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## CODE OF CONDUCT

This Code of Conduct applies standards for appropriate ethical and professional behaviour for all employees and Directors working for KGL Resources Limited and/or its subsidiary companies ("the Company"). It sets out the fundamental values, which form the basis of, and underpin all of the Company's business relationships.

The following describes the Company's policies and procedures in appropriate areas.

### 1 Mission and Objective

The Company aims to maximise the returns to its security holders from successful exploration, development and mining..

To do this, the Company will:

- pursue its goals through safe work practices;
- conduct its activities honestly and ethically;
- treat people with respect and dignity.

The Company expects:

- that all employees are accountable for their actions and decisions;
- that all employees deliver quality work.

The Company values:

- the community and environment in which it operates;
- innovation and reliability from all employees.

### 2 Policies, Standards and Guidelines

#### *2.1 Compliance with the law*

Company employees shall comply with all laws and regulations for the conduct of the Company's business, including both Australia and any relevant country. The laws that govern the Company's activities are complex. Employees should seek advice from the Chief Executive Officer of the Company ("CEO") and/or the Company Secretary if they are unclear about laws or regulations relating to their work in their jurisdiction.

#### *2.2 Occupational Health and Safety*

The Company acknowledges that the health, safety and welfare of its employees and the community is of paramount importance and the Company is committed to pursue its goals through safe work practices. The highest standards of health, safety and welfare are to be maintained in accordance with the Occupational Health and Safety legislation, associated regulations and codes of practice of the jurisdiction in which the Company is operating.

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### *2.3 Environment*

The Company shall prevent, or otherwise minimise, mitigate and remediate, harmful effects of the Company's operations on the environment.

Excellence in environmental performance is essential to our business success. Compliance with all environmental laws and regulations is the foundation on which we build our environmental performance.

We will develop Company-wide standards and build systems to identify, assess and manage environmental risk. These will apply at each stage of exploration, development, operation and closure, as well as in acquisition and divestment evaluations, to achieve continuous improvement in environmental performance. We will also engage with host communities, governments, customers, suppliers and others to the same end.

We will obtain assurance on the implementation of our environmental policy, both internally and externally, by regular audits, reviews and reports.

### *2.4 Drug and Alcohol Use*

The Company recognises that the abuse of alcohol and drugs is a major problem facing society generally and as such accepts that these substances will on occasions impact in the workplace.

If, in the opinion of the workplace supervisor (or designated responsible person), an employee is unfit to perform their duties or is a potential safety risk to themselves or others because of the effects of drugs or alcohol, that employee shall be immediately stood down from work and leave the workplace.

Employees taking prescribed drugs or pharmaceutical drugs which may likely impair their judgement or work performance must advise their workplace supervisor or (designated responsible person) of the likely effect of the medications so that appropriate work assignments can be given.

Any employee who believes they have a dependence problem and who may wish to seek assistance from the Company, should contact their supervisor or (designated responsible person) who will then initiate employer assistance.

Any employee who breaches the Company's drugs and alcohol policy will be subjected to the Company's disciplinary procedures.

### *2.5 Equal Employment Opportunity*

The Company is committed to developing a work environment in which all employees are treated fairly and with respect.

Employment with the Company must be offered and provided based on availability and merit. All employees and applicants for employment should be treated and evaluated according to their job-related skills, qualifications, abilities and aptitudes only. Decisions based on attributes unrelated to job performance (such as, race, colour, gender, religion,

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personal associations, age, disability, marital status, sexual orientation or sex) may constitute discrimination and are prohibited.

Decisions relating to service providers should also be based on availability and merit.

### *2.6 Harassment*

The Company is committed to providing a workplace free from harassment, bullying and intimidation. It is recognised that harassment can have a serious negative impact on morale, productivity and the physical and emotional health and well-being of employees. Harassment is a form of discrimination, and involves unwelcome behaviour relating to personal attributes (for example, a person's gender, race, religion, political affiliations or sexual preference).

