



**INDOCHINE MINING LIMITED**

ACN 141 677 385

Australian Securities Exchange Limited  
Companies Announcement Office  
SYDNEY

5 March, 2012

### **Securities Trading Policy**

Indochine Mining Limited (ASX: IDC) is pleased to advise that its board of directors recently approved the attached revised Securities Trading Policy. This updates the policy released on 4 January 2011.

A handwritten signature in blue ink, appearing to read "Stephen Promnitz", is written over a faint, light blue circular watermark or background.

Stephen Promnitz  
Chief Executive Office

#### **About: Indochine Mining Ltd (ASX:IDC)**

Indochine Mining Limited (ASX:IDC) is an Asia-Pacific focused, gold-silver exploration/development company, developing a major gold mine in a world-class district in Papua New Guinea (PNG). Indochine's flagship project is undergoing a Pre-Feasibility Study (PFS), due in August 2012, over a major gold resource (see JORC Statement released on 19<sup>th</sup> December 2011). A bankable feasibility study is planned to follow the PFS with potential for production within 3 years. The project is located 15km from the 28 Million ounce world-class Porgera gold mine, which produces over 500,000 ounces gold per year. Both projects share similar geology, setting and ore types with high grade zones.

An experienced team is advancing the project, with a track-record of success in developing PNG gold projects, together with workable local community agreements. An aggressive drilling program will be producing assay results from March 2012, which are anticipated to show high grade intercepts, with the potential to extend the resource and locate new high grade zones.

Beyond PNG, potential exists to make a new significant discovery in Cambodia where limited modern exploration has occurred since the 1960's.

**INDOCHINE MINING LIMITED**

**AUSTRALIA:** Suite 1, Level 3, 275 George St, Sydney, NSW 2000, T: +61 2 8246 7007, Fax: +61 2 8246 7005



**INDOCHINE MINING LIMITED**

ACN 141 677 385

**SECURITIES TRADING POLICY**

## INDOCHINE MINING LIMITED – Securities Trading Policy

### 1. OBJECTIVE

Indochine Mining Limited (the Company) is a public company listed on the Australian Securities Exchange and stringent rules apply to share trading and related securities by its employees while in possession of non-public, price-sensitive information.

The objective of the Securities Trading Policy is to create awareness of the legal prohibition on dealing in Securities of the Company by its employees and Directors. The Policy also aims to ensure that the Company's reputation, and those of its employees and Directors, is not adversely impacted by perceptions of dealing at inappropriate times.

The Policy's rules are designed to assist in preventing breaches of the insider trading provisions of the Corporations Act 2001. Ultimately it is the responsibility of the Company's Directors, employees and contractors to ensure that none of his or her dealings could constitute insider trading.

### 2. DEFINITIONS

**ASX Listing Rules** or **Listing Rules** means the Official Listing Rules of the ASX as amended or replaced from time to time.

**Board** means the board of Directors of the Company.

**Closed** or **Blackout Period** means:

- a) the period of two weeks immediately preceding the announcement of the half yearly results and annual financial results or, if shorter, the period from the end of the relevant financial period to and including the time of the announcement;
- b) the period of two weeks immediately preceding the announcement of quarterly reports;
- c) the period of two weeks prior to the Annual General Meeting; and
- d) the period of two days following any material announcement to the ASX and a), b) and c) above.

**Corporations Act** means the Corporations Act 2001 (Cth) as amended or replaced from time to time.

**Employee** means:

- (a) Directors, officers, consultants and other staff;
- (b) the spouse or children of an employee;
- (c) partners or fellow directors of family partnerships and companies;
- (d) a trust for which the employee acts as a trustee or as a director of its trustee Company; and
- (e) an investment fund which effectively acts at the direction of the employee.

## **INDOCHINE MINING LIMITED – Securities Trading Policy**

**Key Employees** means those persons having authority and responsibility for planning, directing and controlling the activities of the Company or its related entities, directly or indirectly, including any Director (whether executive or otherwise) of the Company or its related entities.

**Prohibited Period** means:

- (a) any closed period (see definition of closed period above);
- (b) any period when there exists any matter which constitutes unpublished, price-sensitive information in relation to Company's Securities;
- (c) any period when the person responsible for the clearance otherwise has reasons to believe that the proposed dealing is in breach of this.

**Security** or **Securities** means:

- (a) a security within the meaning given to that expression by section 92(1) of the Corporations Act;
- (b) an option over an unissued security within the meaning given to that expression by section 92(1) of the Corporations Act;
- (c) a renounceable or un-renounceable right to subscribe for a security with the meaning given to that expression by section 92(1) of the Corporations Act;
- (d) a financial product traded under the ASX's rules; and
- (e) otherwise, as defined by the ASX Listing Rules.

### **3. POLICY**

It is the Company's policy that employees and former employees are prohibited in all circumstances from trading in Securities at any time if they are in possession of non-public, price-sensitive information regarding the Company whether or not a trading window is open. Non-public, price-sensitive information:

- (a) relates to the Company's Securities;
- (b) is specific or precise;
- (c) has not been made public; and
- (d) if it were made public, would be likely to have a significant effect on the price or value of the Securities.

