



ALLEGIANCE COAL
LIMITED

CORPORATE GOVERNANCE MANUAL

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INTRODUCTION

In fulfilling its obligation and responsibilities to its various stakeholders, the Board of directors of the Company (**Board**) advocates the adoption of and adherence to a framework of rules, relationships systems and processes within and by which authority is exercised and controlled within the Company. This Corporate Governance Manual (**CG Manual**) outlines the Company's principal corporate governance procedures. The Board supports a system of corporate governance to ensure that the management of the Company is conducted in a manner which is directed at achieving the Company's objectives in a proper and ethical manner.

The Australian Securities Exchange (**ASX**) Corporate Governance Principles and Recommendations (**ASX CG Recommendations**) were first introduced in 2003. A second edition was published in 2007 and a third in 2014. On 27 February 2019, the ASX Corporate Governance Council released the 4th edition of the ASX CG Recommendations. The Principles can be viewed at www.asx.com.au. The Principles are not prescriptive; however, listed entities (including the Company) are required to disclose the extent of their compliance with the Principles, and to explain why they have not adopted a Principle (the 'if not, why not' approach). The Principles have operated throughout the year unless otherwise indicated.

The Fourth Edition of the ASX CG Recommendations are effective for full financial years beginning on or after 1 January 2020. Except to the extent indicated in the Company's Annual Report, the Company has resolved that for so long as it is admitted to the official list of the ASX it shall abide by the ASX CG Recommendations.

The key policies included in this CG Manual have been adopted on the basis that, in the circumstances of the Company, they reflect what is considered to be reasonable aspiration. Their object is to focus attention upon the issues they address and create awareness of those issues to develop a culture conducive to good practices.

The Board encourages all key management personnel, other employees, contractors and other stakeholders to monitor compliance with this CG Manual, especially in relation to observable departures from the intent of the charters and key policies. Suggestions for improvements or amendments to this CG Manual can be made at any time by providing a written note to the Chair.

LIST OF ADOPTED CHARTERS & POLICIES

The Company has adopted the following charters, codes and key policies which are presented on its website:

1. Board Charter
2. Audit Committee Charter
3. Remuneration Committee Charter
4. Nomination Committee Charter
5. Board Skills Matrix
6. Code of Conduct
7. Code of Conduct for Directors and Executives
8. Securities Trading Policy
9. Risk Management Policy
10. Shareholder Communication Policy
11. Continuous Disclosure Policy
12. Diversity Policy
13. Environmental Policy
14. Health & Safety Policy
15. Whistle-blower Policy

These charters, codes and key policies are to be reviewed annually for compliance and to identify any changes required.

The Company Secretary is to maintain (and submit to the Board for adoption) compliance checklists to assist to instil the culture contemplated by and compliance with this manual.

BOARD CHARTER

1. ROLE

The Board's primary role is to represent shareholders and to promote and protect the interests of Shareholders by governing the Company.

2. COMPOSITION

It is a priority of the Board to achieve an appropriate balance between independent and non-independent representation on the Board. The Board takes into account the skills and experience required in the context of the Company's operations and activities from time to time. In determining whether or not directors are independent, the Board applies the criteria as set out in the ASX Recommendations Box 2.3 (noting the exception applied) as set out below.

Box 2.3 / Factors relevant to assessing the independence of a director

Examples of interests, positions and relationships that might raise issues about the independence of a director of an entity include if the director:

- Is, or has been, employed in an executive capacity by the entity or any of its child entities and there has not been a period of at least three years between ceasing such employment and serving on the board;
- Receives performance-based remuneration (including options or performance rights) from, or participates in an employee incentive scheme of, the entity;
- Is, or has been within the last three years, in a material business relationship (eg as a supplier, professional adviser, consultant or customer) with the entity or any of its child entities, or is an officer of, or otherwise associated with, someone with such a relationship;
- Is, represents, or is or has been within the last three years an officer or employee of, or professional adviser to, a substantial holder;
- Has close personal ties with any person who falls within any of the categories described above; or
- Has been a director of the entity for such a period that their independence from management and substantial holders may have been compromised.

Exception adopted by the Company

- Taking into account the Company's current stage of development and in an effort to minimize cash remuneration, the Company considers allocations of performance-based remuneration (including options or performance rights) does not of itself lead to a determination that the director is not independent.

In each case, the materiality of the interest, position or relationship needs to be assessed by the board to determine whether it might interfere, or might reasonably be seen to interfere, with the director's capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the entity as a whole rather than in the interests of an individual security holder or other party

Where the Chair is not an independent director, the Company will appoint a lead independent director if it is practicable to do so. The lead independent director will take over the role of the Chair when the Chair is unable to act in that capacity as a result of his or her lack of independence.

The Board considers that a director is an executive if that director is involved in the day to day management of the Company.

3. RESPONSIBILITIES OF THE BOARD AND MANAGEMENT

To fulfill its role the Board is responsible for:

- Reviewing the activities of the Company, including its control and accountability systems;
- Appointing and removing the executive directors (if any), Managing Director, Company Secretary, and other senior executives, evaluating their performance, reviewing their remuneration and ensuring an appropriate succession plan;
- Setting, with management, the strategic objectives of the Company and monitoring its progress against those objectives;
- Reviewing, ratifying and monitoring systems of risk management and internal control as developed by the Company's management, including satisfying itself that the Company is operating with due regard to the risk appetite set by the Board;
- Setting, with management, the operational and financial objectives and goals for the Company;
- Ensuring that there are effective corporate governance policies and practices in place;
- Approving policies of Company-wide and general application;
- Approving the Company's policies on the health and safety of employees and contractors, the environment and sustainable development;
- Approving and monitoring budgets, capital management and acquisitions and divestments;
- Approving and monitoring all financial reporting to the market;

- Appointment of external auditors and principal professional advisors; and
- Formal determinations that are required by the Company's constitutional documents or by law or other external regulation.

These responsibilities are designed to provide strategic guidance for the Company and effective oversight management.

Beyond those matters, the Board has delegated all authority to the Managing Director for management of the Company's business within any limits imposed by the Board.

4. RESPONSIBILITIES OF INDIVIDUAL DIRECTORS

The Chair

The Chair is responsible for leadership of the Board, ensuring the accountability of the Company Secretary on all matters to do with the efficient organisation and conduct of the Board's function and for the briefing of all directors in relation to the issues arising at Board meetings. The Chair is also responsible for monitoring shareholder communication, continuous disclosure compliance and Board performance.

The Managing Director

The Managing Director is responsible for running the affairs of the Company under delegated authority from the Board and to implement the policies and strategy set by the Company. In carrying out those responsibilities, the Managing Director must report to the Board in a timely manner and ensure all reports to the Board present a true and fair view of the Company's financial condition and operational results.

The Company Secretary

The Company Secretary is charged with facilitating the Company's corporate governance processes and so holds primary responsibility for ensuring that the Board processes and procedures run efficiently and effectively. The Company Secretary is accountable to the Board, through the Chair, on all governance matters and reports directly to the Chair as the representative of the Board. The Company Secretary is appointed and dismissed by the Board and all Directors have as of right access to the Company Secretary.

