

LIONHUB GROUP LIMITED

("the Company")

7 DEALINGS IN LIONHUB GROUP LIMITED SECURITIES

PURPOSE

The purpose of this Policy is to:

- (a) provide a brief summary of the law which prohibits insider trading;
- (b) set out restrictions on dealing in securities by key management personnel of LionHub Group Limited (**LionHub**); and
- (c) assist in maintaining market confidence in the integrity of dealings in LionHub's securities.

POLICY

Whenever a person has inside information which may affect the value of securities, they must not:

- (a) deal in those securities; or
- (b) communicate the information to anyone else

This rule applies regardless of how the inside information was obtained. It applies not only to LionHub securities but also to the securities of other companies.

WHO IS COVERED BY THIS POLICY

This policy applies to Restricted Persons - the key management personnel of LionHub. This includes all Directors, executive employees, contractors, consultants and employees.

Not only does this policy cover a Restricted Person of LionHub but it applies equally to any dealings by their:

- (a) spouses – marriage or de facto;
- (b) dependents under the age of eighteen (18) years old; and
- (c) related parties (as defined in the Corporations Act 2001) - for example if a Restricted Person is a trustee of a trust and is also a beneficiary of the trust, the Restricted Person must not purchase or procure the purchase of LionHub securities on behalf of the trust

THE SECURITIES COVERED BY THE POLICY

This Policy applies to the following securities:

- (a) LionHub securities;
- (b) Any other securities issued by LionHub, such as options;
- (c) Derivatives and other financial products issued or created over or in respect of LionHub securities; and
- (d) Securities of any other company or entity that may be affected by inside information

INSIDE INFORMATION

Inside information is information that:

- (a) is generally not available to people who commonly invest in securities; and
- (b) if it was generally available, would or likely to have a material effect on the price or value of LionHub securities and would influence persons who commonly invest in financial products whether or not to do so.

It is irrelevant how or in what capacity the person came into possession of the information.

Determining what is inside information can at times be subjective and not only does one need to consider the financial impact of the information but also the strategic and other implications can be equally important in determining what amounts to inside information.

Inside information about LionHub could include

- Proposed changes in the capital structure, capital returns and buy backs of financial products;
- Information relating to LionHub's financial results;
- Material (more than 5%) changes in LionHub's financial forecasts or expectations;
- A material acquisition, divestment or realisation of assets;
- Material drill results or the likely discovery of a major ore body;
- Proposed dividends and share issues;
- Changes to the Board;
- Possible events which could have a material impact on profits (negatively or positively);
- Proposed changes in the nature of the business of LionHub;
- Notification to LionHub of a substantial shareholding;
- Any information required to be announced to the market pursuant to ASX Listing Rule 3.1.

Restricted Persons must not engage in short term or speculative dealing in LionHub securities.

Available Information

Information relating to LionHub that would fall outside the ambit of inside information is that which is available after it has been released to the Australian Securities Exchange (ASX) and the ASX has fully disseminated that information to the market.

THE LAW

The principal insider trading prohibition in Australian law is contained in section 1043A of the Corporations Act.

The *Corporations Act* contains provisions which prohibit a person in possession of inside information relating to a company from dealing in any way with shares, options or other securities issued by that company or issued or created over the company's securities by third parties.

In very broad terms insider trading will be committed, when a person:

- (a) Deals in LionHub securities or securities of another entity whilst having inside information; or

- (b) Tips – communicates inside information to another person knowing that the other person would or likely to use that information to deal in, or procure someone else to deal in securities.

DEALINGS IN LIONHUB SECURITIES

Dealing in LionHub Securities includes:

- (a) trading in securities encompassing subscribing for, buying, selling or entering into an agreement to do any of those things; and
- (b) communicating through advising, procuring or encouraging any other person to trade in LionHub securities

Communicating to any other person includes: a family member, friend, associate, colleague, broker, financial planner, investment adviser, family company or family trust.

DEALINGS IN LIONHUB SECURITIES BY RESTRICTED PERSONS

Trading Windows

Restricted Persons are not permitted to deal in LionHub securities during a Prohibited Period.

