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# **Securities Trading Policy**

Pearl Gull Iron Limited (ACN 621 103 535)

Adopted by the Board on 21 July 2021

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## Pearl Gull Iron Limited – Securities Trading Policy

Pearl Gull Iron Limited (**Pearl Gull**) has adopted this Securities Trading Policy in order to comply with ASX Listing Rule 12.9.

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### 1 Purpose and application of this policy

- (a) The *Corporations Act 2001 (Cth)* (**Corporations Act**) prohibits the trading in shares, options, debentures (including convertible notes) and other securities (**securities**) of a company by any person who is in possession of price sensitive information regarding that company that is not generally available. The Corporations Act:
  - (i) imposes substantial penalties on persons who breach those provisions; and
  - (ii) applies to the extent of any inconsistency between it and this policy.
- (b) For the purposes of this policy:
  - (i) Pearl Gull Person means all directors and senior management including each director of Pearl Gull, the persons performing the function of Chief Executive Officer, Chief Financial Officer and Chief Operating Officer, the Company Secretary of Pearl Gull, Key Management Personnel (as defined in the ASX Listing Rules) and any other person designated as a Pearl Gull Person by the board of directors (**Board**) in writing; and
  - (ii) also includes:
    - (A) a company or trust controlled by any of the persons referred to in clause 1(b)(i) above; and
    - (B) for the purposes of clause 3 only, a spouse (including a de facto spouse), child (including a step-child or adopted child), a close relative, a person financially dependent on or acting in concert with any of the persons referred to in clause 1(b)(i) above
- (c) This policy regulates dealings by directors and certain officers of Pearl Gull and other designated persons, in securities in Pearl Gull or any other entity about which they acquire Inside Information through their position or dealings with Pearl Gull.
- (d) The purpose of this policy is not only to minimise the risk of insider trading, but also to avoid the appearance of insider trading and the significant reputational damage associated with the perception of insider trading.
- (e) This policy is not designed to prohibit Pearl Gull Persons from investing in Pearl Gull securities, but does recognise that there may be times when directors, officers or certain employees cannot or should not invest in Pearl Gull securities.

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### 2 Insider trading

#### 2.1 General prohibition on Insider Trading

- (a) No Pearl Gull Person may, while in possession of Inside Information (defined in clause 2.2(a)) concerning Pearl Gull, in breach of the Corporations Act:

- (i) buy, sell or deal in any Pearl Gull securities at any time;
  - (ii) procure another person to deal in Pearl Gull's securities in any way; or
  - (iii) pass on any Inside Information to another person for that person's own personal gain by dealing in Pearl Gull securities in any way (**Insider Trading**).
- (b) All Pearl Gull Persons are prohibited from dealing in the securities of outside companies about which they acquire Inside Information through their position with Pearl Gull.
  - (c) The requirements imposed by this policy are in addition to any legal prohibitions on Insider Trading. Trading in Pearl Gull's securities is prohibited at any time by a director or a Pearl Gull Person if that person possesses Inside Information, even where the trade occurs outside a Blackout Period; or
  - (d) the trade falls within an exclusion in this policy; or clearance has been given under this policy to trade (whether in exceptional circumstances or otherwise).

## 2.2 Inside Information

A Pearl Gull Person is responsible for assessing whether they possess "**Inside Information**". This occurs where:

- (a) the person possesses information that is not generally available to the public and, if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of Pearl Gull securities (or a decision whether or not to trade in them); and
- (b) the person knows, or ought reasonably to know, that the information is not generally available and, if it were generally available, a reasonable person would expect it to have a material effect on the price or value of Pearl Gull securities.

A reasonable person would be taken to expect information to have a material effect on the price or value of securities if the information would, or would be likely to, influence a person who commonly invests in securities to either deal or not deal in securities in any way. Inside Information in relation to the securities of outside companies has the same meaning for the purposes of this policy, except that references to "Pearl Gull securities" should be read as references to the securities of the outside company.

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## 3 Restrictions on trading in Blackout Periods

### 3.1 Blackout Periods

- (a) Pearl Gull Persons, subject to clauses 3.3 and 5, may not buy or sell Pearl Gull securities during a Blackout Period (defined below).
- (b) **Blackout Periods** are times when Pearl Gull Persons must not deal in Pearl Gull securities.

The following are mandated Blackout Periods:

- (i) from the close of the ASX trading day on 31 May each year, until 10:00am (Sydney time) on the ASX trading day following the day on which Pearl Gull's half-yearly results are released to the ASX;

- (ii) from the close of the ASX trading day on 30 November each year, until 10:00am (Sydney time) of the ASX trading day following the day on which Pearl Gull's full year results are released to the ASX;
- (iii) from the close of trading on ASX at the end of each calendar quarter (being the end of March, June, September and December), until close of trading on the day following the announcement of Pearl Gull's quarterly reports to ASX;
- (iv) from the close of the ASX trading day two weeks prior to the date of Pearl Gull's annual general meeting (**AGM**) until 10:00am (Sydney time) on the ASX trading day following the date of the AGM; and
- (v) any other period that the Board specifies from time to time.