The tasks of the Company Secretary shall include:

Meetings and Minutes

- Notifying the directors in writing in advance of a meeting of the Board as specified in the Constitution;

- Ensuring that the agenda and Board papers are prepared and forwarded to Directors prior to the Board meeting as set out in the Board Policy Manual;
- Recording, maintaining and distributing the minutes of all Board and Board Committee meetings as required;
- Maintaining a complete set of Board papers at the Company's main office;
- Ensuring that reports are appropriately translated if required and an interpreter is available for all meetings;
- Preparing for and attending all annual and extraordinary general meetings of the Company;
- Recording, maintaining and distributing the minutes of all general meetings of the Company;
- Acting as ASX liaison/disclosure officer;
- Ensure that the Directors receive copies of all material market announcements promptly after they have been made.

Compliance

- Overseeing the Company's compliance program and ensuring all Company legislative obligations are met;
- Ensuring all requirements of ASX, ASIC, the ATO and any other regulatory body are fully met; and
- Providing counsel on corporate governance principles and Director liability;

Governance Administration

- Maintaining the Register of Ongoing Conflicts of Interests and the Register of Related Party Transactions;
- Maintaining a Register of Company Policies as approved by the Board;
- Maintaining, updating and ensuring that all directors have an up-to-date copy of the Board Charter and associated governance documentation;
- Maintaining the complete list of the delegations of authority;

- Reporting at each Board meeting the documents executed under a power of attorney, documents executed in accordance with section 127 of the Corporations Act, and reporting on the use of the seal register (if a seal is used); and
- Any other services the Chair or Board may require.

5. PROCESS FOR EVALUATING BOARD, COMMITTEE AND DIRECTOR PERFORMANCE

The Chair of the Board will arrange a performance evaluation of the Board, its Committees and its individual Directors on an annual basis. To assist in this process an independent advisor may be used.

The Chair of the Board will conduct an annual review of the role of the Board, assess the performance of the Board over the previous 12 months and examine ways of assisting the Board in performing its duties more effectively.

The review will include:

- Comparing the performance of the Board with the requirements of its Charter;
- Examination of the Board's interaction with management;
- The nature of information provided to the Board by management; and
- Management's performance in assisting the Board to meet its objectives.

A similar review will be conducted for each Committee by the Board with the aim of assessing the performance of each Committee and identifying areas where improvements can be made.

The Chair of the Board may also meet individually with each Board member to discuss their performance.

The Chair of the Board will oversee the performance evaluation of the executive team on an ongoing basis. This evaluation is based on specific criteria, including the business performance of the Company and its subsidiaries, whether strategic objectives are being achieved and the development of management and personnel.

The Company will disclose whether a performance evaluation was undertaken in each reporting period in accordance with the process outlined above.

6. ACCESS TO INDEPENDENT ADVICE

Each director has the right, so long as he is acting reasonably in the interests of the Company and in the discharge of his duties as a director, to seek independent professional advice and recover the reasonable costs of that advice from the Company.

The advice shall only be sought after consultation about the matter with the Chair (where it is reasonable that the Chair be consulted) or, if it is the Chair that wishes to seek the advice or it is unreasonable that he is consulted, another director.

The advice is to be made immediately available to all Board members other than to a director against whom privilege is claimed.

AUDIT COMMITTEE CHARTER

1. SUBMISSION TO AUDIT

As part of the Company's commitment to safeguarding integrity in financial reporting, the Company's accounts are subject to annual audit by an independent professional auditor, who also reviews the half-yearly accounts.

The auditor will attend and be available to answer questions at the Company's annual general meetings.

2. AUDITOR INDEPENDENCE

The Company will monitor the independence and competence of its external auditors. Details of the amounts paid for both work and non-audit services will be set out in each annual report.

The Board requires that adequate handovers occur in the year prior to rotation of an audit partner, to ensure an efficient and effective audit under the new partner.

3. COMPOSITION OF THE AUDIT COMMITTEE

The full Board carries out the duties that would normally fall to the Audit Committee (unless amended by resolution of the Board subsequent to adoption of this CG Manual).

4. ROLE OF THE AUDIT COMMITTEE

The role of the Audit Committee is to:

- Monitor the integrity of the financial statements of the Company, reviewing significant financial reporting judgments;
- Review the Company's internal financial control system and, unless expressly addressed by a separate risk committee or by the Board itself, risk management systems;
- Monitor and review the effectiveness of the Company's internal audit function (if any);
- Monitor and review the external audit function including matters concerning appointment and remuneration, independence and non-audit services;
- Perform such other functions as assigned by law, the Company's constitution, or the Board.

5. OPERATIONS OF THE COMMITTEE

The Committee is to meet twice a year, with further meetings on an as required basis.

Minutes of all meetings of the Committee are to be kept and tabled at the next meeting of the Board.

Committee meetings will be governed by the same rules as set out in the Company's constitution as apply to the meetings of the Board.

Relevant members of management and the external auditor may be invited to attend meetings.

The Committee shall meet with the external auditor without management present, if required.

6. COMMITTEE'S AUTHORITY AND RESOURCES

The Company is to provide the Committee with sufficient resources to undertake its duties, including provision of educational information on accounting policies and other financial topics relevant to the Company, and such other relevant materials requested by the Committee.

The Committee will have the power to conduct or authorize investigations into any matters within the Committee's scope of responsibilities. The Committee will have the authority, as it deems necessary or appropriate, to retain independent legal, accounting or other advisors. In the event of any conflict between this charter and any other relevant legal requirements, including those of the ASX, the Corporations Act 2001 (Cth) (**Corporations Act**), and applicable securities laws, the Committee shall immediately bring the conflict to the attention of the Board which shall resolve such conflict upon consultation with the Company's legal advisors.

7. REPORTING TO THE SHAREHOLDERS

The Chair of the Audit Committee is to be present at the annual general meeting to answer questions, through the Chair of the Board.

POLICY ON SELECTION, APPOINTMENT AND ROTATION OF EXTERNAL AUDITORS

1. SELECTION OF EXTERNAL AUDITORS

Should there be a vacancy for the position of external auditor, the Company, through the Board, will conduct a formal process, either general or selective, to select which audit firm will fill the vacancy.

Audit firms are evaluated in accordance with criteria, as appropriate from time to time, and are not assessed solely on the basis of who is cheapest, but on a number of issues such as:

- Skills and knowledge of the team proposed to do the work;
- Quality of work;
- Independence of the audit firm;
- Lead signing partner and independent review partner rotation and succession planning policy;
- Value for money; and
- Ethical behaviour and fair dealing.

2. APPOINTMENT OF EXTERNAL AUDITORS

The Board identifies and recommends an appropriate external audit partner for appointment by the Board and/or the Company in general meeting. The appointment is made in writing.

3. ROTATION OF EXTERNAL AUDIT PARTNERS

The external auditor is required to rotate its audit partners so that no partner of the external auditor is in a position of responsibility in relation to the Company's accounts for a period of more than five consecutive years. Further, once rotated off the Company's accounts no partner of the external auditor may assume any responsibility in relation to the Company's accounts for a period of three consecutive years. This requires succession planning on the part of the external auditor, a process in which the Company is involved.

