

DEALING IN SECURITIES POLICY

INTRODUCTION

1. The purpose of this Policy is to:
 - a. explain the types of conduct in relation to dealings in securities that are prohibited by law and by the Company. Such prohibitions apply to all directors of, and contractors and consultants to, Dynasty Resources Limited (Company); and
 - b. establish good governance procedures for buying and selling securities that protects the Company, directors and those referred to in paragraph 6 against the actual or suspicion of misuse of inside information which could materially affect the value of securities.
2. The Company aims to achieve the highest possible standards of corporate conduct and governance. The Board of directors considers that compliance with this Policy is essential to ensure that the highest standards of conduct are being met by all directors, contractors and consultants and their associates.
3. Convictions of insider trading can attract criminal and civil liability. Any non-compliance with this Policy will be regarded as serious misconduct and may lead to corrective action being taken by the Company including termination of appointment by the Company.

PERSONS TO WHOM THIS POLICY APPLIES

4. This Policy applies to:
 - a. all directors and officers of the Company;
 - b. all persons who advise the Company in relation to its assets, including consulting geologists, tenement managers, and those who fulfil senior accounting roles for the Company (whether employed by the Company or not); and
 - c. their associates (as defined in the Corporations Act).
5. In this Policy, the persons listed above will be collectively referred to as Relevant Persons.

RESTRICTIONS ON DEALING IN SECURITIES

PROHIBITED DEALINGS

No trading where in possession of inside information

6. A Relevant Person must not deal in the Group's securities where:
 - a. they are in possession of price sensitive or 'inside' information; or
 - b. the Company is in possession of price sensitive or 'inside' information and has notified Relevant Persons that they must not deal in securities (either for a specified period, or until the Company gives further notice).
7. The Appendix sets out further guidance as to what constitutes 'inside' or price sensitive information. This is a general guide to complex legal provisions and should not be taken as legal advice.

Trading blackouts

8. In addition to the circumstances contemplated in paragraph 7, a Relevant Person may not deal in the Company's securities during either of the following periods:
 - a. the period commencing on 30 June and expiring at 10.00am on the next trading day after the preliminary final statement or full year results announcement to ASX;
 - b. the period commencing on 31 December and expiring at 10.00am on the next trading day after the announcement of the half-year results; or

- c. where the company is involved in a corporate transaction that might have a material impact on the share price.
9. In exceptional circumstances, the Chair of the Board may give approval for a Relevant Person to dispose of (but not to acquire) Company securities during the blackout periods. The Chair decides whether or not the circumstances are exceptional.
10. Exceptional circumstances will include:
 - a. severe financial hardship;
 - b. an undertaking given to, or an order by, a court; and
 - c. such other exceptional circumstances as may from time to time be determined by the Chairman.
11. Such approval will not be granted if the Relevant Person is in possession of price sensitive information.

No short-term dealing – buying and selling within 3 month period

12. Relevant Persons must not deal in the Company's securities on a short-term trading basis. Short-term trading includes buying and selling securities within a 3 month period, and entering into other short-term dealings (for example, forward contracts).
13. In exceptional circumstances (refer paragraph 10), the Board (in the case of directors) or Company Secretary (in the case of other Relevant Persons) may waive compliance with the provisions of paragraph 12, by giving notice in writing to affected Relevant Persons.

PERMITTED DEALINGS

14. Where paragraphs 8 to 13 do not apply, Relevant Persons may deal in the Company's securities subject to the notification and approval requirements set out below.

Directors

Advance notification required

15. During any of the following periods:
 - a. the 4 week period commencing at 10.00am on the next trading day after the announcement to ASX of half-yearly results;
 - b. the 4 week period commencing at 10.00am on the next trading day after the announcement to ASX of the preliminary final statement or full year results;
 - c. the 4 week period commencing at 10.00am on the next trading day after the holding of the Annual General Meeting; or
 - d. the period that the Company has a current prospectus or other form of disclosure document on issue under which persons may subscribe for securities,

directors must notify of any dealing in the Company's securities as follows:

- a. the Chair of the Board must notify the Board or most senior director in advance of any proposed dealing; and
- b. any other director of the Company must notify the Chair of the Board in advance of any proposed dealing.

Approval required

16. During any other period, directors must receive approval for any proposed dealing in the Company's securities as follows:
 - a. the Chair of the Board must inform and obtain approval from the Board or the most senior director before undertaking a transaction; and
 - b. any other director of the Company must inform and receive approval from the Chair of the Board before undertaking a transaction.

