

## St Barbara Limited

### Dealings in Securities Policy

#### 1 Introduction

The purpose of this policy is to:

- (a) explain the type of conduct in relation to dealings in securities that is prohibited under the Corporations Act, which is applicable to all directors and employees (**relevant persons**) of the St Barbara group of companies (**St Barbara**); and
- (b) establish a best practice procedure relating to buying and selling securities that provides protection to both St Barbara and relevant persons against the misuse of unpublished information which could materially affect the value of securities.

St Barbara aims to achieve the highest possible standards of corporate conduct and governance. Accordingly, the Board of directors considers that compliance with this policy is essential to ensure that the highest standards of conduct are being met by all directors, executives and employees of St Barbara. St Barbara also wishes to ensure that any incorrect perception by directors, executives and employees is avoided as to when they may or should not deal in St Barbara shares.

Any non-compliance with this policy will be regarded as serious misconduct which may entitle St Barbara to terminate the employment of any employee found to be in breach of this policy.

#### 2 Policies for dealing in securities

##### 2.1 Persons to whom this policy applies

This policy applies to:

- (a) all directors of St Barbara or any related body corporate (as defined in the Corporations Act);
- (b) all employees of St Barbara or any related body corporate (as defined in the Corporations Act);

and their associates (as that term is defined in the Corporations Act) (collectively **Relevant Persons**). In this context, associate includes related companies and trusts and other persons where there is a relevant agreement or understanding (even if only informal) so that there is either an element of control or an agreement to act together.

##### 2.2 The Policy

###### (a) Window Period

Relevant Persons may buy or sell St Barbara shares on the ASX in the period of 30 days from the day following:

- (1) the announcement of half-yearly and quarterly results;
- (2) the announcement of annual results; or
- (3) the holding of the Annual General Meeting

**EXCEPT** where a Relevant Person is in possession of price sensitive information or where St Barbara is in possession of price sensitive information and St Barbara has, during the “window” set out above, notified the Relevant Person that they may not buy or sell shares during all or part of any such period.

Relevant Persons may also buy or sell St Barbara shares during the period that the Company has a current prospectus or other form of disclosure document on issue pursuant to which persons may subscribe for securities.

If a Relevant Person is not sure whether they may buy or sell St Barbara shares during this time please consult with the appropriate person listed in paragraph (b) below.

**(b) During other periods**

Outside of the “window” period, all Relevant Persons must receive clearance for any proposed dealing in St Barbara’ shares on the ASX as follows:

- (1) a **director** of St Barbara (including the Managing Director/Chief Executive Officer (**CEO**)) must inform and receive approval from the Chairman prior to undertaking a transaction outside the trading window;
- (2) the **Chairman** must obtain approval from the Board or the next most senior director, prior to undertaking a transaction outside the trading window;
- (3) **executives and senior management** must inform and receive approval from the Managing Director/CEO or the Company Secretary prior to undertaking a transaction outside the trading window; and
- (4) all other **employees** must inform and receive approval from the Managing Director/CEO or the Company Secretary prior to undertaking a transaction outside the trading window.

It is intended that a request will be answered within 48 hours.

**(c) Dealing by directors (and their associates)**

Directors are required pursuant to ASX Listing rule 3.19A to disclose to the ASX by way of announcement any change in their holding of securities in the Company. Such notices are required to be lodged within five business days of the change in securities taking place.

**(d) Employee, Executive and Director Share Plans**

While any person remains employed by St Barbara, any dealings in shares (following cessation of restrictions over the shares) acquired pursuant to the:

- (1) St Barbara Limited Employee Share Plan;
- (2) St Barbara Limited Non-Executive Director Share Plan,

must only occur in accordance with this policy.

## **3 Dealing in securities**

### **3.1 Summary of Prohibited conduct**

The Corporations Act prohibits “insider trading”.

Under the Corporations Act , a person is prohibited from dealing in *securities* where:

- (a) the person possesses information which is not generally available to the public; and

- (b) that information may have a material effect on the price of securities of the relevant entity; and
- (c) the person knows or ought reasonably to know that the information is not generally available and if it were it might have a material effect on the price of securities.

In addition, a person with inside information must not *procure* another person to deal in St Barbara' securities nor communicate the information (directly or indirectly) to another person who the person believes may deal (or procure someone else to deal) in St Barbara' securities.

The penalties involved for persons contravening these prohibitions are severe and can include compensation orders, significant penalties and up to 5 years imprisonment.

The key concepts together with the penalties involved in a contravention are detailed in Schedule 1 to this policy.

### **3.2 Relationship to the continuous disclosure regime**

The Corporations Act and the ASX Listing Rules require St Barbara to immediately release to the ASX any information concerning St Barbara which may reasonably be expected to have a material effect on the price or value of St Barbara' securities, subject to limited exceptions.

As a result of the operation of the continuous disclosure regime, usually all material price sensitive information will be generally available. However, there are limited circumstances in which disclosure is not required. In these situations there may be people with "inside information" who would breach the insider trading prohibition if they dealt in securities at that time.