REMUNERATION COMMITTEE CHARTER

1. COMPOSITION

A Remuneration Committee is to be maintained comprising all of the non-executive directors. The composition of the Remuneration Committee can vary to accommodate the requirement that a director must not be present when the committee meets to consider that director's remuneration.

The Remuneration Committee may seek input from senior executives on remuneration policies, but no senior executive should be directly involved in deciding their own remuneration.

2. ROLE

The function of the Remuneration Committee is to assist the Board in fulfilling its corporate governance responsibilities with respect to remuneration by reviewing and making appropriate recommendations on:

- Employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed;
- Recruitment, retention and termination policies and procedures for senior executives; and
- Superannuation arrangements.

When reviewing remuneration packages of senior executives (including directors), the Committee shall include a comparative review of the packages by gender.

The Remuneration Committee is authorised to seek any information it requires from any employee and all employees are directed to cooperate with any request made by the Remuneration Committee.

The Remuneration Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise at meetings of the Remuneration Committee if it considers this necessary.

The Remuneration Committee is required to make recommendations to the Board on all matters within the Remuneration Committee's charter. When making its recommendations, the Remuneration Committee should clearly distinguish the structure of non-executive director's remuneration from that of executive directors and senior executives.

3. REPORTING PROCEDURES

The Committee is to meet at least annually and otherwise as required. Minutes of all meetings of the Committee are to be kept.

4. RESPONSIBILITIES

The duties of the Remuneration Committee are to:

- Assist the Board in fulfilling its responsibilities in respect of establishing appropriate remuneration levels and policies including incentive policies for directors and senior executives;
- Ensure that the Company enters into written agreements for all directors and senior executives setting out the terms of engagement;
- Assess the market to ensure that senior executives are being rewarded commensurate with their responsibilities;
- Obtain the best possible advice in establishing salary levels;
- Review the salary levels of senior executives and make recommendations to the Board on any proposed increases;
- Review recommendations from the Managing Director relating to proposed merit increases;
- Propose, for full Board approval, the terms and conditions of employment for the Managing Director;
- Review, and report to the Board, recommendations from the Managing Director on each senior executive's performance evaluations;
- Review the Company's recruitment, retention and termination policies and procedures for senior management;
- Review and make recommendations to the Board on the Company's incentive schemes;
- Review and make recommendations to the Board on the Company's superannuation arrangements; and
- Review the remuneration of both executive and non-executive directors and make recommendations to the Board on any proposed changes.

NOMINATION COMMITTEE CHARTER

1. COMPOSITION

The full Board carries out the duties that would normally fall to the Nomination Committee (unless amended by resolution of the Board subsequent to adoption of this Corporate Governance and Key Polices Manual).

2. ROLE

The role of the Nomination Committee is to identify and recommend candidates to fill casual vacancies and to determine the appropriateness of director nominees for election to the Board. The Board recognises the benefits arising from diversity and aims to promote an environment conducive to the appointment of well qualified Board candidates so that there is appropriate diversity to maximise the achievement of corporate goals.

3. OPERATIONS

The Board is to meet at least annually to consider the matters in the Nomination Policy, with further meetings as required. Minutes of all meetings are to be kept.

4. RESPONSIBILITIES

The responsibilities of the Nomination Committee are:

- To implement processes to assess the necessary and desirable competencies of Board members such as experience, expertise and skills (including the regular review and update of a Board skills matrix) and performance of the Board and its committees;
- To provide new directors with an induction to the Company;
- To provide all directors with access to ongoing education relevant to their position in the Company to develop their expertise and to address any skill gaps identified in the Board skills matrix;
- Provide a succession plan for directors and the Managing Director in order to maintain an appropriate mix of skills, experience, expertise and diversity on the Board;
- Evaluate the performance of the Managing Director;
- Review time required for non-executive directors to perform their duties;
- Annually evaluate the performance and effectiveness of the Board to facilitate the directors fulfilling their responsibilities in a manner that serves the interests of shareholders;

- Before recommending an incumbent, replacement or additional director, review his or her qualifications, including capability, availability to serve, conflicts of interest, and other relevant factors;
- Assist in identifying, interviewing and recruiting candidates for the Board including reviewing whether professional intermediaries should be used to identify candidates;
- Ensure that appropriate checks as to character, experience, criminal record and bankruptcy history are undertaken for all senior executive and Board candidates, and independence is considered for all Board candidates, prior to appointment;
- Annually review and report to the Board on the proportion of women at all levels of the Company;
- Annually review the composition of each committee and present recommendations for committee memberships to the Board as needed.

BOARD SKILLS MATRIX

The ASX Corporate Governance Principles and Recommendations require a listed entity to have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.

The Company periodically assesses the skills of the Board based on the following skills and expertise, with the aim of achieving a well balanced board:

- Industry Knowledge
- Exploration
- Mining
- Metallurgy and Processing
- Construction
- Production

- Commodity sales and marketing
- Business/management
- Strategic Planning
- M&A
- Legal
- Corporate Finance
- Accounting/Auditing
- Corporate Governance/Ethics
- Board Director experience
- Leadership
- Risk Management
- Environmental
- Community/Social

CODE OF CONDUCT

Each and every Company employee and director, and any and all consultants, contractors and advisors contracted by the Company (Employees or We) are required to apply the principles of this Code of Conduct (Code) to relationships with other Employees, with the Company and with all those with whom they deal with while employed or contracted by the Company. This Code is a guide for the way all Employees are to operate in the conduct of Company business on a daily basis.

When representing the Company, Employees must abide by the following minimum standards and values:

1. We treat each other with respect and dignity

- We maintain a safe and fair work environment.
- Everyone is entitled to be treated with respect as a person, regardless of role or individual differences.
- We value our people and their personal commitment to delivering value to shareholders.
- We encourage co-operation, learning and growth in all who work with us.
- We strive to understand and respond to the needs of the Company's stakeholders.

2. We respect the law and act accordingly

- We respect the laws, customs and business practices of the communities in which We operate, but do not compromise the principles embodied in this Code.
- We notify the Managing Director or another Board member immediately of any breach of the law.
- In interpreting the law, We adopt a course which preserves integrity.

3. We are fair and honest in our dealings

- We are fair and honest even when we believe others will not know of our actions.
- Honesty, for us, means not using coercive or misleading practices or falsifying or wrongfully withholding information.
- We do not place ourselves in situations in which our private interests could conflict directly or indirectly with our obligations to the Company.

- We do not accept benefits such as gifts or entertainment when the situation could be seen as creating an obligation.
- We do not act in ways which may cause others to question our loyalty to the Company.

4. We use the Company's property responsibly and in the best interest of the Company and its reputation

- We do not use Company funds to provide unreasonable benefits such as gifts or entertainment for ourselves or others.
- We use the Company's property for the Company's business purposes.

