



**ABN 63 009 193 980**

# **BLACKTHORN RESOURCES LIMITED**

## **SECURITIES TRADING POLICY**

**August 2009**

## **BLACKTHORN RESOURCES LIMITED**

### **SECURITIES TRADING POLICY**

#### **1. Purpose**

- 1.1 This Policy sets out the requirements for directors, employees, consultants and contractors of Blackthorn Resources Limited ('Blackthorn Resources') and its related entities (collectively 'Blackthorn Resources People') in relation to dealing in securities of Blackthorn Resources.
- 1.2 This Policy has important implications for all Blackthorn Resources People. If you do not understand the implications of this Policy or how it applies to you, you should raise the matter with the Chief Executive Officer or the Company Secretary before trading in any securities which may be affected by this Policy or the law.
- 1.3 This Policy only provides a summary of applicable legal and regulatory issues which are complex, and should therefore only be used as a general guide, not as legal advice.

#### **2. The Trading Policy**

- 2.1 As a general rule Blackthorn Resources People must not:
  - (i) buy, sell or otherwise deal in Blackthorn Resources securities while in possession of price sensitive information;
  - (ii) advise, procure or encourage any other person to buy, sell or otherwise deal in Blackthorn Resources securities while in possession of price sensitive information;
  - (iii) pass on information to any person, if you know or ought to reasonably know that the person may use the information to buy, sell or otherwise deal (or procure another person to buy, sell or otherwise deal) in Blackthorn Resources securities.
- 2.2 Blackthorn Resources People should not buy, sell or otherwise deal in Blackthorn Resources securities during a restricted trading period or "closed period". A closed period is:
  - (i) the period from Blackthorn Resources' financial year end ( 30 June) to the time Blackthorn Resources' annual results are announced;
  - (ii) the period from Blackthorn Resources' financial half-year end (31 December) to the time Blackthorn Resources' half-year financial results are announced;
  - (iii) the period of one month immediately preceding the announcement of Blackthorn Resources' quarterly results or, if shorter, the period from the relevant end of quarter up to and including the time Blackthorn Resources' quarterly results are announced;

- (iv) any period when Blackthorn Resources is in possession of unpublished price sensitive information;
  - (v) any other period notified to Blackthorn Resources People by the Chief Executive Officer as a closed period, where the circumstances are such to justify another period (eg, whilst Blackthorn Resources is actively fund raising).
- 2.3 If you have price sensitive information relating to a company other than Blackthorn Resources which is not generally available, the same insider trading rules apply.
- 2.4 Dealing in Blackthorn Resources securities by a family member is to be discouraged, except outside a closed window period.

### **3. Definitions**

#### *3.1 What are securities?*

For the purpose of this Policy, securities are any listed or unlisted class of share, right, option, warrant, convertible note, bond, or debenture.

#### *3.2 What is dealing in securities?*

For the purpose of this Policy, dealing includes buying, selling, subscribing for any Blackthorn Resources securities, whether on your own account or on behalf of another person.

Legally there are many forms of dealing such as granting options over shares, entering conditional contracts to buy or sell securities and so on. If you are considering any transaction whatsoever involving Blackthorn Resources securities, you should only do so in consideration of this Policy.

#### *3.3 What is price sensitive information?*

For the purpose of this Policy, price sensitive information means any information relating to Blackthorn Resources that would, if the information were publicly known, be likely to:

- (i) have a material effect on the price or value of Blackthorn Resources securities; or
- (ii) influence persons who commonly invest in securities in deciding whether or not to buy, sell or otherwise deal in Blackthorn Resources securities.

#### *3.4 What is insider trading?*

For the purpose of this Policy, insider trading arises when you buy, sell or otherwise deal in securities whilst in the possession of price sensitive information which has not been published or which is not otherwise generally available.

### 3.5 *Who is a family member?*

For the purpose of this Policy, a family member is your spouse or partner, your parents or parents-in-law (including parents of partners), your children/stepchildren (including children of partners) and the spouse/partners of any of those people.

## **4. Consequence**

- 4.1 Insider trading is a criminal offence. If you are found guilty of insider trading, you could be liable to a fine or a jail term. You may also have to compensate others for their losses.
- 4.2 Compliance with this Policy is a condition of employment. Failure to comply with this Policy, whether or not involving actual insider trading as a matter of law, could result in disciplinary action being taken against you by Blackthorn Resources or your dismissal from employment.
- 4.3 Compliance with this Policy is a condition of contracting with Blackthorn Resources. Failure to comply with this Policy, whether or not involving actual insider trading as a matter of law, could result in the termination of your contract with Blackthorn Resources.

## **5. Procedures**

- 5.1 You can deal in Blackthorn Resources securities outside of the closed periods, unless you hold price sensitive information. Once you have completed a transaction you should report details of the transaction to the Company Secretary.
- 5.2 Directors of Blackthorn Resources are required to notify the Company Secretary details of:
  - (i) all Blackthorn Resources securities they hold directly or indirectly at the time they are appointed as a director;
  - (ii) all changes Blackthorn Resources securities they hold directly or indirectly within 2 days of the transaction occurring.

## **6. Publication of Charter**

This Policy will be made available to Blackthorn Resources' shareholders on request.

A copy of this Policy will be made available on Blackthorn Resources' website [www.blackthornresources.com.au](http://www.blackthornresources.com.au)

**Approved and adopted by the Board of Blackthorn Resources Limited on  
19 August 2009**