17. It is intended that a request for approval to trade will be answered within 2 business days, and such approval will confirm how many days are available for trading.

Confirmation required

18. Upon provision of notification or receipt of approval, a director may undertake the proposed dealing. The director must confirm any such dealings with the Company Secretary within 2 business days of the dealing to enable the Company Secretary to make the necessary notifications to the ASX as required by the Corporations Act and the Listing Rules.

Other Relevant Persons

19. During any of the following periods:
 - a. the 4 week period commencing at 10.00am on the next trading day after the announcement to ASX of half-yearly results;
 - b. the 4 week period commencing at 10.00am on the next trading day after the announcement to ASX of the preliminary final statement or full year results;
 - c. the 4 week period commencing at 10.00am on the next trading day after the holding of the Annual General Meeting; or
 - d. the period that the Company has a current prospectus or other form of disclosure document on issue under which persons may subscribe for securities,other Relevant Persons must notify the Company Secretary, in advance, of any dealing in the Company's securities.
20. During any other period, other Relevant Persons must inform and receive approval from the Company Secretary before undertaking any proposed dealing in the Company's securities.
21. It is intended that a request for approval to trade will be answered within 2 business days.
22. On provision of notification or receipt of approval, a Relevant Person may undertake the proposed dealing. The Relevant Person must confirm any such dealings with the appropriate person (as listed above) within 2 business days of the dealing.

Excluded trading

23. No approval is required in connection with any of the following however must still be notified to the Company Secretary within 2 business days to ensure any regulatory notifications are made, including compliance with the Listing Rules in relation to Directors Interests:
 - a. participation in any dividend reinvestment plan operated by the Company and other corporate actions open to all shareholders, although the insider trading prohibition under paragraph 8 still applies;
 - b. transfers of securities where there is no change in the beneficial interest;
 - c. trading by a fund, trust or other scheme in which the Relevant Person holds securities, where the investment is solely at the discretion of a third party.

MARGIN LENDING

24. Any dealing in the Company's securities by Relevant Persons pursuant to a margin lending arrangement must be conducted in accordance with this Policy. Such dealings would include:
 - a. entering into a margin lending arrangement in respect of the Company's securities;
 - b. transferring securities in the Company into an existing margin loan account; and
 - c. selling securities in the Company to satisfy a call pursuant to a margin loan.
25. A Relevant Person must obtain clearance in accordance with the following procedure for any proposed dealing in the Company's securities in connection with a margin lending arrangement:
 - a. the Chair of the Board must inform and receive approval from the Board or the most senior director;

- b. any other director of the Company must inform and receive approval from the Chair of the Board; and
 - c. other Relevant Persons must inform and receive approval from the Company Secretary, before undertaking the proposed dealing. These requirements apply notwithstanding anything else in this Policy.
 - d. The Company may, at its discretion, make any clearance granted in accordance with clause (a) – (c) above conditional upon such terms and conditions as the Company sees fit (for example, in regards to the circumstances in which the Company's securities may be sold to satisfy a margin call).
26. The Company may, where appropriate or required by law, disclose to the ASX the fact and nature of the margin lending arrangement.

HEDGING

27. Company securities must never be hedged prior to the vesting of those Company securities.
28. Where a Relevant Person enters into a hedging arrangement in respect of Company securities, the Relevant Person must immediately disclose details of the hedging arrangement to the Company Secretary.
29. The Company may, where appropriate, disclose the fact and nature of the hedge (eg in the annual report or to ASX).

REGISTER OF DEALINGS

30. The Company Secretary will maintain a copy of:
- a. all requests for approval to deal in the Company's securities submitted by directors and other Relevant Persons; and
 - b. details of all dealings in the Company's securities made by directors and other Relevant Persons.

SECURITIES IN OTHER COMPANIES

31. The prohibited conduct under the Corporations Act includes dealings not only in the Company's securities but also in those of other listed companies with which the Company may be dealing where a Relevant Person possesses 'inside information' in relation to that other company.
32. If a Relevant Person is aware of information that is not generally available but which, if it were generally available, a reasonable person would expect to have a material effect on the price or value of a security, the Relevant Person should not deal in the securities of the companies that it affects.