5. We are responsible for our actions and accountable for their consequences

- We take responsibility for all issues over which We have control and the manner in which these are achieved.

6. We are responsible to all Employees as individuals and to the community

- We use our best endeavours to ensure a safe work place and maintain proper occupational health and safety practices.
- We recognise and respect our responsibilities to the communities in which we operate.
- We recognise the rights of individuals and to the best of our abilities will comply with the applicable legal rules regarding privacy, privilege, and private and confidential information.

Any breach of compliance with this Code of Conduct is to be reported directly to the Managing Director or under the Whistle-blower Policy, as appropriate. Any material breach of this Code of Conduct is to be reported to the full Board. Anyone breaching this Code of Conduct may be subject to disciplinary action, including termination.

CODE OF CONDUCT FOR DIRECTORS AND EXECUTIVES

In addition to the general Code of Conduct adopted by the Company, all directors and executives are required to act in accordance with this Code of Conduct for Directors and Executives and:

- Actively promote the highest standards of ethics and integrity in carrying out their duties for the Company.
- Disclose any actual or perceived conflicts of interest of a direct or indirect nature of which they become aware and which they believe could compromise in any way the reputation or performance of the Company.
- Respect confidentiality of all information of a confidential nature which is acquired in the course of the Company's business and not disclose or make improper use of such confidential information to any person unless specific authorisation is given for disclosure or disclosure is legally mandated.
- Deal with the Company's contractors, suppliers, competitors and with each other with the highest level of honesty, fairness and integrity and to observe the rule and spirit of the legal and regulatory environment in which the Company operates.
- Protect the assets of the Company to ensure availability for legitimate business purposes and ensure all corporate opportunities are enjoyed by the Company and that no property, information or position belonging to the Company or opportunity arising from these are used for personal gain or to compete with the Company.
- Report any breach of this Code of Conduct for Directors and Executives to the Board Chair, who will treat reports made in good faith of such violations with respect and in confidence.

SECURITIES TRADING POLICY

1. BACKGROUND

The Company has adopted this security trading policy to regulate dealings in securities issued by the Company in accordance with ASX Listing Rule 12.9.

The law prohibits, and imposes severe penalties on insider trading. The Corporations Act 2001 (Cth) (“Corporations Act”) and the ASX Listing Rules require disclosure of trading undertaken by Directors or their related entities in the Company’s securities.

2. POLICY

The Company encourages its directors, senior executives and employees to hold securities in the Company. However, when trading in securities of the Company it is important to ensure that these transactions do not reflect badly on any director, senior executive, employee or the Company. This Policy is designed to ensure that directors, senior executives and employees do not deal in securities of the Company in a manner that may be perceived to constitute insider trading by imposing further trading restrictions on them.

This policy is made available on the Company website, to all key management and employees and is subject to ASX announcement, including upon any material changes to the policy.

If you do not understand any part of this policy or how it applies to you please contact the Company Secretary.

3. INSIDER TRADING

Anyone buying or selling securities in any company must ensure the insider trading provisions contained in Part 7.10 of the Corporations Act 21 are not contravened.

Inside Information is information that is not generally available which could reasonably be expected to have a material effect on the price or value of securities of a body corporate. Information is taken to have a “material effect” on the price or value of a security if it would be likely to influence persons in deciding whether or not to subscribe for, buy, or sell the securities. Thus, to constitute inside information the information must be both price sensitive and not generally available.

It is readily apparent that directors, senior executives and employees of the Company in the course of carrying out their duties often possess information which would be regarded as inside information under the Corporations Act. The following are non-exhaustive examples of information which could be regarded as inside information:

- Proposed strategic business acquisition;
- Financial records not yet released to the market; and

- A proposed takeover not yet announced to the market.

Dealing in securities includes trading, subscribing, buying or selling securities or entering an agreement to do so, as well as advising, procuring or encouraging others such as family members, friends, colleagues etc. to trade in securities.

Insider Trading is a criminal offence attracting fines and possible imprisonment. Any person in possession of Inside Information must not trade in securities of that company. It is a personal responsibility of each individual to comply with the laws governing Insider Trading.

Restrictions on Employees Dealings with Company Securities

Employees generally may freely trade in Company securities; however, they are reminded that Insider Trading restrictions apply to them. Strict compliance with Insider Trading restrictions are a condition of employment and any employee who breaches this restriction will be subject to disciplinary action which may include dismissal.

Employees cannot, either directly or indirectly, communicate Inside Information to other persons and can be liable for Insider Trading if they recommend the Company's securities to other persons while they are in possession of price sensitive information which is undisclosed to the general public. Employees should be aware that they can be liable for Insider Trading by communicating Inside Information to other persons, for example their spouse, family or friends. This liability arises notwithstanding the fact that the employee has not personally dealt with the securities of the Company. Spouses, family or friends who become aware of Inside Information and subsequently act on it before the information becomes public can also be held liable for Insider Trading.

Employees should not engage in short term or speculative trading of the Company's securities, which is defined as the purchase and sale of the same securities within a 12 month period.

Employees should exercise care if borrowing monies to purchase securities or offering securities held by them as collateral and should not enter into arrangements, such as margin loans or arrangements involving the Company's securities as collateral to secure repayment of a loan, where the lender is granted a right to sell or compel the sale of the securities at a time that this policy prohibits the employee dealing in the securities. Further, employees should not use derivatives such as caps, collars, warrants or similar products in relation to any Company securities held by employees.

Restrictions on Key Management Personnel Dealings with Company Securities

Additional restrictions on dealing in the Company's securities apply to those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including directors and any of their associates, all executives reporting directly to the Managing Director and any other employees of the Company considered appropriate by the Managing Director and Company Secretary from time to time (Key Management Personnel).

A list of all Key Management Personnel is to be maintained by the Company Secretary who will ensure all Key Management Personnel receive notification of this policy.

The Company's policy regarding dealings by Key Management Personnel in the Company's securities is that Key Management Personnel should never engage in short term trading.

Before engaging in transactions involving the securities of the Company, Key Management Personnel must notify the Company Secretary of the intended transaction at least 24 hours beforehand and cannot trade without written approval from the Chairperson.

Key Personnel Trading Procedure

Key Management Personnel or their associates cannot trade in the Company's securities without prior written approval. The required written approval can only be obtained as follows:

- A written or emailed request for approval of the proposed dealing is made, including a declaration that the applicant is not in possession of inside information in relation to the proposed dealing, and sent to the Company Secretary who will forward the request to the Chairman of the Board for approval (Application);
- The Chairman will respond to the Application, normally, within 24 hours when a written or emailed response will be returned to the applicant;
- The Chairman may, at his or her discretion and without limitation refuse an Application or grant approval subject to conditions;
- The Chairman may refer an Application to the full Board at his or her discretion and must inform the Board of any such requests;
- In the case of the Chairman intending to trade in the Company's securities, the Chairman must notify and obtain clearance from the Board before trading or giving instructions for trading;
- If approval is granted it will be valid for a specific time frame, usually 7 days from the date it is given, meaning the relevant dealing can only occur during that period (subject to the other requirements of this policy) (Approval); and
- If Approval is granted and the dealing occurs, all Key Management Personnel must advise the Company Secretary of their or their associate's participation in any trading of the Company's securities within five business days of the date of any such dealings, including details of the applicant's percentage shareholding in the Company.