An employee who believes that he or she has been harassed should tell the offender that the behaviour is offensive and unacceptable and/or inform an appropriate manager who shall ensure that the complaint is formally investigated. Should the behaviour continue, the employee should refer the matter to an appropriate manager who will ensure that the complaint is dealt with according to a formal complaints handling procedure.

### *2.7 Confidentiality*

Employees are required to protect proprietary, commercial and other information that is confidential to the Company. These obligations of confidentiality continue after an individual's employment with the Company ends.

Information that is not generally available concerning the activities, results or plans of the Company or an associated entity (i.e. inside information) must be used for authorised purposes only. Such information should be handled and communicated with responsibility and must not be disclosed without authority.

Confidentiality provisions should be included in contracts with consultants and other parties who provide services to the Company.

Managers are responsible for ensuring that arrangements are in place for protecting sensitive and confidential information.

### *2.8 Insider Trading*

The Company's policy on trading in the Company's securities - currently shares and options - is available on the Company's website in the Corporate Governance section.

### *2.9 Personal Information and Privacy*

The Company will only collect personal information from its employees ethically and lawfully. If collecting personal information on behalf of the Company, all employees must inform the person involved of the purpose for which the information is collected and be aware that, subject to some limitations, employees will be able to gain access to the information collected on request. Steps must be taken to ensure that data is appropriately accurate and current and that data is stored no longer than necessary.

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Employees must ensure that confidentiality of personal information contained in Company records is strictly maintained. An employee's personal information should not be provided to other employees unless it is required to perform their jobs. Information relating to employment records, salaries, addresses etc. cannot be released to external organizations unless required by law or upon informed consent from the relevant employee. These obligations of confidentiality continue after an individual's employment with the Company ends.

#### *2.10 Continuous Disclosure*

The Company's policy on ASX Continuous Disclosure Compliance is available on the Company's website in the Corporate Governance section.

#### *2.11 Use of Company Resources and Fraud Prevention*

Employees must not use Company funds, property, equipment, or other resources for personal benefit. In addition, employees are responsible for safeguarding the Company's resources under their control, including information, and for maintaining accurate records regarding the use of these resources. Expenditures must be reported accurately and in a timely way. Instances of fraud (eg submission of a fraudulent expense report), by their very nature, represent unacceptable behaviour within the Company.

An accurate and auditable record of all financial transactions relating to the Company must be maintained in accordance with generally accepted accounting principles. No entry should be made in the Company's records that distorts or disguises the true nature of any transaction.

Unauthorised removal of Company equipment, supplies, or other resources will be regarded as theft.

If employees become aware of any evidence of theft or that the Company's funds or property may have been used in a fraudulent or improper manner, they should immediately and confidentially advise their supervisor or the CEO or a Director.

#### *2.12 Information Systems*

Company employees use a wide range of information systems to conduct business (for example, voice mail, facsimile, the Internet, e-mail). Employees are responsible for protecting the Company information communicated or stored using these systems. Use, duplication, or sale of proprietary software, except as described in the manufacturers/owners licence agreement or conditions applicable to use, is an infringement of copyright law and is strictly prohibited.

The Company's electronic communications systems are Company resources and all electronic communications are regarded as Company records. Offensive material (for example, pornography) is not permitted on Company systems in any form.

The Company reserves the right to monitor employee use of its information systems. Subject to approval from the CEO, the Company may access and disclose the contents of e-mail and files. The Company does not guarantee the privacy of e-mail or information

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stored on Company systems. This material may be accessed through activities such as maintenance of e-mail systems and computer networks.

Employees have access to Company information systems to assist them in performing their jobs. Personal use must be approved by management. Modest personal use may be allowed if it is unrelated to outside business activities and does not interfere with the Company's business or the performance of work responsibilities.

