

Securities Trading Policy

1. Introduction

Hawsons Iron Limited (**HIO**) securities are listed for quotation on the Australian Securities Exchange. This document sets out HIO's policy regarding insider trading and when directors and employees may deal in HIO securities.

The policy aims to:

- protect stakeholders' interests at all times;
- ensure that directors, employees and contractors do not use inside information they possess for their personal advantage or to their customers' or HIO's detriment; and
- ensure that directors, employees and contractors comply with the insider trading provisions of the *Corporations Act 2001* (C'th) (**Corporations Act**).

The policy applies to all executive and non-executive directors and employees (including contractors) of HIO and any of its subsidiaries. It also extends to the immediate family members (such as a spouse and minor children) of directors and employees and to companies, trusts and entities controlled by the director or employee or their immediate family member.

Every director, employee and contractor of HIO has an individual responsibility to ensure that they comply with the law relating to insider trading and this policy. A breach of the law relating to insider trading can have serious consequences, including individual criminal and civil liability and is also a breach of the conditions of employment at HIO.

The policy is not intended to be a substitute for directors and employees obtaining their own legal advice. If any director or employee has any particular concerns on insider trading or dealing in HIO securities, they should contact the Company Secretary.

2. General Prohibition against Insider Trading

During the course of their duties, directors, employees and contractors of HIO may become aware of information that could have an impact on the price of shares and other financial products in the market. This information could be **'inside information'**.

This information is usually confidential and subject to an employee's general duties of confidence to HIO and to customers. The insider trading rules in the Corporations Act also affect how directors, employees and contractors can use this information.

Where a director, employee or contractor is in possession of price sensitive information about any company's financial products which is not generally available to others, under the Corporations Act, they cannot:

- apply for, acquire or dispose of those financial products, or enter into an agreement to do any of those things; or
- procure that another person does any of those things in relation to those financial products.

Where the price sensitive information relates to a company's financial products that are listed on a financial market, then directors, employees or contractors must not, directly or indirectly, communicate that information to a person if they know, or they ought reasonably to know, that the person is likely to deal or trade in those financial products.

These rules not only prevent HIO directors, employees or contractors from trading, but also prevent directors, employees or contractors of HIO from encouraging other people to trade or giving that

information to someone else who is likely to trade or encourage others to trade.

This policy applies equally to financial products issued or made available by HIO or its subsidiaries and to financial products issued or made available by customers or other corporate entities with which directors, employees or contractors may deal in the course of their duties (e.g. suppliers, sub-contractors or entities in which HIO has an interest).

2.1 Who is an Insider?

You are an insider:

- if you have **information** that is not **generally available** but if it were, a reasonable person would expect it to have a **material effect** on the price or value of **financial products** ('**inside information**'); and
- you know, or ought reasonably to know, that the information is inside information.

2.2 What is a Financial Product?

Financial product has a very wide meaning in the Corporations Act. Not all financial products are subject to the insider trading rules. For the purpose of this policy, a reference to a financial product is only to those products which are subject to the insider trading rules.

The insider trading rules apply to the following financial products:

- securities - including a company's shares, debentures (including convertible notes), managed investment interests made available by it, units of shares or of managed investment interests and exchange traded and over the counter put and call options over any of those securities;
- derivatives - including exchange traded options, equity swaps, futures or options, equity futures or other futures which relate to any financial products of a company;
- managed investment products;
- superannuation products; and
- any other financial product that can be traded on a financial market (that is, tradeable on a stock exchange or futures exchange or other type of licensed financial market).

2.3 What Constitutes Information?

Information means any fact, matter or circumstance and includes:

- matters of supposition (e.g. rumours or innuendo) or which are otherwise insufficiently definite to warrant being made known to the public and;
- matters relating to the intentions, or likely intentions, of a person. The information can be in any form (e.g. written or verbal).

Information is **generally available** if:

- it consists of readily observable matter or;
- it has been made known to people who commonly invest in the type of financial product involved and a reasonable period has elapsed for it to be disseminated to those people, or;
- it consists of deductions, conclusions or inferences made or drawn from readily observable matter or information that has been disseminated.

Information has a **material effect** on the price or value of financial products if the information would, or would be likely to, influence people who commonly acquire financial products in deciding whether or not to acquire or dispose of the particular financial products.

