

PENINSULA MINERALS LIMITED

SHARE TRADING POLICY

Introduction

The ordinary shares of Peninsula Minerals ("PEN") are listed on the Australian Stock Exchange. This policy has been written in an effort to prevent the incidence of insider trading in PEN's shares by directors, senior managers and certain other categories of employees and person associated with any of them. It is the responsibility of each individual to comply with this policy.

This policy sets out:

- (a) When trading in PEN's securities by directors, senior managers and other employees is permitted
- (b) When trading by directors, senior managers and other employees is permitted in financial products issued or created over PEN securities by third parties or products which operate to limit the economic risk of their security holdings in the company;
- (c) Procedures to reduce the risk of insider trading.

Trading in Company Shares & Other Securities

Directors, officers, employees (and persons connected with them who are likely to be influenced by the directors/employees in their decision making) shall not trade in the Company's shares or other securities nor place themselves under suspicion of trading in the Company's securities while in possession of unpublished price sensitive information.

All directors and employees should ensure that all transactions in Company shares or other securities comply with:

- (a) Australian Corporations Law and Regulations (particularly the insider trading provisions in Section 1002G)
- (b) The Australian Stock Exchange Ltd Listing Rules (particularly the continuous disclosure requirements in rule 3.1)
- (c) Any similar legislation in other countries in which PEN conducts transactions

The Company's securities include equity shares, options and any other instrument issued or granted by PEN (or PEN controlled or managed company)

General Restrictions on Trading

Directors and any employee:

- (a) Must not engage in short term trading of any PEN securities
- (b) Must not trade in any PEN security while that person is in possession of unpublished price sensitive information (i.e. insider information)

Restrictions on Trading by Directors, Officers and Senior Management

When directors, officers or senior management trade in Company securities there is the potential for embarrassment or adverse publicity if: -

- The Company's financial position and operating results differ from the financial community's expectation

Accordingly, directors and senior management: -

- Must not trade in any PEN shares or other securities without first obtaining clearance before commencing the transaction from:
 - In the case of a senior manager, or their associates, the Chief Executive Officer or the Company Secretary; or,
 - In the case of a Director, or their associates, the Chairman or, in his/her absence, the Chief Executive Officer; or
 - In the case of the Chief Executive Officer, the Chairman or, in his/her absence, the Chairman of the Remuneration Committee;
 - In the case of the Chairman, the Chairman of the Remuneration Committee
- Must not be given clearance to trade in the Company's shares or other securities under the point above during:
 - Any period when there exists any matter which constitutes unpublished price sensitive information in relation to the Company's securities; or
 - Any period when the proposed dealing is in breach of this standard.

Exemption

In exceptional circumstances clearance may be given for the Director or relevant employee to sell (but not to purchase) securities when he would otherwise be prohibited from doing so but not while there exists any matter, which constitutes unpublished price sensitive information in relation to the Company's securities.

Responsibilities

Each Director and employee is responsible for adhering to PEN's ethical standards & code of conduct for trading in Company Securities

The Company Secretary has responsibility for maintaining these standards.

Further Guidelines

Attached are further guidelines in relation to the trading of Company shares. This should be read and understood by all employees and officers of PEN.

Further Guidelines for trading in Company shares & other securities

Directors, officers, employees and related parties (that is parties who are associated with them who are likely to be influenced by the directors/employees in their investment decision making) should not trade in the Company's securities nor place themselves under suspicion of trading in the Company's securities while in possession of unpublished prices sensitive information.

All Directors and employees should ensure that all transactions in Company securities comply with:

- (a) Australian Corporations Law and Regulations (particularly the insider trading provisions in Section 1002G)
- (b) The Australian Stock Exchange Listing Rules (particularly the continuous disclosure requirements in rule 3.1)
- (c) Any similar legislation in other countries in which PEN conducts transactions

The PEN Guidelines for trading in Company shares and securities has been amended to ensure it fits in with current regulatory requirements (particularly following the introduction of continuous disclosure requirements), meets the needs of the Company and conforms to generally accepted principles and standards of conduct.

The guidelines below are based on Australian law and industry guidelines and reflect the standards adopted by the London Stock Exchange in its model code governing dealings by directors and employees in Company securities. It has been produced to provide guidance to Directors and employees of PEN, and related parties, when trading in PEN shares or other securities.

Guidelines

Directors, and any employee

- (a) Must not engage in short term trading of any PEN shares or other securities. Such trading may appear speculative and could consequently reflect poorly on the Company;
- (b) Must not trade in any PEN shares or other security while that person is in possession of unpublished prices sensitive information;

and

Directors and Relevant Employees:

- (c) Must not trade in any PEN shares or other securities before commencing the transaction without first obtaining clearance from:
- i. In the case of a Relevant Employee or their associate, the Chief Executive Officer, or the Company Secretary; or
 - ii. In the case of a Director or their associate, the Chairman; or
 - iii. In the case of the Chief Executive Officer, the Chairman or, in his/her absence, the Chairman of the Remuneration Committee
 - iv. In the case of the Chairman, the Chairman of the Remuneration Committee
- (d) Must not be given clearance to trade in the Company's shares or other securities under (c) above during a "prohibited period". A "prohibited period" means:
- i. Any period when there exists any matter which constitutes unpublished price sensitive information in relation to the Company's securities (whether or not the Director or Relevant Employee has knowledge of such a matter) and the proposed trading would (if permitted) take place after the time when it has become reasonably probable that an announcement will be required in relation to that matter; or
 - ii. Any period when the person responsible for the clearance otherwise has reason to believe that the proposed dealing is in breach of Company policy and standards.
- (e) The Company will maintain, through the Company Secretary, a written record of the receipt of any advice received from a Director or Relevant Employee pursuant to paragraph (c) of these guidelines and of any clearance given.

