

CENTAURUS METALS LIMITED
ABN 40 009 468 099
Corporate Governance Practices
Securities Trading Policy

1. Introduction

This Policy provides a summary of the law relating to insider trading and sets out the restrictions on dealing in securities of Centaurus Metals Limited (**Company**) by people who work for or are associated with the Company.

If you do not understand any part of this Policy or how it applies to you, you should raise the matter with the Company Secretary before dealing in any securities.

2. Who is Covered by this Policy

This Policy applies to:

- executive and non-executive Directors;
- full-time, part-time and casual employees; and
- contractors, consultants and advisers of the Company.

Additional trading restrictions apply to Directors and Senior Managers (meaning those managers who report directly to the Managing Director).

3. What Securities are Covered by this Policy

This Policy applies to trading in all Company securities including:

- shares;
- options;
- performance rights;
- convertible notes;
- derivatives of any of the above (such as exchange-traded options, futures, hedges); and
- securities of any other company or entity that may be affected by inside information (such as a joint venture partner).

4. Prohibition on Insider Trading

4.1 Prohibition

If you have inside information it is illegal for you to:

- trade in securities; or
- advise or procure another person to trade in securities; or
- pass on inside information to someone else (such as colleagues, family or friends) knowing, or where you should have reasonably known, that the other person will use that information to trade in, or procure someone else to trade in, securities.

4.2 What is Trading?

For the purposes of this Policy, “trading” in securities includes:

- subscribing for, acquiring or disposing of Company securities on market or through an off market transaction; and
- advising, procuring or encouraging another person (such as a family member, friend, associate) to trade in securities.

4.3 What is “Inside Information”?

Inside information means information that:

- is not generally available; and
- if it were generally available, it would (or would be likely to) influence investors in deciding whether to buy or sell securities in the Company.

It does not matter how you come to know the inside information (for example whether you learn it in the course of carrying out your responsibilities or in passing in the corridor or in a lift or at a social occasion).

The financial impact of the information is important but strategic and other implications can be equally important in determining what amounts to inside information. The definition of “information” is broad enough to include rumours, matters of supposition, intentions of a person (including the Company) and information which is insufficiently definite to warrant public disclosure.

4.4 Examples of Inside Information

Information which may constitute inside information includes, but is not limited to:

- the Company’s financial performance and revised forecasts;
- drilling results, production results and reserve statements;
- bonus or new share issues;
- a material acquisition or sale of assets by the Company;
- an actual or proposed takeover or merger; and
- a proposed dividend or change in dividend policy.

4.5 Dealing in Securities of Other Companies

The prohibition on insider trading is not restricted to information affecting the Company. Accordingly if you possess inside information in relation to securities of another company or entity you must not trade in those securities.

5. Confidential Information

Independent of insider trading laws, employees are also bound by a duty of confidentiality in relation to information obtained in the course of their employment. You must not reveal any confidential information concerning the Company, use that information in any way which may injure or cause loss to the Company, or use that information to gain an advantage for yourself.

6. Prohibition Against Short-Term or Speculative Trading

Speculating in short-term fluctuations in the Company’s securities does not promote shareholder or market confidence in the integrity of the Company.

Directors and employees must not partake in short-term trading of the Company’s securities which is defined as less than a 30-day period.

7. Additional Restrictions on Trading by Directors and Senior Managers

In addition to the general trading restrictions set out in this Policy that apply to all employees, additional restrictions on trading in the Company's shares apply to Directors and Senior Managers.

7.1 Prohibition of Trading During Blackout Periods

There are certain periods during the year, during which Directors and Senior Managers should not trade in the Company's securities given the heightened risk of actual or perceived insider trading. These periods are called "blackout periods".

Directors and Senior Managers are prohibited from trading in the Company's securities during the following blackout periods:

- 1 week prior to the release of annual and half yearly accounts to the ASX;
- 1 week prior to the release of the quarterly results announcement to the ASX; and
- 2 business days after the release of any ASX announcement.

Trading during blackout periods may only be permitted with prior approval of the Chair (or, in the case of the Chair, with the approval of the Managing Director), where there are exceptional circumstances (such as severe financial hardship) and the Director or Senior Manager is not aware of inside information. Where such approval is obtained, trading must occur within 7 days.

7.2 Clearance Outside of Blackout Periods

Before trading in the Company's securities during periods outside of the Blackout Periods (if permitted by this Policy), Directors and Senior Managers must comply with the following:

- Directors must advise the Chair prior to any proposed trading; and
- In the case of the Chair and Senior Managers, they must advise the Managing Director and Company Secretary.

A response would normally be expected within 24 hours. Directors and Senior Managers must confirm at the time that they do not hold inside information.

Any trading must occur within 7 days of being so advised.

Directors must notify the Company Secretary promptly of sufficient details of any trading to enable notice to be filed in accordance with the ASX Listing Rules within 5 business days of the trading.

7.3 Pledging Securities

Directors and Senior Managers can put themselves at risk under insider trading laws if they enter into loan arrangements that may result in securities being sold when they possess inside information.

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Before any Director or Senior Manager enters into a loan arrangement (for example margin lending) whereby the Company's securities are mortgaged, provided as security, lent or charged to a financier, they must comply with the following:

- Directors must seek approval from the Chair; and
- In the case of the Chair and Senior Managers, they must seek approval from the Managing Director.

Directors and Senior Managers must also inform the Company Secretary of all loan arrangements affecting the Company's securities. This includes the creation, variation or discharge of security arrangements.

Directors and Senior Managers are required to inform the Company Secretary where a financier demands payment under a loan arrangement and there is a risk that the demand will not be able to be satisfied without the disposal of the Company's Securities.

8. Prohibition Against Unvested Share Entitlements

Entitlements under the Company's equity-based incentive plans are subject to the satisfaction of various time and/or performance hurdles to ensure alignment of employee rewards with the Company's objectives and performance. Transactions which "hedge" the value of entitlements could distort the proper functioning of these hurdles and reduce the intended alignment with shareholder interests.

Directors and employees participating in an equity-based incentive plan are prohibited from entering into any transaction which would have the effect of hedging or otherwise transferring to any other person the risk of any fluctuation in the value of any unvested entitlement in the Company's securities.

9. Permitted Dealings

The following trading is excluded from the operation of this Policy:

- the exercise (but not the sale of securities following exercise) of an option or a performance right under an equity-based incentive scheme, or the conversion of a convertible security;
- transfers of securities where the beneficial interest does not change;
- acceptance of a takeover offer;
- dealing under an offer or invitation made to all or most of the Company's security holders in the nature of a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and 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 decisions relating to 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;
- court orders;
- disposal of securities that is the result of a secured lender exercising their rights (such as a margin lending arrangement); and
- any other circumstances determined by the Board.

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10. Consequences of Breach

A breach of “insider trading” can subject you to criminal liability including large fines and/or imprisonment, and civil liability, which may include being sued by another party or the Company, for any loss suffered as a result of illegal trading.

A breach of “insider trading” or this Policy will be regarded by the Company as serious misconduct which may lead to disciplinary action and/or dismissal.

11. Review

This Policy will be reviewed regularly and updated as required.

Updated on 7 July 2021