Directors, employees and contractors may come into possession of inside information if they become

aware of any of the following when it is not generally available:

- (a) information relating to HIO projects, contractors or tenders;
- (b) information on Hawsons Iron's results, production, resources or reserves;
- (c) information relating to HIO's financial results or forecast results;
- (d) a possible sale or acquisition of assets by HIO;
- (e) a possible change in HIO's capital structure (for example, a new issue of equity to raise money, a buy-back of shares or changes to the composition of HIO's debt facilities);
- (f) Board or key management personnel changes in the Company or a Group Company;
- (g) an event which could have a material impact (either positively or negatively) on projects, production or profits (for example, significant change to a contract or customer, a significant safety or environmental incident);
- (h) a proposed change in the nature of HIO's business;
- (i) a proposed takeover or merger involving HIO;
- (j) a notification to ASX, of a substantial shareholding in HIO;
- (k) any information required to be disclosed to ASX, under their continuous disclosure rules; and
- (l) any possible claim against HIO or other unexpected liability.

It should be noted that either positive or negative information may be material and the list above is not meant to set out all possible examples of unpublished price sensitive information.

2.4 When do you stop being an Insider?

A director, employee or contractor will no longer be an insider once the inside information becomes generally available (as described above - see **What Constitutes Information?**).

3. Specific Insider Trading Rules

All directors, employees and contractors must follow the rules below if they are considered an insider:

- you must not apply for, acquire, or dispose of, financial products of HIO to which the inside information relates, either for yourself or for another person;
- you must not get another person (whether a family member, friend, associate, colleague or your company or trust) to apply for, acquire or dispose of, the financial products for you or for another person or for themselves;
- if the financial products are also listed on a financial market (such as the Australian Securities Exchange) you must not, either directly or indirectly, give the inside information, or allow it to be given, to another person who you know, or should know, would be likely to do any of the prohibited things described above;
- with regard to financial products of a company which is a customer or another person with whom you do business, you must not apply for, acquire or dispose of or offer or agree to acquire or dispose of those financial products or attempt to influence others (including family, associates, colleagues, private company or trustee) to do so;
- you must not give any inside information to any person who is an employee or contractor of HIO and/or its subsidiaries who is a trader in, or distributor of, financial products or get them to buy or sell for you or another person while you remain an insider;
- if you liaise with industry analysts or business journalists working on the business activities of HIO, you must not give them any inside information about HIO, or confirm with them any suspicions or hunches which they may have, even if these hunches are based on their own research and analysis.

This policy applies to all directors, employees and contractors regardless of the capacity in which they

are acting. For example, a director, employee or contractor must not trade through their family or through a trust or company in which they have influence or control in circumstances where they would have been prohibited in trading in their own name.

It is also important to note that information does not need to be obtained from HIO to be inside information. It does not matter how the inside information is obtained, just that the director, employee or contractor possess it.

4. Trading in HIO Securities

The above general policy applies to all financial products to which the insider trading rules in the Corporations Act apply.

This part of the policy applies to directors, employees and contractors in respect of their dealings with HIO's securities or any other securities or financial products which may be issued by HIO or its subsidiaries, including all securities issued to employees under an HIO incentive scheme or plan.

4.1 Prohibited Trading

- No director, employee or contractor can trade in or get someone else to trade in financial products of HIO in breach of insider trading rules.
- At no time can directors, employees or contractors engage in short term speculative trading in HIO's financial products. For the avoidance of doubt, the purchase and subsequent sale of HIO's financial products by directors, employees or contractors within a three month period will, in the absence of compelling evidence to the contrary, be deemed to be short term speculative trading. This rule is designed to encourage support for HIO's long term objectives and discourage short term actions which could affect the security price or lead to market speculation. This rule does not prevent a director, employee or contractor disposing of securities issued on the exercise of employee options or upon the vesting of performance rights (subject to the other terms of this policy).
- At no time can directors, employees or contractors engage in short selling in HIO's financial products.

4.2 Closed Period and Permitted Trading Period

Directors, employees and contractors must not trade in HIO's financial products during the following Closed Periods:

- Two weeks before and 24 hours after the release of the Company's quarterly, half-yearly or full year results to the ASX; and
- Two weeks before lodgment and during the period that a disclosure document including a prospectus is open for applications except to the extent that a Designated Person is applying for securities pursuant to that disclosure document.

All other days throughout the year constitute the **Permitted Trading Period**.

4.3 Required Approvals

Employees will have different access to price sensitive information depending on their position in HIO. **Designated Employees** are those employees deemed most likely to have access to inside information and these employees are therefore subject to additional restrictions in relation to trading in HIO securities.

The following employees are Designated Employees:

- key management personnel;
- directors, company secretaries and senior executives of principal subsidiaries;
- senior Finance, Legal, Communication or Investor Relations employees;

- corporate and divisional officers reporting directly to any of the above employees;
- confidential secretaries and assistants reporting to any of the above positions;
- employees who have access to the financial results; and
- any other HIO employee designated by the Company Secretary from time to time for the purposes of this policy.

