

ASX Release

7 January 2011

SECURITIES TRADING POLICY

In accordance with Listing Rule 12.9 A-Cap Resources Limited provides a copy of the Company's adopted Share Trading Policy.

For and on behalf of the board of
A-CAP RESOURCES LIMITED



DENIS RAKICH
Company Secretary

SECURITIES TRADING POLICY

Revision Status

Rev	Date	Revision Description	By	Approved
				ACB Board

SECURITIES TRADING POLICY

1. Background

In order to preserve the reputation and integrity of A-Cap Resources Limited (“**Company**” or “**A-CAP**”), it is vital that when people associated with A-CAP deal in the Company’s securities those dealings are not only fair, but are seen to be fair. When directors and employees deal in securities of A-CAP they must be sure that it does not reflect badly on them or the Company. The following policy is designed to avoid the possibility that misconceptions, misunderstandings, or suspicions might arise.

Employees and directors should:

- ▲ not deal in the company’s securities while in possession of price sensitive information;
- ▲ restrict their buying and selling of the Company’s securities within the ‘trading window’;
- ▲ never engage in short term trading of A-CAP’s securities; and
- ▲ notify the company secretary of any material intended transactions involving the Company’s securities.

The law imposes a number of significant restrictions on directors and other employees of the Company when they deal in A-CAP’s shares. They must not utilise their position for their own gain or for the gain of any person other than A-CAP.

The Corporations Act 2001 (Cth) imposes severe penalties (both criminal and civil) on persons who conduct insider-trading activities. Perhaps more importantly, any perceptions of improper conduct by members of the Company has the potential to substantially damage the Company’s reputation.

The policy set out in this document is designed to prevent the incidence of insider-trading in A-CAP securities. It is the personal responsibility of each individual to comply with this policy.

2. Overview of the insider trading provisions in the Corporations Act

It is illegal for anybody to deal in any securities of a body corporate (including A-CAP) when in possession of information that the person knows, or ought reasonably to know:

- ▲ is not generally available (including information that A-CAP has not disclosed to the market in accordance with A-CAP’s Continuous Disclosure Policy); and
- ▲ might have a material effect on the price or value of those securities if it was generally available (“**Inside Information**”).

This prohibition extends to procuring another person to deal, and extends to communicating the inside information to another person, if the person knows, or ought reasonable to know, that the other person would, or would be likely to, deal in the securities in question or procure another person to do so.

“**Dealing**” includes applying for, acquiring or disposing of, entering into an agreement to apply for, acquire or sell, securities and “**deal**” has a corresponding meaning.

“Securities” includes shares, options, derivatives and other financial products that can be traded on a financial market including financial products which operate to limit economic risk in securities holdings in the Company. For example, option shares and DESP shares are securities.

3. Confidentiality and Inside Information

A Person in possession of Inside Information about the Company has a duty to keep that information confidential and must not in any way disclose or communicate that information to any person. Confidentiality is also stressed in relation to external advisers.

4. Dealing with security analysts, institutional investors and journalists

It is important that directors and employees be aware that selective disclosure of non-public information to security analysts, institutional investors and journalists may result in a breach of the insider trading rules. Thus, if a report containing material non-public information concerning A-CAP was communicated only to local or trade journals and if full public disclosure of the information was not made at the same time, it is possible that this may give rise to a breach of the Corporations Act.

It is the mere fact of conveyance of the material non-public information that gives rise to liability, not the manner in which it is conveyed. For example, the confirmation of an analyst’s educated guess about a situation not known to the general public may be just as much a violation as the direct conveyance of information to an analyst. This is clearly the case even if the analyst’s case is based upon his or her independent and creative analysis of publicly available information. It is essential to avoid the indirect conveyance of information by any means whatsoever.

If during the course of a discussion with an analyst, journalist or other outsider, material non-public information concerning A-CAP is disclosed, inadvertently or otherwise, the recipient of the information should be informed of its non-public nature and cautioned against its use unless and until A-CAP has made full public disclosure of that information. The company secretary should be notified of the situation immediately so that a decision can be made regarding disclosure of the information. In view of the pitfalls inherent in responding to analyst’s projections and questions regarding previously undisclosed operating results or other developments, no comment at all should be made on these matters except to correct serious factual errors in situation in which the facts are in the public domain.