Notwithstanding that the Company Secretary is to be informed of all information concerning Key Management Personnel's shareholding, the ultimate responsibility for ensuring that the required forms and notifications, including the obtaining of any substantial shareholding or

change in any substantial shareholding, are lodged with ASIC and ASX, remains with the relevant Key Management Personnel.

Key Management Personnel should note that, notwithstanding that the Chairman has granted consent, it is the Key Management Personnel's obligation to ensure that they do not breach the general obligation not to deal in the Company's securities when in possession of unpublished price sensitive information.

4. PROHIBITED PERIODS

The Board has the discretion to prohibit trading by any Key Management Personnel, for example during periods when it is considering matters which are subject to the exceptions to the continuous disclosure requirements set out in Listing Rule 3.1A (Prohibited Periods).

As Key Management Personnel cannot trade in the Company's securities without written Approval, this provides the opportunity for the Board to exercise its discretion to prohibit trading.

5. CLOSED PERIODS

In addition to Prohibited Periods, Key Management Personnel cannot trade the Company's securities in the following circumstances:

- For a period of twenty-one (21) days prior to release by the Company of half yearly reports;
- For a period of twenty-one (21) days prior to release by the Company of annual reports; and
- Fourteen (14) days prior to the release by the Company of the quarterly cashflow and activities report.

6. PERMITTED TRADING

The Board considers that some trading to be excluded from the operation of the Policy. A person otherwise restricted from trading pursuant to this policy (Restricted Person) may trade, for instance, where the trading results in no change in beneficial interest in the securities, where trading occurs via investments in a scheme or other arrangement where the investment decisions are exercised by a third party, where the Restricted Person has no control or influence with respect to trading decisions, or where the trading occurs under an offer to all or most of the security holders of the entity.

The purpose of this policy does not apply to every dealing with the Company's securities and as such there are some dealings which may be exempt from the requirements of this policy, namely:

- Transfers of securities of the entity already held into a superannuation fund or other saving scheme in which the Restricted Person is a beneficiary;
- An investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in the securities of the entity) where the assets of the fund or other scheme are invested at the discretion of a third party;
- Where a Restricted Person is a trustee, trading in the securities of the entity by that trust provided the Restricted Person is not a beneficiary of the trust and any decision to trade during a Prohibited Period is taken by the other trustees or by the investment managers independently of the Restricted Person;
- Undertakings to accept, or the acceptance of, a takeover offer;
- Trading under an offer or invitation made to all or most of the security holders, such as, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;
- The exercise (but not the sale of securities following exercise) of an option or a right under an employee incentive scheme, or the conversion of a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a Prohibited Period and the entity has been in an exceptionally long Prohibited Period or the Company has had a number of consecutive Prohibited Periods and the Restricted Person could not reasonably have been expected to exercise it at a time when free to do so;
- Where trading occurs under an offer to all or most of the Company's security holders;
- A disposal of securities of the entity that is the result of a secured lender excising their rights, for example, under a margin lending arrangement;
- Transactions conducted between a person and their spouse, civil partner, child or step-child;
- Bona fide gifts to a Restricted Person by a third party;
- Decisions relating to whether or not to take up entitlements under a renounceable pro rata issue; and
- Trading under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this Policy and where:
 - the Restricted Person did not enter into the plan or amend the plan during a Prohibited Period;

- the trading plan does not permit the Restricted Person to exercise any influence or discretion over how, when, or whether to trade; and
- the entity's trading policy does not allow the Restricted Person to cancel the trading plan or cancel or otherwise vary the terms of his or her participation in the trading plan during a Prohibited Period other than in exceptional circumstances (as set out below).

7. EXCEPTIONAL CIRCUMSTANCES

Key Management Personnel who are not in possession of inside information in relation to the Company, may be given prior written clearance to sell or otherwise dispose of the Company's securities during a Prohibited Period under the Policy in exceptional circumstances.

"**Exceptional circumstances**" may include severe financial hardship where a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant securities in the Company. A tax liability of such a person would not normally constitute severe financial hardship unless the person has no other means of satisfying the liability. A tax liability relating to securities received under an employee incentive scheme would also not normally constitute severe financial hardship or otherwise be considered an exceptional circumstance for the purpose of obtaining prior written clearance to sell or otherwise dispose of securities during a Prohibited Period.

The Company may consider it an exceptional circumstance if the person is required by a court order, or there are court enforceable undertakings, for example, in a bona fide family settlement, to transfer or sell the securities of the Company or there is some other overriding legal or regulatory requirement for him or her to do so.

To obtain the Chairman's consent to sell the Company's securities in exceptional circumstances, the following procedure must be followed:

- (a) a written or emailed request to sell the Company's securities in exceptional circumstances is sent to the Company Secretary who will forward the request to the Chairman of the Board for approval. The request must include:
 - (i) a declaration that the applicant is not in possession of inside information in relation to the proposed dealing; and
 - (ii) details as to the grounds upon which the applicant believes they fall within exceptional circumstances, including any documentary evidence.

(Request)

- (b) the Chairman may:
 - (i) at his discretion and without limitation, refuse to grant consent to the dealing or place conditions on the dealing; or
 - (ii) refer a request to trade to the full Board at his or her discretion and must inform the Board of any such requests.

The determination of whether the person in question is in severe financial hardship or whether a particular set of circumstances falls within the range of exceptional circumstances identified in the Policy can only be made by the Board represented by the Chairman. If the Chairman is in any doubt in making such determinations on behalf of the Company, consideration should be given to the purpose of the listing rules and the discretion should be exercised with caution.

- (c) In the case of the Chairman intending to trade in the Company's securities, the Chairman must notify and obtain clearance from the Board before trading or giving instructions for trading.
- (d) the Chairman will respond to a Request, normally, within 24 hours when a written or emailed approval will be returned to the Key Management Personnel. Any such approval may be:
 - (i) subject to conditions; and
 - (ii) valid for a limited period of time (usually 7 days) from the date it is given.

(Grant of Exemption)

- (e) If Grant of Exemption is made and the dealing occurs, all Key Management Personnel must advise the Company Secretary of their or their associate's participation in any trading of the Company's securities within five business days of the date of any such dealings.

Notwithstanding that the Company Secretary is to be informed of all information concerning Key Management Personnel's shareholding, the ultimate responsibility for ensuring that the required forms and notifications, including obtaining any substantial shareholding or change in any substantial shareholding, are lodged with ASIC and ASX, remains with the relevant Key Management Personnel.

Key Management Personnel should note that, notwithstanding that the Chairman has granted consent, it is the Key Management Personnel's obligation to ensure that they do not breach the general obligation not to deal in the Company's securities when in possession of unpublished price sensitive information.

8. NOTIFICATION TO ASX OF DIRECTOR'S INTEREST

Directors must also be aware that pursuant to the provisions of the Corporations Act they are obliged to provide the ASX with appropriate notifications of their interests in the Company.