If 31 May or 30 November are not ASX trading days, then the Blackout Period begins on the preceding ASX trading day.

During Blackout Periods Company Persons must not deal in any of Pearl Gull's financial products or securities, or in any securities related to them.

### 3.2 Ad-hoc restrictions

Pearl Gull may impose, without notice and in its sole and absolute discretion, additional restrictions on trading in Pearl Gull's securities by any or all Pearl Gull Persons, and also by any other staff member(s) (who are not otherwise designated as "Pearl Gull Persons") as Pearl Gull considers appropriate. For the avoidance of doubt, Pearl Gull may impose ad-hoc restrictions under this clause 3.2 even where the proposed trade would otherwise take place outside a Blackout Period provided for in this. Any restriction communicated by Pearl Gull to any or all Pearl Gull Persons (or other staff members) under this clause 3.2 must be kept strictly confidential.

### 3.3 Notifications

- (a) Pearl Gull Persons must:
  - (i) prior to dealing in Pearl Gull securities outside a Blackout Period or where clause 4 requires the person to obtain a consent under clause 3.3, notify the relevant person in clause 3.3(c) (the **Authorising Officer**) of their proposed dealing and obtain consent from the Authorising Officer; and
  - (ii) confirm that they are not in possession of any Inside Information; and
  - (iii) after dealing with the Pearl Gull securities, provide the Authorising Officer with a transaction confirmation; and
  - (iv) notify the Authorising Officer if they begin to have, or cease to have, a "substantial holding" (as defined in section 9 of the Corporations Act) in Pearl Gull, or if they have a substantial holding in Pearl Gull and there is a movement of at least 1% in their holding.
- (b) For the avoidance of doubt, the Pearl Gull Person seeking authorisation cannot be their own Authorising Officer.
- (c) Authorising Officer

<b>Pearl Gull Person seeking authorisation</b>	<b>Authorising Officer</b>
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<i>Chair of the Board</i>	An Independent Director
<i>Other directors, Company Secretary and any other Key Management Personnel</i>	The Chair of the Board
<i>Any other Pearl Gull Person</i>	The Company Secretary

### 3.4 Exceptional circumstances

- (a) In exceptional circumstances the Authorising Officer has discretion to approve dealings in Pearl Gull securities during a Blackout Period, or other dealings that would otherwise be prohibited by this policy.
- (b) Any approval given under this clause 3.4, must be provided by electronic delivery via email. The notification requirements still apply.
- (c) What constitutes “exceptional circumstances” will be assessed on a case-by-case basis within the absolute discretion of the Authorising Officer, and may include, without limitation, severe financial hardship or a requirement to comply with a court order or court enforceable undertaking.
- (d) Any decision to grant or refuse to grant clearance to a Pearl Gull Person to trade in Pearl Gull’s securities by the Authorising Officer under this clause 3.4:
  - (i) may be made in the Authorising Officer’s absolute discretion, without giving any reasons;
  - (ii) can be withdrawn (if clearance has been given) if new information comes to light or there is a change in circumstances;
  - (iii) is final and binding on the Pearl Gull Person seeking clearance; and
  - (iv) must be kept strictly confidential by the Pearl Gull Person and not disclosed to any other person.
- (e) In deciding whether to grant clearance to trade in Pearl Gull’s securities, the Authorising Officer will consider the need to minimise the risk of Insider Trading, and also to avoid the appearance of Insider Trading and the significant reputational damage that may cause.
- (f) Any clearance to trade by the Authorising Officer under this clause 3.4 is not an endorsement to trade. The Pearl Gull Person doing the trading is individually responsible for their investment decisions and their compliance with insider trading laws. The Pearl Gull Person must carefully consider whether they are in possession of any Inside Information that might preclude them from trading at that time. If the Pearl Gull Person is in any doubt, they should not trade.
- (g) If a Pearl Gull Person comes into possession of Inside Information after receiving a clearance to trade, they must not trade despite having received the clearance.

### 3.5 Company secretary to maintain records

The Company Secretary will maintain a copy of:

- (a) all requests for an approval to deal in Pearl Gull' securities submitted by a Pearl Gull Person; and
  - (b) details of all dealings in Pearl Gull' securities made by a Pearl Gull Person.
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## **4 Other restrictions**

### **4.1 No speculative trading**

Under no circumstances should Pearl Gull Persons engage in short-term or speculative trading in Pearl Gull securities. This prohibition includes short term direct dealing in Pearl Gull securities as well as transactions in the derivative markets, involving exchange traded options, share warrants, contracts for difference, and other similar instruments, which are short term or speculative.