Additionally, under the Corporations Act, it is an offence for a person in possession of information that is not generally available but which, if generally available, might materially impact the price or value of a Securities issued by the Company, to:

## **INDOCHINE MINING LIMITED – Securities Trading Policy**

- (a) trade in (i.e. apply for, acquire or dispose of, or enter into an agreement to do any of these things); or
- (b) procure another person to trade in the Securities issued by the Company.

It is also an offence to pass the information to another person with the knowledge that the person could deal in the Securities.

Under the Securities Trading Policy, trading is prohibited at any time if a person possesses inside information, irrespective of whether the Policy provides that trading could occur in a trading window or outside a Prohibited Period, or whether it is excluded from the operation of the Policy.

### **4. SECURITIES DEALING BY KEY EMPLOYEES**

The Securities Trading Policy also imposes additional dealing restrictions on the key employees.

#### ***Prohibited Period***

Each key employee is permitted to deal in the Company's Securities throughout the year except during a Prohibited Period.

#### ***Prohibited Period Not to Apply***

The Company's Securities dealing restriction during a Prohibited Period shall not apply to:

- (a) the exercise by a key employee of an existing right, such as the exercise of options issued by the Company;
- (b) participation by an employee in an issue of Securities approved by shareholders;
- (c) participation by a key employee in an issue of Securities on the same terms and conditions as other shareholders in the Company;
- (d) the proposed acquisition of Securities under:
  - (i) a bonus or rights issue made to all shareholders;
  - (ii) a dividend reinvestment or top-up plan available to all shareholders; or
  - (iii) an employee share plan;
- (e) undertakings to accept, or the acceptance of, a takeover offer;
- (f) a dealing by a key employee with a related or associated person whose interest in the Company's Securities is to be treated by virtue of the Corporations Act as the key employee's interest; or
- (g) a disposal of Securities of the Company that is the result of a secured lender exercising their rights.

## **INDOCHINE MINING LIMITED – Securities Trading Policy**

### ***Notice***

A key employee must not deal in the Company's Securities without first:

- (a) (if the key employee is a Director of the Company or the Chief Executive Officer (CEO)) giving at least 24 hours prior written notification of the proposed dealing to the Chairman; or
- (b) (if the key employee is a person other than a Director of the Company) giving at least 24 hours prior written notification of the proposed dealing to the CEO or the Company Secretary or, in their absence, to an Executive Director.

### ***Effect of Notification***

On receiving at least 24 hours prior written notification (electronic notification or clearance by email is permitted) of a proposed dealing, the Chairman, CEO, Company Secretary or Executive Director, as the case may be, shall consider the circumstances and where appropriate approve, by prior written clearance, the proposed dealing, or direct the key employee that the proposed dealing ought not to be undertaken.

In case of doubt, the CEO, Company Secretary or Executive Director shall consult the Chairman.

Where the proposed dealing is approved by prior written clearance, the key employee must complete the dealing within 10 business days of the approval. Electronic notification or clearance by email is permitted.

### ***Prohibition on Active Dealing***

A key employee shall not actively deal in the Company's Securities or derivatives with a view to deriving profit-related income from that activity. For this purpose, "actively deal" means to deal in the Company's Securities in a manner which involves frequent and regular trading activity.

### ***Prohibition on Hedging Unvested Options***

From time to time, the Company issues incentive options to key employees. The terms of issue of the options may include performance hurdles and other vesting conditions.

Holders of incentive options are not permitted to hedge any unvested options. The option holders are permitted to hedge options that have previously vested where the relevant performance hurdles and vesting conditions have been satisfied.

### ***Director Requirement to Report to the Market***

In accordance with the agreement between the Directors and the Company, Directors are required to provide in writing (electronic notification or clearance by email is permitted) details of all changes to their interest in the Company's Securities registered in the name of the Director or held on behalf of the Director, directly or indirectly.

If changes in interests in those Company Securities or contracts are traded during a Closed Period where prior written notice is required under the ASX Listing Rules, the

## **INDOCHINE MINING LIMITED – Securities Trading Policy**

Director must provide the following details in writing (electronic notification or clearance by email is permitted) to the Company:

- (a) whether prior written notice was provided to allow the trade to proceed during this Closed Period; and
- (b) if prior written notice was provided, the date this was provided.

The details must be provided as soon as reasonably possible after the date of the change and in any event no later than two business days after the change to allow for compliance with the ASX Listing Rules obligations.

### **5. EXCEPTIONAL CIRCUMSTANCES**

If there are exceptional circumstances, the Chairman, in consultation with the CEO or the Company Secretary, at their discretion, may waive parts of the Securities Trading Policy to allow an employee to sell or otherwise dispose of the Company's Securities (not to buy or otherwise acquire).

This discretion may be applied if it is the only reasonable course of action available to the employee, taking into account the hardship of the employee and weighing this against any perceived detriment to the Company's reputation.

### **6. SUMMARY**

The Securities Trading Policy is designed to clarify the obligations on employees in relation to trading in the Company's Securities, and to help them should they wish to buy and sell the Company's Securities.

*Approved by the Board of Indochine Mining Limited on 28 February 2012.*