Pursuant to section 205G of the Corporations Act, directors must notify the ASX of their:

- (a) relevant interests in securities of the Company or of a related body corporate; and
- (b) contracts:
 - (i) to which the director is a party or under which the director is entitled to a benefit; and
 - (ii) that confer a right to call for or deliver shares in, debentures of, or interests in a managed investment scheme made available by, the Company or a related body corporate.

Directors must also ensure that the above interests are notified to the ASX in accordance with Listing Rule 3.19A. This Rule requires the Company, not the particular director, to notify the ASX of the above interests.

Accordingly, the Company is to enter into an agreement with each of its directors under which the directors are obliged to provide the necessary information to the Company. An agreement of this nature, recognises that much of the information required by the ASX, under section 205G, is held by the directors, by virtue of their position and role within the Company. By entering into a formal agreement, the Company ensures that the directors of the Company have been notified of their disclosure obligations under the Corporations Act and the directors authorise the Company to give the information provided by directors to ASX on their behalf and as their agent.

Directors should also be aware of the substantial holder provisions contained in section 671B of the Corporations Act which require certain notices to be served on the Company and the ASX when a person and their associates have a relevant interest in at least 5% of the issued voting shares in the Company and any change of more than 1% to those relevant interests occurs.

9. POLICY REVIEW

The Securities Trading Policy will be reviewed annually by the Board of Directors and Key Management Personnel.

RISK MANAGEMENT POLICY

The Risk Management Committee is established by the Board to ensure that the Company and its subsidiaries (the **Company**) have established a sound system of risk management. This Committee is primarily responsible for operational and other non-financial risks (the Audit Committee is responsible for financial and information technology risks).

1. COMPOSITION

The full Board carries out the duties that normally fall to the Risk Management Committee. Committee membership will be reviewed at least annually.

The Committee may invite attendance from any staff of the company and seek external advice to assist in its duties.

If a member or attendee has a conflict of interest in a matter this must be indicated at the commencement of the meeting. However, the Committee will have the discretion to allow the person to participate in the relevant item or not, according to the Company's policy on conflicts of interest.

2. ROLE

The Committee is established to monitor and review on behalf of the Board the system of risk management which the Company has established. This system should identify, assess, monitor and manage operational and compliance risks.

The Risk Management Committee determines the Company's 'risk profile' and is responsible for overseeing and approving risk management strategy and policies, internal compliance and non-financial internal control.

The Committee will report to the Board on this system of risk management and make appropriate recommendations to ensure the adequacy of the system.

Although it is not possible to provide absolute assurance that all corporate risks will be fully avoided or even mitigated, the Committee should aim to minimise any adverse impact on the Company that may result from the occurrence of an identifiable corporate risk.

3. REPORTING PROCEDURES

The Board is to meet at least annually to consider the matters in the Risk Management Policy and to ensuring that the Policy accords, to as great an extent as is mandatory and otherwise practical, with the ASX Recommendations, as amended from time to time.

4. RESPONSIBILITIES

In fulfilling its purpose outlined in section 2, the Committee should ensure that:

- The Company's risk profile is identified and monitored through a systematic review of the organization and its operations at least annually, including whether the Company is operating with due regard to the risk appetite set by the Board, with results reported to the Board and disclosure made of when the review took place;
- It communicates any material changes to the Board as to the management of risk, the risk profile, and the associated internal controls of the Company;
- It reviews whether the Company has any material exposure to environmental or social risks and, if it does, how the Company manages or intends to manage those risks;
- Adequate policies and procedures have been designed and implemented by management to manage risks identified;
- Proper remedial action is undertaken to redress areas of weakness identified by the system of risk management and/or the Committee;
- A system of reporting and investigating incidences, breaches or excessive risks operates effectively;
- When requested to do so by the Board or when the Committee considers appropriate, an investigation can be undertaken and reported to the Board on any risk-related matters;
- There is a system whereby the Managing Director/CEO and the Board are immediately notified of any information which might have a material effect on the price or value of the Company's securities, and that such information is released to the ASX in accordance with the requirements of the Company's disclosure policy and the ASX Listing Rules;
- Obtaining, for each financial period, a statement from the Managing Director/CEO and Chief Financial Officer to the Board that the company's risk management and internal compliance and control system is operating effectively in all material respects; and
- The Policy is made publicly available on the website.

5. SPECIFIC RISKS TO BE MANAGED BY THE COMMITTEE

Outlined below are some specific operational and compliance risks inter alia, which are the responsibility of the Committee.

The Committee is responsible for:

- Promoting and supporting an organisational culture that is committed to risk management through open communication and effective risk management leadership;

- Reviewing the Company's main corporate governance practices as required under the ASX Listing Rules for completeness and accuracy;
- Assessing that appropriate policies, procedures, controls and monitoring and reporting mechanisms have been adopted by the Company to minimise breaches of and promote compliance with all relevant legislation and regulations, including but not limited to OH&S, industrial relations, environmental and trade practices;
- Assessing that there are appropriate policies to provide for adequate employee education and to facilitate safety, security and good health in the workplace and monitoring of workplace safety;
- Reviewing how the Company operates in accordance with the terms of all licences and permits issued to it by any government body or any other authority;
- Making enquiries as to whether the management of the Company pays due attention to ethical considerations in implementing the Company's policies and practices and following up on any identified weaknesses;
- Adopting procedures and policies for the improvement and preservation of the reputation of the Company; and
- Enquiring whether the Company has put appropriate insurance in place and following up on any identified gaps.

SHAREHOLDER COMMUNICATION POLICY

The Board informs shareholders of all major developments affecting the Company's state of affairs as follows.

- The Annual Financial Report is distributed to all shareholders (who specifically request to receive the document), including relevant information about the operations of the Company during the year, changes in the state of affairs and details of future developments. The full Annual Financial Report is also available on the Company's website.
- The half-yearly report contains summarised financial information and a review of the operations of the Company during that period. The audited half-year financial report is lodged with ASIC and the ASX and sent to any shareholder who requests it as well as being published on the Company website.
- The Company presents exhibits at community forums, which provides opportunity for the shareholders to gather information about the Company; it is also an opportunity to meet members of the Board and senior management.
- All documents that are released publicly and all corporate governance documents are made available on the Company website.
- The Board encourages full participation of shareholders at the Annual General Meeting. Important issues are presented to the shareholders as single resolutions.
- The shareholders are requested to vote on the appointment and aggregate remuneration of the Directors, the granting option and shares to directors and changes to the Constitution. Copies of the Constitution are available to any shareholder who requests it.
- In accordance with ASX guidance, all substantive resolutions and all Listing Rule resolutions must be decided by a poll rather than by a show of hands. It is the practice of the Company at general meetings of shareholders to display, at the time of voting for each resolution, the proxy votes received by the Company so that shareholders are fully informed as to the level of support for each resolution.