Prior to trading in HIO's financial products within a Permitted Trading Period:

- Designated Employees must obtain approval from the Chief Executive Officer or Company Secretary;
- the Chief Executive Officer must obtain approval from the Chairman;
- Directors must obtain approval from the Chairman; and
- the Chairman must obtain approval from a non-executive director.

Directors and Designated Employees remain subject to the general policy rule that they must not deal in HIO securities if they are in possession of inside information during a Permitted Trading Period.

While it is not compulsory, HIO believes it would be prudent for all directors and employees to maintain a record or register of personal trading in HIO's financial products. All designated employees will have their holdings in HIO financial products monitored through a watch list to ensure compliance with the required approval process for trading in HIO financial products.

4.4 Special Circumstances for Trading outside the Permitted Trading Period

Trading may be permitted outside the Permitted Trading Period where special circumstances exist. Approval must be obtained from the Chief Executive Officer, Company Secretary or Chief Financial Officer in the case of Designated Employees, from a non-executive director in the case of the Chairman or from the Chairman in the case of directors.

Whether special circumstances exist will be a matter for the relevant person to decide, but will generally only apply in limited circumstances such as:

- cases of financial or personal hardship or necessity; and
- legal duties and obligations (e.g., the administration of a deceased estate or transfers under Family Court orders).

The designated approval officer may only exercise discretion to authorise a trade outside the Permitted Trading Period in exceptional circumstances where they are satisfied that the proposed sale or disposal of the relevant securities is considered the only reasonable course of action and that there is no apparent breach of the insider trading laws.

Written clearance to trade (including by email or facsimile) will be provided by the designated approval officer and will be valid for a period of fourteen days unless further extended by agreement.

4.5 Excluded Trading

This policy does not prevent directors, employees or contractors from trading in HIO securities in certain situations where the trading occurs under an offer to all or most of the security holders of HIO, where no change in beneficial ownership results from the trade and situations where the director, employee or contractor has no control or influence with respect to the trading decision.

The following trading is excluded from the restrictions under this policy:

- the issue of securities under an employee incentive scheme approved by the Board;
- the exercise (but not the sale of securities following exercise) of an option under an employee incentive scheme or the conversion of a convertible security;
- trading under an offer or invitation made to all or most of HIO security holders including an

issue of securities under a rights issue, security purchase plan, distribution reinvestment plan, equal access buy-back or other pro rata offer where the plan that determines the timing and structure of the offer has been approved by the Board;

- undertakings to accept, or the acceptance of, a takeover offer;
- transfers of securities already held into a superannuation fund, family trust or other savings scheme in which the director, employee or contractor is a beneficiary; and
- the sale of securities in accordance with a margin call under the terms of a margin loan against the relevant HIO securities.

5. Margin Lending Arrangements

The use of margin lending arrangements by directors or key management personnel in relation to HIO securities is prohibited.

6. Use of Derivatives or Hedging

The use of derivative or hedging arrangements by directors or key management personnel in relation to unvested HIO securities or vested HIO securities which are still subject to a HIO imposed holding lock is prohibited.

7. ASX Notification by Directors

The Corporations Act and the ASX Listing rules require director dealings in HIO securities to be disclosed to the ASX. In order to comply with the ASX Listing Rules, each director must inform the Company Secretary in writing of all director dealings as soon as reasonably possible after the date of the transaction and in any event, no later than 1 business day after the transaction.

8. Consequences of Breach of Policy

A breach of this policy by any person will be treated seriously and may lead to disciplinary action including dismissal.

Breaches of the insider trading provisions of the Corporations Act are a criminal offence. Penalties for insider trading for individuals can include up to 10 years jail and and/or a fine equal to the greater of: \$765,000; or if the court can determine the amount of the benefit derived and detriment avoided because of the offence, 3 times that amount. For companies, the maximum penalty is a fine equal to the greatest of: \$7,650,000; or if the court can determine the amount of the benefit derived and detriment avoided because of the offence, 3 times that amount; or 10% of the body corporate's annual turnover during the 12-month period ending at the end of the month in which the body corporate committed or began committing the offence.

There is also potential civil liability for losses caused to other investors.

HIO will involve the authorities if it believes insider trading or other breaches of the law have been committed.

All queries regarding issues raised in this policy should be directed to the Company Secretary.

Review of Policy

The Policy is reviewed annually by the Board to keep it up to date and consistent with legislative and other Corporate Governance Requirements.

This Policy was reviewed and approved by the Board of Directors on 27 August 2024.