Prohibited Period for the purposes of this Trading Policy is defined as:

- (a) a closed period - the period of time outside a Trading Window; or
- (b) additional periods when Restricted Persons are not allowed to trade which is imposed by LionHub from time to time; this is likely to occur when LionHub is considering matters which are subject to Listing Rule 3.1A.

Restricted Persons of LionHub (or any family member or associate over whom they have influence) are prohibited from dealing in LionHub Securities unless such trading occurs during a nominated "Trading Window".

Unless the Board otherwise directs, in its absolute discretion, Closed Periods are defined as the following:

- (a) the ten (10) trading day period immediately leading up to the day of the announcement of the Company's quarterly, Half-yearly and Annual Report and two (2) days after these Announcements are made; and
- (b) the five (5) trading day period prior to the anticipated release of price sensitive information/results.

The Trading Window opportunities whereby Restricted Persons are able to trade in LionHub securities is limited to twelve (12) weeks in any one year, the remainder of the time is defined as a Closed Period. During these Closed Periods no trading in LionHub Securities may occur without the permission of the Company Secretary or Managing Director/Chief Executive Officer.

A Trading Window may be called at any time by the Chairperson or Managing Director/Chief Executive Officer.

Notice of Trading Windows or changes thereto will be distributed by the Managing Director/Chief Executive Officer to Restricted Persons by email. Changes to Trading Windows are effective immediately.

When is Dealing Permitted

Subject to the rules of any LionHub employee or executive share or option plans, Restricted Persons can deal in LionHub securities at any time:

- (a) during the Trading Windows, providing;
- (b) they do not have inside information; and
- (c) they are not involved in short term or speculative dealing

Notice of Intent to Deal in LionHub Securities

A Restricted Person may seek a waiver to *purchase* LionHub securities outside the Trading Windows.

In the case of LionHub employees the written waiver must be addressed to the Company's Managing Director/Chief Executive Officer and for Directors, executive employees, contractors and consultants their written waiver notice must be addressed to the Company Secretary, or in the case of the Company Secretary to the Managing Director/Chief Executive Office. A copy of all such notices will be sent to the Company Secretary for the official file.

The notice to deal must include a statement that they do not believe they are in possession of any Insider Information and are not involved in short term or speculative dealing in LionHub securities as well as:

- (a) the name of the Restricted Person and Related Party (if applicable);
- (b) whether the interest in the Company's Securities held by the Restricted Person was direct or indirect (and if it was indirect, the circumstances giving rise to the interest);
- (c) the date of the Dealing;
- (d) the amount paid or received for the Securities; and
- (e) the number of Securities held by the Restricted Person, directly and indirectly, before and after the trading in Securities.

Approval will be applied taking into account the circumstances of the Restricted Person, the number of securities to be acquired and weighing this against any perceived detriment to LionHub's reputation or risk to a stable market for LionHub's securities.

The Restricted Persons must confirm with the Company Secretary that the dealing has occurred within three (3) business days. A copy of all purchase confirmations will be sent to the Company Secretary for the official file.

The Company Secretary will notify the Board of all purchases by Directors and executive employees as soon as reasonably practicable.

Trading Under Exceptional Circumstances

A Restricted Person who is not in possession of inside information in relation to LionHub may be given prior written clearance to *sell or dispose* of their LionHub securities outside the Trading Windows where there are exceptional circumstances.

Examples of what constitutes exceptional circumstances are:

- (a) severe financial hardship which means a Restricted Person has a pressing financial commitment that cannot be satisfied otherwise than by selling the Securities;
- (b) court order requiring the sale or transfer of LionHub securities; or
- (c) a situation determined by the Chairperson or Managing Director/Chief Executive Officer to be an exceptional circumstance.

Trading under exceptional circumstances must be made in writing (including electronic format) to the Managing Director/Chief Executive Officer through the Company Secretary. Retrospective approval can not be granted, the approval to sell or dispose of securities must be obtained in advance of the trade.