5. Associated parties

Directors, Officers or employees have a personal responsibility to ensure that his or her “associated parties” (being immediate family (including spouse (or equivalent) or dependant), family company trust) complies with the same respective restrictions as apply to Directors, Officers or employees of A-CAP.

6. Prohibition on dealing in A-CAP shares

In addition to the overriding prohibition on dealing when a person is in possession of Inside Information, Directors, Officers and employees and their associated parties are at all times prohibited from dealing in A-CAP securities except for:

- a. in the “trading windows”, namely;
- b. each period of 14 days immediately following each date upon which A-CAP releases to the ASX its annual, half-yearly and quarterly reports;
- c. each period of 14 days immediately following each date upon which A-CAP holds a general meeting of shareholders; and
- d. each period of 14 days immediately following each date upon which A-CAP releases to the ASX a significant ASX release; and
- e. at such other times as the nominated persons permit.

“Immediately following each date” means that Directors, Officers and employees and their associated parties **cannot trade on the date** the full year, half year or quarterly announcements are made or on the date the general meeting is held. The 14 day period in which trading is allowed will, in each instance, start on the date after the announcement or the general meeting.

If any Director, Officer or employee is unsure as to the precise start and finish date of these periods; they should consult the Company Secretary or their manager. For the avoidance of doubt, it is stressed that the existence of these trading windows does not permit Directors, Officers or employees to deal whilst in the possession of Inside Information – this restriction applies at all times.

Each Director, Officer, and employee will be provided with a copy of the policy and, within 10 days, is required to return a copy of the policy with the following signed acknowledgement:

(Date)
A-Cap Resources Limited (ABN 28 104 028 542) Attention: Company Secretary
Securities trading policy
I have been supplied with a copy of A-CAP securities trading policy. I have read and considered the contents of the policy.
I give my unqualified undertaking to comply with the letter and the spirit of the policy in all my dealing with or on behalf of the A-CAP.
Your sincerely [Name]

7. Total embargo on “short-term” trading

In order to prevent the unfair use of information, Directors, Officers and employees are generally prohibited from short-term trading at all times. Short-term trading is a purchase and sale of the same securities within a six-month period.

This embargo on short-term trading may be excepted in some very limited circumstances for example, exercising options in employee share ownership plans, redemptions of securities or certain other option exercises.

8. Exemption to trade during embargo period

The board may, in exceptional circumstances only, approve any person or his or her associated parties trading in A-CAP securities during an embargo period. An exemption will not be granted by the Board if it considers there is information that is not generally available, but if it were, would be likely to materially affect the price of A-CAP's securities.

9. Board of directors' discretion

The Board of A-CAP has an absolute discretion to place an embargo on Directors, officers and/or employees and/or their respective associated parties trading in the Company's securities at any time.

10. Notification rules in relation to the dealing in Company securities

Directors, Officers and employees are required to notify A-CAP of intended dealings in securities, by themselves or their associated parties, prior to such intended dealings. This should be done by applying in writing to the following persons ("nominated persons") for permission to trade outside the trading windows, setting out the name of the security holder, proposed date of dealing, type of proposed transaction (purchase, sale etc) and the number of securities involved:

- a. Directors (other than the chairman), Officers (other than the Company Secretary), the Chief Executive Officer and employees may apply to the Company Secretary and Chairman;
- b. the Chairman may apply to the Company Secretary and the Chief Executive Officer; and
- c. the Company Secretary may apply to the Chief Executive officer and Chairman.

In such cases, Directors, Officers and employees cannot trade until they have received written permission to do so from the nominated persons. The granting of permission is entirely at the discretion of the nominated persons. The nominated persons may seek the views of the Board before providing their decision.

Following completion of the proposed dealing, the person in question must provide confirmation to the company secretary that the dealing has occurred, and details of the price per security.

All transactions are to be reported by the nominated persons at the first meeting of Directors following the transaction.

11. Directors to notify ASX of Shareholding

The directors of A-CAP are required to complete either an Appendix 3X, 3Y, or 3Z (as applicable) and provide it to the Company to be filed with the ASX in respect of their shareholding in A-CAP for the purposes of section 205G of the Corporations Act and Listing Rule 3.19A.

12. Breaches of Policy

Any breaches of this policy may lead to summary termination.