QUESTIONS/FURTHER INFORMATION

33. Any person who has questions about this Policy should contact the Company Secretary.

REVIEW OF THIS CHARTER

A formal review of this Charter takes place annually.

Reviewed and approved by the Board on 30 September 2016.

APPENDIX

HOW THE INSIDER TRADING RULES APPLY

Summary of prohibited conduct

The Corporations Act prohibits 'insider trading'. Under the Corporations Act, a person is prohibited from dealing in securities where:

- the person possesses information which is not generally available to the public;
- that information may have a material effect on the price of securities of the relevant entity; and
- the person knows or ought reasonably to know that the information is not generally available and, if it were, it might have a material effect on the price of securities.

In addition, a person with inside information must not procure another person to deal in the Company's securities or communicate the information (directly or indirectly) to another person whom the person believes may deal (or procure someone else to deal) in the Company's securities.

Dealing in securities

Dealing in securities is a broad concept and covers more than simply buying or selling securities. It extends to exercising options over securities and entering agreements to buy or sell securities.

Under this Policy and the law, the prohibition on dealing means that Relevant Persons are not permitted to:

- buy or sell; or
- enter into an agreement to subscribe for, buy or sell securities,

where they possess information that is not generally available and which a reasonable person would expect to have a material effect on the price or value of those securities.

If a Relevant Person possesses price sensitive information that is not generally available, the Relevant Person is also prohibited from:

- procuring any other person to deal in those securities; or
- directly or indirectly communicating the information to another person whom the Relevant Person believes is likely to deal in, or procure another person to deal in, those securities.

Procuring means enticing, encouraging, persuading, causing or securing another person to do or not to do something. Procuring also includes inciting, inducing or encouraging an act or omission.

For example, a Relevant Person cannot ask or encourage anyone, including family members, friends, associates or others, to deal in securities when the Relevant Person possesses price sensitive information, and Relevant Persons should not communicate price sensitive information.

If a Relevant Person accidentally gives somebody 'inside information' when he or she should not have, the Relevant Person must immediately tell that person that it is 'inside information' and warn them against trading in the Company's securities, getting others to trade in the Company's securities, or communicating the information to others.

Price sensitive or 'Inside' Information

Information is 'inside' or 'price sensitive' if it is not generally available, but which, if it were generally available, a reasonable person would expect to have a material effect (upwards or downwards) on the price or value of a security.

For the purposes of the insider trading provisions of the Corporations Act, information is defined broadly and includes matters of supposition and other matters which are insufficiently definite to warrant being made known to the public. It also includes matters relating to the intentions of a person.

Information that is generally available

Information is 'generally available' if it:

- a. consists of readily observable matter;
- b. has been made known in a manner that would, or would be likely to, bring it to the attention of persons who commonly invest in any of the classes of securities issued by the Company and since it was made known, a reasonable period for it to be disseminated among those persons has elapsed. That is, information will be 'generally available' if it has been released to ASX or published in an annual report or prospectus or similar document and a reasonable period of time has elapsed after the information has been disseminated in one of these ways; or
- c. consists of deductions, conclusions or inferences made or drawn from information referred to in subparagraph (a) or information made known as mentioned in subparagraph (b), or both.

Material effect on the price of securities

Under the Corporations Act, information is likely to have a material effect on the price or value of securities of a company if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell those securities.

It is not possible to list all information that may be material. However, the following types of information would be likely to be considered to have a material effect on the price of the Company's securities:

- a. profit forecasts;
- b. liquidity and cashflow;
- c. proposed changes in the Company's capital structure, including issues of securities, rights issues and buy backs;
- d. borrowings;
- e. impending mergers, acquisitions, reconstructions, takeovers, etc;
- f. significant litigation;
- g. proposed dividends.

CONSEQUENCES OF BREACH

Breaches of the insider trading laws have serious consequences for both the Relevant Person concerned and the Company.

A person who commits a breach of the insider trading provisions could be subject to criminal liability (substantial fines or imprisonment or both may be imposed) or civil liability (substantial fines may be imposed) under Australian law. A person who contravenes or is involved in a contravention of these provisions may also be liable to compensate any person who suffers loss or damage resulting from the conduct. In addition, an actual or suspected breach of the insider trading laws may also give rise to adverse public scrutiny and media comment.

It is therefore important that Relevant Persons adhere to this Policy at all times.

Any person who is proven to have breached this Policy could face disciplinary action (including forfeiture of securities, removal from office and/or termination of contract).