

SECURITIES TRADING POLICY FOR DIRECTORS, EMPLOYEES AND CONTRACTORS

Introduction

This document sets out the Company's policy with regard to the sale and purchase of securities in the Company by its directors, employees and contractors.

The purpose of this policy is to assist directors, employees and contractors to avoid conduct that might be considered to be a criminal act of "insider trading" and to establish appropriate rules for trading in the Company's securities.

The Company expects that directors are fully aware of their responsibilities and liabilities under the Australian Corporations Legislation, particularly in respect of Chapter 2E, Related Party Transactions. The responsibility for making the necessary assessments and judgements under Section 2E resides with the individual director and not with the Company.

The Board takes the matter of the purchase and sale of securities in the Company seriously and expects full compliance with this policy.

What is insider trading?

Insider trading is a criminal offence under the Corporations Act, punishable by large fines or imprisonment, or both.

The key elements that constitute insider trading by any individual are:

- That the person possesses information about the Company which is not generally available to the market. It is important to note that the definition of information is broad enough to include rumours and tips, regardless of their truth.
- That information, if it were known in the market, would be likely to have a material effect on the price of the Company's securities. This information is often referred to as being "price sensitive".
- The person uses this price sensitive information to their advantage by trading in the Company's securities or having someone else do so on their behalf. In this way they gain an unfair advantage.
- It is also insider trading if a person passes on price sensitive information to other parties knowing (or where they should have reasonably known) that the other party will use that information to trade in the Company's securities. This includes family, friends and associates.

What sort of information is “price sensitive”?

The sort of information which might effect the price of the Company’s securities and which may be regarded as “price sensitive” includes:

- Exploration results (either positive or negative).
- The Company’s financial results before these have been published, particularly if they are significantly better or worse than market expectations.
- Any pending material acquisitions or divestments by the Company.
- The threat of any material litigation that may involve the Company.
- Any proposed changes to the composition of the Board or senior management.
- Information on a proposed bonus issue of securities or changes to dividend policies.
- Information of new deals/contracts won, proposals made or negotiations in process.

As well as the prohibitions against insider trading, directors, employees and contractors have a common law duty of confidentiality to the Company and (i) must not reveal any confidential information concerning the Company and (ii) must not use any of this confidential information in any manner which may injure or cause loss to the Company.

Policy for trading in the Company’s securities

Directors, employees and contractors must not trade in the Company’s securities when they are in possession of price sensitive information which is not generally available to the market.

Directors must advise the Company Secretary in writing of the details of any completed transactions within 5 business days of the transaction. The Company Secretary will be responsible for maintaining a record of disclosures.



Peter Swiridiuk
Managing Director

16 September 2009

Adopted by the Board at a Board Meeting held on 16.9.09