rights in relation to Company securities (including entering into an agreement that provides a lender with rights in their securities held in the Company) must notify the Company Secretary of the details of the transaction immediately.

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.

### Approvals to buy or sell securities

**All requests to buy or sell securities must include the intended volume of securities to be purchased or sold and an estimated time frame for the sale or purchase.**

Copies of written approvals must be forwarded to the Company Secretary prior to the approved purchase or sale transaction.

### Director and Key Management Personnel sales of securities

Helix directors and executives 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. With this in mind, the management of the sale of any significant volume of Company 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 director, the MD or other Key Management Personnel needs to be discussed with the Board and the Company's legal and financial advisers prior to the execution of any sale.

### **Exemption from Trading Window restriction - exceptional circumstances**

An Employee who is not in possession of inside information in relation to the Company, may be given prior written clearance by the MD (or in the case of the MD, the Chairman) to sell or otherwise dispose of Company securities outside of the Trading Window where the person is in severe financial hardship or where there are exceptional circumstances as set out in this policy.

This 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.

#### *Financial hardship*

An Employee 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.

In the interests of an expedient and informed determination by the MD or Chairman, any application for an exemption allowing the sale of Company securities outside of the Trading Window based on financial hardship must be made in writing, be accompanied by a statutory declaration 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.

Any exemption, if issued, will be in writing and shall contain a specified time period during which the sale of securities can be made.

#### *Exceptional circumstances*

Exceptional circumstances may apply to the disposal of Company securities by an Employee 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 Company securities outside of the Trading Window based on exceptional circumstances must be made in writing and be accompanied by relevant court order and/or supporting legal documentation.

Any exemption, if issued, will be in writing and shall contain a specified time period during which the sale of securities can be made.

### **ASX notification for Directors**

The ASX Listing Rules require the Company to notify the ASX within five (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.

### **Effect of 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.

## **8. Review and Implementation**

This policy will be reviewed by the Board annually, to ensure that it continues to reflect the letter and spirit of all applicable laws and regulations and Helix's commitment to its employees and the community.

Helix shall ensure that all directors and employees are aware of the policy, particularly new employees or directors. Training will be provided, as necessary.