

1. INTRODUCTION

The *Corporations Act* contains provisions which prohibit a person in possession of material, non-public 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 (Securities).

The JMS Personnel Share Trading Policy (Policy) sets guidelines designed to protect JMS and Personnel from intentionally or unintentionally breaching these Laws.

This Policy applies to all Directors, executive officers, employees, contractors and consultants (collectively, Personnel) of the JMS Group.

2. THE LAW

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

Section 1043A prohibits a person (an Insider) who is in possession of information relating to JMS that is not generally available but, if the information was generally available (see paragraph 3), a reasonable person would expect that information to have a material effect (see paragraph 4) on the price or value of JMS Securities (Material Non-Public Information) from:

- (a) applying for, acquiring, disposing of or entering into an agreement to apply for, acquire or dispose of JMS Securities;
- (b) procuring another person to apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of JMS Securities; or
- (c) directly or indirectly communicating the Material Non-Public Information to another person when the Insider knows, or ought reasonably to know, that the other person would or would be likely to:
 - (i) apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of JMS Securities; or
 - (ii) procure another person to apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of JMS Securities.

3. AVAILABLE INFORMATION

Information relating to JMS would be considered to be generally available after it has been released to the Australian Securities Exchange (ASX) and the ASX has fully disseminated that information to the market.

4. INFORMATION HAVING A MATERIAL EFFECT ON JMS SECURITIES

A reasonable person would be taken to expect information to have a material effect on the price of JMS Securities if that information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to acquire or dispose of JMS Securities.

5. DETERMINING MATERIAL NON-PUBLIC INFORMATION

Determining what is Material Non-Public Information is subjective. It would, as an indication, most likely include (but not be restricted to) the following types of information:

- an agreement or option to acquire an interest in a mining tenement, including the number of tenements, a summary of previous exploration activity and expenditure, where the tenements are situated, the identity of the vendor and the consideration for the tenements;
- material (more than 5%) changes in JMS' financial forecasts or expectations;
- a declaration of a dividend or a decision that a dividend not be declared;
- the making of a share, option or debt issue and the under or over subscription of that issue;
- exogenous events in the financial markets or the mining, pipeline constructions and maintenance services industries, which affect JMS' business etc;
- proposed acquisitions, mergers, sales, joint ventures or takeovers;
- information about JMS' business plans, investment proposals or asset purchases or sales;
- regulatory decisions or industrial actions that may affect JMS' operations;
- the occurrence of an environmentally related incident;
- the threat, commencement or settlement of any material litigation or claim;
- an agreement between JMS (or a related party or subsidiary) and a Director (or related party of the Director);
- a change in accounting policy adopted by JMS;
- a proposal to change JMS' auditors; and
- the health or capacity of any Director.

6. INSIDER TRADING POLICY

The confidentiality of Material Non-Public Information must be strictly maintained within JMS by all persons who have access to that information, regardless of title or position. No Personnel shall disclose such information, except on a need-to-know basis, inside or outside of JMS.

7. PERSONNEL IN POSSESSION OF MATERIAL NON-PUBLIC INFORMATION

Personnel must not purchase or sell JMS Securities while in possession of Material Non-Public Information.

Personnel in possession of Material Non-Public Information must not cause or procure a third party to deal in the Securities of JMS.

8. SENIOR MANAGEMENT & DIRECTORS' DEALING IN JMS SECURITIES

Senior Management and Directors (or any family member or associate over whom they have influence) are prohibited from dealing in JMS Securities without providing the Chief Executive Officer (and the Chairman in the case of the Chief Executive Officer) with prior written notice of their intent to deal in JMS Securities. The notice must include a statement that they do not believe they are in possession of any Material Non-Public Information. A copy of the notice will be sent to the Company Secretary for the official file.

Senior Management and Directors must confirm with the Chief Executive Officer (or the Chairman, as appropriate) that the trading has occurred. A copy of the confirmation will be sent to the Company Secretary for the official file.

The Company Secretary will notify the Board of all trades by Senior Management as soon as reasonably practicable.

9. BREACH OF INSIDER TRADING POLICY

Notwithstanding the provisions of disciplinary action contained in General Principles, failure to comply with this Insider Trading Policy by any JMS Personnel constitutes cause for immediate dismissal/termination of engagement by JMS.

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.