



SECURITIES TRADING POLICY

RESOURCE AND INVESTMENT NL ABN 77 085 806 284 (the Company or RNI)

1. Introduction

The shares of the Company are listed on the Australian Securities Exchange, ASX Limited (ASX).

This policy:

- a) sets out the restrictions on dealing in securities by people who work for or are associated with the Company;
- b) assists in maintaining market confidence in the integrity of dealings in the Company's securities; and
- c) provides a brief summary of the law on insider trading and other relevant laws.

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

2. Statement of Policy

Whenever you have inside information which may affect the value of securities, you must not:

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

This prohibition applies regardless of how you learned the inside information. It applies not only to RNI securities but also to securities of other companies. Definition of "inside information", "securities" and "dealing" are set out below.

3. Who is covered by this policy?

This policy applies to all:

- a) executive and non-executive directors;
- b) full-time and part-time and casual employees; and
- c) contractors, consultants and advisers of RNI.

The restrictions on dealings by an employee or director are equally applicable to any dealings:

- a) by their spouses or de facto spouses;
- b) by or on behalf of a dependant under 18 years of age; and
- c) any other dealings in which, for the purposes of the Corporations Act, the director or employee is to be treated as interested. For example, if any employee or director is a trustee of a trust and is also a beneficiary of the trust, the employee or director must not purchase or procure the purchase of the Company's securities on behalf of the trust.

4. What securities are covered by this Policy?

This policy applies to the following securities:

- a) RNI shares;
- b) any other securities which may be issued by RNI, such as options;
- c) derivatives (such as exchange-traded options and warrants) and other financial products issued by third parties in relation to the Company's shares, debentures and options; and
- d) securities of any other company or entitled that may be affected by inside information (such as another party involved in a joint venture or corporate transaction with RNI or a RNI contractor or shareholder).

5. What is Dealing?

For the purposes of this policy, dealing in securities includes:

- a) trading in securities, i.e. subscribing for, buying, selling or entering into an agreement to do any of those things; and
- b) advising, procuring or encouraging any other person (including a family member, friend, associate, colleague, broker, financial planner, investment adviser, family company or family trust) to trade in securities.

Communicating information includes passing it on to any other person including a family member, friend, associate, colleague, broker, financial planner, investment adviser, family company or family trust.

6. What is Insider Trading?

In broad terms, you will commit insider trading if you:

- a) deal in the Company's securities or securities of another entity while you have insider information; or
- b) communicate inside information to another person knowing (or where you should reasonably have known) that the other person would, or would be likely to use that information to deal in, or procure someone else to deal in, securities. This is commonly known as "tipping".

Individuals who contravene the insider trading provisions of the Corporations Act are liable to prosecution or to civil penalty action by the Australia Securities and Investments Commission (ASIC). Separately, someone who engages in insider trading may be sued by another party or the Company in a civil action for any loss suffered as a result of the insider trading.

7. What is Insider Information?

Inside information is information that:

- a) is not generally available to people who commonly invest in securities; and

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- b) if it was generally available, would, or would be likely to, influence experienced investors in deciding whether or not to subscribe for, purchase or sell the Company's securities or securities of another entity.

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 and information that is not definite enough to warrant public disclosure.

Some examples of inside information are:

- material exploration results;
- resource or reserve estimates;
- results of technical studies;
- acquisition or disposal of tenements (including by way of option or joint venture);
- an impending merger, acquisition, reconstruction or takeover;
- unexpected liability or possible claim against the Company;
- a significant change in senior management;
- a proposed new share issue;
- entering into agreements in relation to the Company's assets.

8. When is dealing permitted?

Subject to the rules of any of the Company's rights or option plans, you can deal in the Company's securities at any time:

- a) other than during a prescribed "blackout period";
- b) provided you do not have inside information; and
- c) provided you are not involved in short term or speculative dealing.

9. What are the "Blackout Periods"?

In addition to the prohibitions on insider trading set out in the Corporations Act, the Company requires that directors, officers and employees must not trade in the Company's securities:

- a) 14 days before and 24 hours immediately following the release of annual, half-yearly and quarterly results;
- b) there is in existence price sensitive information that has not been disclosed because of an ASX Listing Rule exception;
- c) any other period determined by the directors to be a blackout period;

unless the circumstances are exceptional and the procedure for prior written clearance described below has been met.

10. Exceptional Circumstances when trading may be permitted

The Chairman may, in exceptional circumstances, waive the requirement of directors and employees to deal in securities during a Blackout Period on the condition that the directors and employees can demonstrate to him that they are not in possession of any price sensitive information that is not generally available to the public. Where an "exceptional circumstances" trading request is made to the Chairman, the request must be made in writing and must set out reasonable details of the circumstances relied upon by the directors and employees in question and being "exceptional". Trading in these

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circumstances may only occur on receipt of prior written approval from the Chairman. Exceptional circumstances may include, but are not limited to:

- where the director or employee is experiencing severe financial hardship which cannot be satisfied or resolved other than by them selling the securities; or
- where the director or employee is required to sell or transfer the securities in accordance with a court order or undertaking or settlement enforceable by a court, e.g. a bona fide family settlement.

If the Chairman approves the trading in securities outside the allowed periods, that approval is valid for one week.

11. Excluded Trading

Trading by directors or employees is excluded trading but is permitted at any time where the trade involves:

- transfers of securities already held in a superannuation fund or other saving scheme in which the restricted person is a beneficiary;
- undertakings to accept or the acceptance of a takeover offer;
- trading under an offer or invitation made to all or most of the securities holders, such as a rights issue or a security purchase plan where the plan that determines the timing and structure of the offer has been approved by the Board;
- the exercise (but not sale of securities following exercise) of an option or a right under an employee incentive scheme or the conversion of a convertible security.

12. Notification of Dealings in Securities

ASX Listing Rules require the Company to notify dealing in securities by directors within five business days. Directors are required to notify the Company Secretary of any dealings in securities within three business days.

Director dealing in securities includes associates of directors dealing in securities and it is incumbent on each director to ensure that an associate does not deal in circumstances where the dealing could be attributed to the director concerned.

13. Breaches

Strict compliance with this policy is mandatory for all RNI directors, employees and associated personnel covered by this policy. Contravention of the Corporations Law is a serious matter which may result in criminal or civil liability.

In addition, breaches of this policy may damage RNI's reputation in the investment community and undermine confidence in the market for the Company's securities. Accordingly, breaches will be taken very seriously by the Company and will be subject to disciplinary action, including possible termination of a person's employment or appointment.