CONTINUOUS DISCLOSURE POLICY

1. PURPOSE

The purpose of the Continuous Disclosure Policy is to:

- Ensure that the Company, as a minimum, complies with its continuous disclosure obligations under the Corporations Act and ASX Listing Rules and as much as possible seeks to achieve and exceed best practice;
- Provide shareholders and the market with timely, direct and equal access to information issued by the Company; and
- Promote investor confidence in the integrity of the Company and its securities.

This Policy contains all continuous disclosure requirements under the ASX Listing Rules and the Corporations Act, and incorporates best practice guidelines.

2. LEGAL REQUIREMENTS

The Company is a public company listed on ASX. It is subject to continuous disclosure requirements under the Corporations Act and the ASX Listing Rules (which are given legislative force under section 674 of the Corporations Act), in addition to the periodic and specific disclosure requirements.

The Rule: The primary continuous disclosure obligation is contained in Listing Rule 3.1, which states that:

"Once an entity is or becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities, the entity must immediately tell ASX that information."

The Exception: Listing Rule 3.1A contains the only exception to Listing Rule 3.1:

"Listing Rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:

3.1A.1 One or more of the following 5 situations applies:

- It would be a breach of a law to disclose the information.
- The information concerns an incomplete proposal or negotiation.
- The information comprises matters of supposition or is insufficiently definite to warrant disclosure.
- The information is generated for internal management purposes of the entity.
- The information is a trade secret.

3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential.

3.1A.3 A reasonable person would not expect the information to be disclosed."

Disclose to ASX first: Listing Rule 15.7 further requires that an entity must not release information that is for release to the market to anyone until it has given the information to ASX, and has received an acknowledgement from ASX that the information has been released to the market.

What is material price sensitive information?: Section 677 of the Corporations Act states that, a reasonable person would be taken to expect information to have a "material effect on the price or value" of securities if the information "would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of" those securities.

Correction of false market: Listing Rule 3.1B provides that if ASX considers that there is, or is likely to be, a false market in an entity's securities, and requests information from the entity to correct or prevent the false market, the entity must give ASX the information needed to correct or prevent the false market.

3. DISCLOSURE PRINCIPLE

The Company will immediately notify ASX of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the Company's securities, unless exempted by the ASX Listing Rules. The Company's securities include all shares, options and performance rights issued and granted by the Company.

Disclosure of material price sensitive information

Any information concerning the Company which would, or would be likely to, influence investors in deciding whether to acquire or sell the Company's securities (material price sensitive information) must be disclosed to ASX in accordance with this Policy.

The Managing Director is responsible for determining what information is to be disclosed. Where there is doubt as to whether certain information should be disclosed, the full Board will be consulted and, if necessary, will seek external advice. The following provides a guide as to the type of information that is likely to require disclosure. This is not an exhaustive list. The determination of whether certain information is material price sensitive information which is subject to continuous disclosure necessarily involves the use of judgment. There will inevitably be situations where the issue is less than clear.

Matters which generally require disclosure include:

- Significant exploration or mining results;
- A change in the quantum or nature of the Company's mineral resources and/or reserves;
- A change in the Company's financial forecasts or expectations (in the event such forecasts have been issued). As a guide, a variation in excess of 10% may be considered material.

- A recommendation or declaration of a dividend or distribution, or a decision one will not be declared;
- Changes in the Board of directors or auditors.
- An agreement between the Company (or a related party or subsidiary) and a director (or a related party of the director);
- Events regarding the Company shares, securities, financing or any default on any securities (e.g. under or over subscriptions to an issue of securities, share repurchase program);
- Giving or receiving a notice of intention to make a takeover offer;
- Mergers, acquisitions/divestments, joint ventures or changes in assets;
- Significant developments in regard to new projects or ventures;
- Legal proceedings against or allegation of any breach of the law, whether civil or criminal, by the Company;
- Natural disasters or accidents that have particular relevance to the businesses of the Company; or
- The appointment of a receiver, manager, liquidator or administrator in respect of any loan, trade credit, trade debt, borrowing or securities held by the Company or any of its subsidiaries.

The Company provides quarterly updates of the Company's progress across all areas of the business, including select financial information. The Managing Director is responsible for all such updates. The financial information is compiled by the Chief Financial Officer in accordance with generally accepted accounting practices.

All market announcements are promptly provided to all directors.

The Company periodically updates the investor presentation which will be available on its website after release on the ASX market announcements platform. Prior to giving new and substantive investor or analyst presentations, the Company should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.

DIVERSITY POLICY

The Company recognises that a diverse and talented workforce is a competitive advantage and that the Company's success is the result of the quality and skills of its people. Our policy is to recruit and manage on the basis of qualification for the position and performance, regardless of gender, age, nationality, race, religious beliefs, cultural background, sexuality or physical ability. It is essential that the Company employs the appropriate person for each job and that each person strives for a high level of performance.

The Company's strategies are to:

- Recruit and manage on the basis of an individual's competence, qualification and performance;
- Create a culture that embraces diversity and that rewards people to act in accordance with this Policy;
- Appreciate and respect the unique aspects that individual brings to the workplace;
- Foster an inclusive and supportive culture to enable people to develop to their full potential;
- Identify factors to be taken into account in the employee selection process to ensure we have the right person for the right job;
- Take action to prevent and stop discrimination, bullying and harassment; and
- Recognise that employees at all levels of the Company may have domestic responsibilities.

Diversity is encouraged by a range of measures, including the following:

- A commitment by the Board and senior executives to model the Company's Code of Conduct in all aspects of the business.
- Ensuring executives tasked with recruiting new employees or advancing employees within the Company understand the intent and specifics of the Code of Conduct and Diversity Policy.
- Ensuring external organisations assisting with recruiting understand the intent and specifics of the Diversity Policy.
- Employee development, training and mentoring programs that encourage and support the career development of all employees based on merit, skills and experience.

The Board is accountable for ensuring this Policy is effectively implemented. Each employee has a responsibility to ensure that these objectives are achieved.

ENVIRONMENTAL POLICY

The Company is committed to the operations of its business in a manner that minimises any adverse long-term effects on the natural and social environments in which the Company operates.

The Company recognises that its operations can and will have an environmental impact, and has therefore adopted an approach of proactively managing activities and using practices and techniques which minimise environmental harm. The Company also recognises the rights of others in the environment.

In fulfilling this commitment, the Company:

- Accepts that caring for the environment and heritage issues is both socially responsible and good business practice;
- Acknowledges that exploration, mining and ore processing activities involve environmental impacts that must be appropriately managed. In general, adverse impacts should be avoided if practicable. If any such environmental impact is unavoidable, then it should be minimised in duration and magnitude; the impact should be remediated as soon as practicable; and appropriate offsets must be considered for irreparable impacts;
- Must operate responsibly and in full compliance with all applicable environmental laws, regulations, tenement and permit conditions as a minimum standard for its environmental practices and management procedures;
- Commits to pollution prevention and waste minimisation;
- Aims to continually improve environmental management practices with performance over and above the minimum standards required by law, regulations and tenement conditions;
- Works constructively and co-operatively with all interested parties with the aim of achieving mutually acceptable outcomes from all areas of its operation;
- Conducts mining in a manner that ensures that rehabilitation to the agreed end land use can be achieved in the earliest, reasonably practicable timeframe;
- Ensures that all employees, including contractors, are aware of their role in implementing the Company's environmental responsibilities, policies and commitments; and to work in an appropriate manner with respect to the environment, and provide training and resources to ensure tasks are properly performed; and
- Regularly audit, monitor and assess operations and activities with an objective of continual improvement of environmental performance.