Trading in exceptional circumstances

- (f) In exceptional circumstances where it is the only reasonable course of action available to a Director or Relevant Employee, clearance may be given for the Director or Relevant Employee to sell (but not to purchase) securities when he would otherwise be prohibited from doing so but not while there exists any matter which constitutes unpublished price sensitive information in relation to the Company's securities. Such clearance must be obtained from:
- i. In the case of a Director or their associate, the Chairman; or
 - ii. In the case of a Relevant Employee or their associate, the Chief Executive Officer, or the Company Secretary
 - iii. In the case of the Chairman, the Chairman of the Remuneration Committee

An example of the type of circumstances, which may be considered exceptional for these purposes, would be a pressing financial commitment on the part of the Director, officer or Relevant Employee that cannot otherwise be satisfied. The determination of whether circumstances are exceptional for this purpose must be made by the person responsible for the clearance.

Director acting as Trustee

- (g) Where a Director or Relevant Employee is a sole trustee, the provisions of Company policy and standards will apply as if he were trading on his own account. Where a Director is a co-trustee, he must advise his co-trustees that he is a Director or senior employee of PEN. If the Director or Relevant Employee is not a beneficiary, trading in PEN's shares or other securities undertaken by that trust will not be regarded as a trade by the Director or Relevant Employee for the purposes of Company policy and standards, where the decision to trade is taken by other trustees acting independently of the Director, officer or Relevant Employee or by investment managers on behalf of the trustees. The other trustees or the investment managers will be assumed to have acted independently of the Director, officer or Relevant Employee for this purpose where they:
- i. Have taken the decision to trade without consultation with, or other involvement of, the Director, officer or Relevant Employee concerned; or
 - ii. If they have delegated the decision making to a committee of which the Director, officer or Relevant Employee is not a member.

Trading by related parties and investment managers

- (h) A Director, officer or Relevant Employee must (so far as is consistent with his duties of confidentiality to the Company) seek to prohibit (by taking the steps set out in paragraph (i) of these guidelines) any trading in PEN shares or other securities at a time when the Director, officer or Relevant Employee is in possession of unpublished price sensitive information in paragraph (d) of these guidelines, and a Director, officer or Relevant Employee must seek to prohibit any trading in PEN shares or other securities during a "prohibited period":
- i. By or on behalf of any related party; or
 - ii. By an investment manager on his behalf or on behalf of any related party whether he, or the related party, has funds under management with that investment manager, whether or not discretionary (save as provided in paragraph (g) and (n) of these guidelines).

- (i) For the purposes of paragraph (i) of these guidelines, a Director, officer or Relevant Employee must advise all such related parties and investment managers:
 - i. That he is a Director, officer or senior employee of PEN;
 - ii. Of any periods when the Director, officer or Relevant Employee knows he is not himself free to trade in PEN's shares or other securities under the provisions of these guidelines unless his duty of confidentiality to the Company prohibits him from disclosing such periods; and
 - iii. That they must advise him immediately after they have traded in PEN's shares or other securities (save as provided in paragraph (h) and (o) of these guidelines)

Permitted Transactions

- (j) The grant of options by the Board of Directors under any PEN employee share scheme to Directors, officers or Relevant Employees may be permitted during a prohibited period if such grant could not reasonably be made at another time, and failure to make the grant would indicate that the Company was in a prohibited trading period.

Purchase of Short Term Incentive Shares

- (k) The purchase of PEN's shares or other securities on behalf of Directors, officers or Relevant Employees may be permitted during a prohibited period if such purchases are made at a predetermined date under the terms of any PEN incentive plans.

Exercise of Options

- (l) Subject to point (m) the Chairman or other designated Director may at any time allow the exercise of an option or right under any PEN Employee Share Scheme, or the conversion of a convertible security, to occur.
- (m) Where an exercise or conversion is permitted pursuant to paragraph (l) of these guidelines, the Chairman or other designated Director may not, however, give clearance for the sale of shares or other securities acquired pursuant to such exercise or conversion.

Personal equity plans and authorised unit trusts

- (n) A Director, officer or employee may enter into a personal superannuation or equity investment plan or deal in units of an equity unit trust without regard to the provisions of

these guidelines. In the case of personal superannuation or equity investment plan investing only in PEN shares or other securities the provisions of paragraph (o) apply.