Specifically, the ASX Listing Rules do not require disclosure where:

- (a) a reasonable person would not expect the information to be disclosed; and
- (b) the information is confidential and the ASX has not formed the view that the information has ceased to be confidential; and
- (c) one or more of the following applies:
  - (1) it would be a breach of law to disclose the information;
  - (2) the information concerns an incomplete proposal or negotiation;
  - (3) the information comprises matters of supposition or is insufficiently definite to warrant disclosure (eg. the effect of an event on St Barbara has not yet been quantified);
  - (4) the information is generated for internal management purposes of the entity (eg. internal management accounts or an internal management report); or
  - (5) the information is a trade secret.

Although information does not need to be disclosed under the Listing Rules, Employees may possess "inside information". If a person deals in St Barbara' securities at a time when that person is aware of information which, but for a carve-out to the Listing Rules, would need to be disclosed to the market, that person will be in breach of the insider trading provisions.

## **4 Securities in other companies**

Whilst in general Relevant Persons are free to deal in shares in other listed companies, the prohibited conduct under the Corporations Act includes dealings in securities of St Barbara as well as of other listed companies with which St Barbara may be dealing (such as St Barbara' customers or joint venture partners or any party with whom St Barbara is holding confidential business discussions) where an Employee possesses "inside information" in relation to that other company.

That is, if a Relevant Person is aware of information that is not generally available but which, if it were generally available, a reasonable person would expect it to have a material effect on the price or value of a security, that Relevant Person should not deal in the securities of the companies that it affects. For example, where a Relevant Person is aware that St Barbara is about to sign a major agreement with another company, that Relevant Person should not buy shares in either St Barbara or the other company.

## **5 Who to contact**

If you are in any doubt regarding your proposed dealing in securities you should contact the Company Secretary.

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## Schedule 1 – Key concepts and Penalties

This schedule provides further details on the key concepts underlying the insider trading laws and the penalties involved for contravention.

### 1 Relevant Terms

#### 1.1 Securities

The definition of securities in the Corporations Act is very broad.

Securities include:

- ordinary shares;
- preference shares;
- options;
- debentures; and
- convertible notes.

It also extends to things relating to securities issued by St Barbara (for example, warrants and other derivative products).

#### 1.2 Dealing in Securities

Dealing in securities is a broad concept and covers more than simply buying or selling shares. It extends to exercising options over shares and entering agreements to buy or sell securities.

That is, under this policy and the law, the prohibition on dealing means that you are not permitted to:

- buy or sell;
- enter into an agreement to subscribe for, buy or sell, securities,

where you possess information that is not generally available and which a reasonable person would expect to have a material effect on the price or value of those securities.

If you possess price sensitive information that is not generally available, you are also prohibited from:

- procuring any other person to deal in those securities; or
- directly or indirectly communicating the information to another person who you believe is likely to deal in, or procure another to deal in, those securities.

Procuring means enticing, encouraging, persuading, causing or securing another person to do something. For the purposes of these provisions procuring includes inciting, inducing or encouraging an act or omission.

For example you cannot ask or encourage family members to deal in securities when you possess price sensitive information and you should not communicate price sensitive information.

Directors and senior management (ie the Managing Director/CEO, his direct reports, and the Company Secretary) will customarily be privy to price sensitive information that is not generally available. Accordingly, directors and senior management should ensure that

they do not deal in St Barbara' securities when they or St Barbara possess 'inside information' (even during a 'window' set out in paragraph 2.2(a)).

In general, other Relevant Persons will be free to deal in St Barbara' securities during the window period, unless otherwise notified by the company.

### **1.3 Information that is generally available**

Information is "inside" if it is not generally available but which, if it were generally available, a reasonable person would expect it to have a material effect on the price or value of a security.

Information is considered to be "generally available" if:

- (1) it consists of readily observable matter; or
- (2) it has been made known in a manner likely to bring it to the attention of investors in securities of corporations of that kind and a reasonable period for dissemination of that information has elapsed; or
- (3) it may be deduced, inferred or concluded from the above.

That is, information will be "generally available" if it has been released to the ASX or AIM, published in an Annual Report or prospectus or otherwise been made generally available to the investing public and a reasonable period of time has elapsed after the information has been disseminated in one of these ways.

### **1.4 Material effect of the price of securities**

Information is considered by the Corporations Act to be likely to have a material effect on the price or value of securities of a company if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell those securities.

It is not possible to list all of the information that may be material, however, the following type of information would be likely to be considered to have a material effect on St Barbara's share price:

- information regarding a material increase or decrease in St Barbara's financial performance from previous results or forecasts;
- a proposed material business or asset acquisition or sale;
- material exploration results;
- the damage or destruction of a material operation of the company;
- proposed material legal proceedings to be initiated by or against St Barbara;
- regulatory action or investigations undertaken by a government authority;
- the launch of a material new business; or
- a proposal to undertake a new issue of shares or major change in financing.

## **1.5 Information**

For the purposes of the insider trading provisions of the Corporations Act, information is defined broadly and includes matters of supposition and other matters which are insufficiently definite to warrant being made known to the public. It also includes matters relating to the intentions of a person.

## **2 Penalties**

A person who commits a breach of the insider trading provisions could be subject to criminal liability (a maximum fine of \$220,000 or imprisonment for up to 5 years, or both) or civil liability (a pecuniary penalty of up to \$200,000 can be imposed). In addition, a person who contravenes or is involved in a contravention of these provisions may be liable to compensate any person who suffers loss or damage because of the conduct.

In the case of a body corporate, the commission of an offence under the insider trading provisions is punishable by a fine of up to \$1,100,000.