Scope

All aspects of the activities carried out by the Company, including exploration, mining, processing, product handling and transportation, and site rehabilitation are encompassed by this Environmental Policy. Commitment to the protection of the environment is a team commitment involving co-operation and consultation between employees, contractors and stakeholders.

HEALTH & SAFETY POLICY

The Company is responsible for the health and safety of all employees, contractors and visitors in the workplace. In fulfilling this responsibility, the Company has a duty to provide and maintain a working environment that is safe and ensure that hazards and risks to health and safety are understood, controlled, minimised and/or eliminated.

To meet the objectives of this policy, the Company is committed to providing mechanisms for two-way communication and consultation between the Company and its employees and contractors on Work Health and Safety (WHS) matters with the aim of promoting and maintaining a healthy and safe workplace. The Company believes WHS policy objectives are most effectively achieved through a joint approach between the Company and its employees is used to create and maintain a safe working environment.

The Company, through its managers and supervisors must:

- Communicate this policy to all employees, contractors and stakeholders and ensure all are aware of their Work Health Safety responsibilities and obligations;
- Comply with all applicable health and safety laws and regulations as a minimum, supported by effective and practical procedures and safe working practices;
- Establish and maintain current and relevant health and safety procedures and management systems and effectively integrate these into all design, construction and operating practices;
- Ensure open and constructive health and safety communication with all employees, contractors, visitors, suppliers, customers and the communities in which they operate;
- Identify health and safety hazards through reviews and audits and implement improvement programs to minimise or eliminate these hazards;
- Commit adequate and appropriate resources for the effective implementation of all safety and health requirements and to sustain and improve health and safety performance;
- Safeguard the Work Health and Safety of all people at work by providing appropriate supervision, information, instruction, training, equipment and environment.

Employees and Contractors;

- Have a duty to ensure the health and safety of themselves and others in the work place;
- Must conduct appropriate level of risk assessment prior to undertaking tasks;
- Must stop work if the task is not able to be conducted safely;
- Must comply with the safe systems of work provided;

- Must follow all reasonable instructions and directions;
- Must not wilfully interfere with or misuse Company property or facilities provided in the interest of health and safety; and
- Must as soon as practicable, report to their supervisor and/or manager, any and all incidents, injuries, hazards and near misses occurring at the workplace.

Visitors must:

- Not put themselves or any of our employees at risk;
- Abide by all the Company's safety policies and procedures;
- Not enter restricted areas without permission from authorised personnel.

The Company seeks cooperation and commitment from all Employees, Contractors and Visitors in achieving our health and safety objectives and creating a safe working environment.

WHISTLE-BLOWER POLICY

1. INTRODUCTION AND PURPOSE

The Company and its subsidiaries require its directors, officers and employees to observe high standards of business conduct and ethics, as well as full compliance with all applicable government laws, rules and regulations, corporate reporting and disclosure, accounting practices, accounting controls, auditing practices and other matters relating to fraud against shareholders (**Concerns**).

Pursuant to its charter, the Audit Committee (**Committee**) of the Board is responsible for ensuring that a confidential and anonymous process exists whereby persons can report any suspected or known non-compliance with the Concerns relating to the Company (**Incidents**). In order to carry out its responsibilities under its charter, the Committee has adopted this Whistle-blower Policy (**Policy**).

For the purposes of this Policy, the Concerns are intended to be broad and comprehensive and Incidents are intended to include any matter which, in the view of the complainant, is illegal, contrary to the policies of the Company or in some other manner not right or proper. Examples would include:

- Violation of any applicable law, rule of regulation that related to corporate reporting and disclosure;
- Violation of the Company's Code of Conduct or Code of Conduct for Directors and Executives;
- Fraud or deliberate error in the preparation, evaluation, review, or audit of any financial statement of the Company;
- Non-compliance with the Company's internal policies and controls;
- Misrepresentation or a false statement by or to a director, officer, employee or accountant of the Company respecting a matter contained in the financial records, reports, or audit reports;
- Instances of fraudulent influence, coercion, manipulation or misleading of the Company's auditors; and
- Deviation from full and fair reporting of the Company's consolidated financial condition.

2. COMMUNICATION OF THE POLICY

To ensure that all directors, officers, employees, consultants and contractors of the Company are aware of the Policy, a copy of the Policy will be distributed to all directors, officers, and employees. All directors, officers and employees will be informed whenever significant

changes are made. New directors, officers and employees will be provided with a copy of this Policy and will be educated about its importance.

3. REPORTING ALLEGED VIOLATIONS OR COMPLAINTS

It is the responsibility of all directors, officers and employees to report all suspected Incidents in accordance with this Policy. The Company maintains an open-door policy and suggests that employees share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, an employee's supervisor is in the best position to address an area of concern. An employee's supervisor may be more knowledgeable about the issue and will appreciate being brought into the process. It is the supervisor's responsibility to help the employee solve the problem.

Any person with an Incident relating to the Company may submit their Incident directly and confidentially to the Committee in writing by sending a sealed letter addressed to the Company at its registered office. It should be marked "Private and Confidential – Attention: Audit Committee" and it will be delivered unopened to a member of the Committee.

All complaints or submissions to the Committee may be made and will be treated on a confidential and anonymous basis, to the extent possible, consistent with the need to conduct an adequate investigation.

The Committee is responsible for investigating and resolving all reported Incidents.

The Committee will notify the sender and acknowledge receipt of the reported suspected Incident within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation. The Committee may retain independent legal counsel, accountants or other to assist in its investigation.

4. NO ADVERSE CONSEQUENCES

A submission regarding an Incident may be made by an officer or employee of the Company without fear of dismissal, disciplinary action or retaliation of any kind. The Company will not discharge, discipline, demote, suspend, threaten or in any manner discriminate against any person who submits in good faith an Incident or provides assistance to the Committee, management, the Company's auditors, or any other person or group, including any governmental, regulatory or law enforcement body, investigating an Incident.

Persons who make accusations without reasonable good faith belief in the truth and accuracy of the information or who knowingly provide or make false information or accusations will be disciplined. "Good faith" does not mean that the person submitting the Incident has to be right, but it does mean that the person believes that he or she is providing truthful information.

5. RETENTION OF RECORDS

The Committee shall retain all records relating to any Incident or report of a retaliatory act and to the investigation of any such report for a period judged to be appropriate based upon

the merits of the submission. The types of records to be retained by the Committee shall include records of all steps taken in connection with the investigation and the results of any such investigation.

The Committee shall report the results of any material Incidents to the Board.

6. QUERIES

Any employee with question about how this Policy should be followed in a particular case should contact their supervisor or any member of the Committee.