- (o) A Director, officer or employee may enter into a personal superannuation or equity investment plan which involves regular payments by standing order or direct debit of sums which are to be invested only in PEN shares or other securities if the following provisions are complied with:
- i. He or she does not enter into the plan or carry out the first purchase, of the PEN shares or other securities within the plan during a prohibited period; and
 - ii. He or she does not cancel or vary the terms of this participation, or carry out sales PEN shares or other securities within the plan during a prohibited period; and
 - iii. Before entering into the plan or cancelling the plan or varying the terms of his participation or carrying out the sales of PEN shares or other securities within the plan, he or she obtains clearance under paragraph (c) of these guidelines.

Saving schemes etc

- (p) A Director, officer or employee may enter into a scheme under which PEN shares or other securities:
- i. Are purchased pursuant to a regular standing order or direct debit arrangement; or
 - ii. Are acquired by way of a standing election to reinvest dividends other distributions received:

If the provisions set out in paragraph (n) of these guidelines in relation to personal equity plans investing only in PEN shares or other securities are complied with.

Guidance Notes on other Trading

- (q) For the purpose of Company policy and standards, the following transactions constitute trading and are consequently subject to the provisions of these guidelines:
- i. Trading between Directors, officers and/or employees of the Company
 - ii. Off-market trading; and
 - iii. Transfers for no consideration by a Director, officers or employee, other than transfers where the Director or employee retains a beneficial interest under the Corporations Law.

- (r) For the purposes of Company policy and standards, the following trading is not subject to the provisions or these guidelines:
- i. Undertakings or elections to take up entitlements under a rights issue or other offer (including an offer of shares in lieu of a cash dividend);
 - ii. The take up of entitlements under a rights issue or other offer (including and offer of shares in lieu of a cash dividend);
 - iii. Allowing entitlements to lapse under a rights issue or other offer (including an offer of shares in lieu of a cash dividend);
 - iv. The sale of sufficient entitlements nil-paid to allow take up of the balance of the entitlements under a rights issued;
 - v. Undertaking to accept, or the acceptance of, a takeover offer;
 - vi. Dealing by a Director with a related party whose interest in shares or other securities is to be treated by virtue of section 243 of the Corporations Act 2001 as the Director's interest;
 - vii. Transfers of shares arising out of the operation of an employees' share scheme into a personal equity plan investing only in PEN shares or other securities within ninety days of:
 - a. The date of exercise of an option under a savings related share option scheme; or
 - b. The date of release of shares from a profit sharing scheme.

Definitions

In these guidelines the following definitions apply unless the context otherwise requires:

- (a) "Insider Trading" Section 1002G of the Corporations Act 2001, summarises prohibited conduct by persons in possession of insider information s1002G(1) where:
- a. *a person ("insider") possesses information that is not generally available but, if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of those securities; and*
 - b. *the person knows, or ought reasonably to know, that:*
 - i. *the information is not generally available; and*
 - ii. *if it were generally available, it might have a material effect on the price or value of those securities, the following rules must apply*

S1002G(2) *The insider must not (whether as a principal or agent):*

- c. *subscribe for, purchase or sell, or enter into an agreement to subscribe for, purchase or sell any such securities; or*
- d. *procure another person to subscribe for, purchase or sell, or enter into an agreement to subscribe for, purchase or sell, any such securities.*

S1002G(3) *The insider must not, directly or indirectly, communicate the information, or cause the information to be communicated, to another person the insider knows, or ought reasonably to know, that the other person would or would be likely to:*

- e. *subscribe for, purchase or sell, or enter into an agreement to subscribe for, purchase or sell any such securities; or*
- f. *procure a third person to subscribe for, purchase or sell, or enter into an agreement to subscribe for, purchase or sell, any such securities.*

- (b) "Prohibited period" means any period to which paragraph (d) of these guidelines applies;
- (c) "Related Party" is defined in Section 243 of the Corporations Act 2001 and essentially covers parties who are associated with directors or senior employees who are likely to be influenced by the directors/employees in their investment decision-making.
- (d) "Relevant Employee" means any Director or employee of PEN controlled entity who, because of his or her office or employment in the listed company or controlled entity is likely to be in possession of unpublished price-sensitive information in relation to the listed company. It specifically includes Directors and employees in management positions and above.
- (e) "Securities" means any PEN listed securities and, where relevant, PEN securities that have been listed or admitted for trading on, or have their prices quoted on or under the rules of, any regulated market. Securities include equity shares, options and any other instrument issued or granted by PEN (or PEN controlled or managed company).
- (f) "Trading" includes any sale or purchase of, or agreement to sell, or purchase, any shares or other securities of the Company and the grant, acceptance, acquisition, disposal, exercise or discharge of any option (whether for the call, or put, or both) or other right or obligation, present or future, conditional or unconditional, to acquire or dispose of securities, or any interests in securities, of the Company and "trade" shall be construed accordingly;
- (g) "unpublished price sensitive information" means information required to be disclosed to the ASX under listing rule 3.1 and is defined as any unpublished information concerning PEN that a reasonable person would expect to have a material effect on the price or value of

PEN's securities if it were made public.