The application must include:

- (a) the name of the Restricted Person;
- (b) whether the interest in the Company's Securities held by the Applicant is direct or indirect (and if it is indirect, the circumstances giving rise to the interest);

- (c) a description of the sale or disposal;
- (d) the proposed date of the sale or disposal;
- (e) the number of Securities to be sold or disposed of;
- (f) the amount to be paid or received for the Securities; and
- (g) the number of Securities held by the Applicant, directly and indirectly, before and after the sale.

Written approval (including electronic format), if granted will expire within fourteen (14) days of being granted or such shorter or longer period as specified.

Trading Excluded from the Policy

The following types of trading are specifically excluded from the operation of the Trading Policy:

- (a) the issue of LionHub securities to Directors under a LionHub Group Limited Director Share Plan in lieu of Director Fees;
 - (b) the issue of LionHub securities under a LionHub Group Limited Employee Share Option Plan;
 - (c) transfers of securities of LionHub already held into a superannuation fund or other saving scheme in which the member of personnel is a beneficiary;
 - (d) undertakings to accept, or the acceptance of, a takeover offer;
 - (e) trading under an offer or invitation made to all or most of the security holders, such as, a rights issue, a security purchase plan, a dividend or distribution investment plan (DRP) and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board;
 - (f) a disposal of securities of the entity that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement; and
 - (g) the exercise (but not the sale of securities following exercise) of an option or a right under an employee incentive scheme, or the conversion of a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a Closed Period and where the member of personnel could not reasonably have been able to exercise at a time when free to do so; and
- (a) trading under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this Policy and where:
 - o personnel did not enter into the plan or amend the plan during a Trading Window; and
 - o the trading plan does not permit Personnel to exercise any influence or discretion over how, when, or whether to trade.

ASX DISCLOSURE OBLIGATIONS

The acquisition or sale of LionHub securities by LionHub Directors must be disclosed to the ASX under Listing Rule 3.19A within five (5) business days of the transaction taking place.

The details of the dealing must be provided to the Company Secretary as soon as possible after the dealing to allow the Company Secretary adequate time to complete and release the documentation to the ASX on the Director's behalf. Details of any changes in Directors' interest in LionHub securities must be noted in the Board minutes of the next meeting.

Restricted persons with a substantial shareholding in LionHub securities (more than 5% of the issued capital) are also required to comply with the substantial shareholding notification provisions of the Corporations Act 2001 when there is a change in their holding. In this instance a notice must be provided to the ASX and to LionHub in the prescribed form within two (2) business days of the change.

OTHER OBLIGATIONS

Restricted Persons are prohibited from hedging their incentive based remuneration by entering into “arrangements” that limit their exposure to risk relating to their remuneration that is unvested (due to time or other conditions) or is subject to a holding lock, ensuring that the actual level of executive remuneration is solely linked to performance. The “arrangements”, will include a put option on incentive remuneration and income protection insurance contracts in which the insurance risk event effects the financial value of remuneration or an equity related instrument.

Restricted Persons also owe a duty of confidentiality to LionHub. Restricted Persons must not reveal any confidential information concerning LionHub, use that information in any way that may cause loss to LionHub or use that information to gain an advantage for themselves.

In addition, a breach of the prohibitions contained in the *Corporations Act* is a criminal offence punishable by imprisonment for up to five years, a fine of up to \$220,000, or both.

Strict compliance with the Trading Policy is mandatory for all Restricted Persons covered by the Policy. Breaches of the Policy may damage the reputation of LionHub in the investment community and undermine confidence in the market for LionHub securities.

Breaches of the policy will be taken very seriously and will be subject to disciplinary action, including possible termination of employment. Reports of any breaches of the Policy will be forwarded to the Audit and Risk Management Committee.

REVIEW OF THIS POLICY

This Policy will be reviewed regularly by the Company’s Directors having regard to the changing circumstances of the Company and any changes to this Policy will be notified to affected persons in writing.

If Directors and Senior Executives have any comments or views concerning the operation or effectiveness of this Policy, they should be communicated to the Company Secretary.

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