### **4.2 No protection arrangements**

The entering into of all types of "protection arrangements" for any Pearl Gull securities (or Pearl Gull products in the derivatives markets):

- (a) is prohibited at any time in respect of any Pearl Gull securities which are unvested or subject to a holding lock; and
- (b) otherwise, requires consent under clause 3.3.

For the avoidance of doubt and without limiting the generality of this policy, entering into protection arrangements includes entering into transactions which:

- (a) amount to "short selling" of securities beyond the Pearl Gull Person's holding of securities;
- (b) operate to limit the economic risk of any Pearl Gull Person's security holding (e.g. hedging arrangements) including Pearl Gull's securities held beneficially (for example, in trust or under an incentive plan) on that Pearl Gull Person's behalf; or
- (c) otherwise enable a Pearl Gull Person to profit from a decrease in the market price of securities.

### **1.2 No granting of security over Pearl Gull's securities or entering into margin lending arrangements**

- (a) Pearl Gull Persons may not at any time, directly or indirectly, grant any form of security (whether by way of charge, mortgage, pledge or otherwise) over any Pearl Gull securities which are unvested or subject to a holding lock, to secure any obligation of that Pearl Gull Person or any third party or enter into any margin lending arrangement involving Pearl Gull securities.
- (b) Unless clause 4.3(a) applies, Pearl Gull Persons may, directly or indirectly, grant any form of security (whether by way of charge, mortgage, pledge or otherwise) over any of Pearl Gull's securities, to secure any obligation of that Pearl Gull Person or any third party or enter into any margin lending arrangement involving Pearl Gull securities, with consent under clause 3.3.

### **1.3 Trading in outside companies**

Pearl Gull Persons must not trade in the securities or financial products of outside companies where they are in possession of Inside Information of that outside company.

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## 2 Exemptions

- (a) Pearl Gull Persons may at any time:
  - (i) trade in Pearl Gull's securities where the trading does not result in a change of beneficial interest in the securities;
  - (ii) acquire securities under any director or employee security plan or through the exercise of options or performance rights under an option or performance rights plan or acquire, or agree to acquire, options or performance rights under an option or performance rights plan. However, any dealing in those securities remains subject to this policy and the provisions of the Corporations Act;
  - (iii) transfer Pearl Gull securities already held into a self-managed superannuation fund or other saving scheme in which the restricted person is a beneficiary;
  - (iv) acquire Pearl Gull's ordinary shares by conversion of securities giving a right of conversion to Pearl Gull's ordinary shares;
  - (v) acquire Pearl Gull's securities under a bonus issue made to all holders of securities of the same class;
  - (vi) undertake to accept, or accept, a takeover offer;
  - (vii) invest in, or trade in units of, a fund or other scheme (other than a scheme only investing in the securities of Pearl Gull) where the assets of the fund or other scheme are invested at the discretion of a third party;
  - (viii) a disposal of Pearl Gull securities that is the result of a secured lender exercising their rights under a loan or security agreement;
  - (ix) where a restricted person is a trustee, trade in the securities managed by that trust provided the restricted person 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;
  - (x) 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 or an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board. This includes deciding 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.
- (b) If a Pearl Gull Person undertakes any of the actions described in paragraph (a), that Pearl Gull Person must advise the relevant Authorising Officer (as set out in clause 3.3(c)).

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## 3 ASX Notifications

- (a) Pearl Gull must notify ASX within 5 business days after any change to a director's relevant interest in Pearl Gull's securities or a related body corporate of Pearl Gull, including whether the change occurred inside a Blackout Period and, if so, whether prior written clearance was provided.

- (b) To enable Pearl Gull to comply with the obligation set out in clause 6(a), a director must immediately (and no later than 3 business days after any relevant event) notify the Company Secretary in writing of the requisite information for the Company Secretary to make the necessary notifications to the Australian Securities and Investments Commission and ASX as required under the Corporations Act and ASX Listing Rules.
  - (c) If Pearl Gull makes a material change to this trading policy, the amended trading policy will be provided to the ASX for release to the market within 5 business days of the material changes taking effect.
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## **4 General**

- (a) A breach of this policy will be regarded as serious misconduct which may lead to disciplinary action, up to and including dismissal.
- (b) This policy will be made available on Pearl Gull's website ([www.pearlgulliron.com.au](http://www.pearlgulliron.com.au)).
- (c) If you require any further information or assistance or are uncertain about the application of the law or this trading policy in any situation, please contact the Company Secretary.