### *2.13 Financial Inducements*

The Company does not countenance the making of payments or payments in kind (gifts, favours, etc.) to influence individuals to make a business decision in the Company's favour. Bribes, 'kickbacks', secret commissions and similar payments are strictly prohibited.

### *2.14 Travel, Entertainment and Gifts*

#### **Expediting or Service Arrangements**

Expediting fees, service fees, travel and accommodation costs and compensation payments shall only be paid where this is the provision of a normal routine service and such payment is part of the contractual arrangement. No expediting or other fees must be made or offered which are not part of routine business.

#### **Travel**

Employees are to conduct travel in accordance with the Company's documented Travel Policy. Safety and security standards should be adhered to at all times and employees should familiarise themselves with the Company's Travel Policy and Procedures.

Any private travel attached to business travel is to be approved prior to bookings being made.

#### **Entertainment**

Occasionally employees will be required to entertain business associates. Valid entertainment expenses include meals and events such as theatre and sporting events taken with potential or actual business associates whereby a business discussion takes place during, immediately before or immediately after the event.

#### **Gifts**

Employees must exercise the utmost care about giving or receiving business-related gifts. This applies to direct payments and payments in kind, including the provision of goods or services, personal favours, and entertainment (for example, meals, travel, etc.). Any material offer of free travel and/or accommodation is to be declined. If there is a valid business purpose to attend, then the Company is to pay any travel and/or accommodation costs.

Accepting or offering gifts of moderate value is acceptable in situations where it is legal and in accordance with business practice and should not affect business decision making. However, employees should exercise particular caution in regard to any offers of value, including hospitality, entertainment and gifts when the Company is negotiating or considering contracts and they are in a position to influence, directly or indirectly, the

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outcome of a decision. It is important not to give any impression that there may be an improper connection between any gift or hospitality and business opportunities.

This policy also applies to employees' immediate family members and to any agents or third parties who are employed to represent the Company.

### *2.15 Conflicts of Interest*

Employees should not engage in activities or hold or trade assets that involve, or could appear to involve, a conflict between their personal interests and the interests of the Company. Such circumstances could compromise or appear to compromise the employee's ability to make impartial business decisions. A conflict would arise where an employee, employee's family or a business with which the employee or family is associated gains an advantage by virtue of the employee's position with the Company or knowledge gained through that position.

Employees should not take additional employment with outside organisations or operate their own business if such employment or activity will create an actual or perceived conflict of interest.

Employees must advise their manager of situations that could involve an actual or perceived conflict of interest and, as appropriate and/or required, remove themselves from any discussion or activity involving the conflict.

### *2.16 Outside Activities*

The Company encourages employees to be active in the local community. However, conflicts of interest which would affect the employee's ability to exercise independent judgement in the best interests of the Company should be avoided. Employees should avoid situations where a perception of conflict of interests may arise.

Accordingly, employees must receive Company approval before accepting a directorship with another company, statutory authority or similar body.

Company approval is required for positions in government advisory bodies, political parties, professional institutions, trade associations, charitable, public, social, or sporting organisations and similar groups if the position:

- Has senior or high status;
- Will involve a significant amount of the employee's time to the extent that it could affect their ability to fulfill their responsibilities to the Company;
- Is likely to involve public controversy; or
- Will involve activities that could be incompatible with the Company's policies or procedures.

Employees should obtain Company approval before accepting any significant payment for their involvement with an advisory board or similar group, including reimbursement for travel and related expenses.

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Employees and contractors (whilst providing services to the Company) may not, to the extent and for the periods that they are employed or contracted, take up outside employment or contracts without the written approval of the CEO.

### *2.17 Political Support*

No Company contributions will be made to political parties or candidates. The Company recognises employees' right to personal participation in the political process and will not influence such activity provided there is no disruption to workplace activities. Individuals must take care that their views are not identified as those of the Company.

### *2.18 Violations of the Company's Policies and Procedures and Disciplinary Process*

All employees and directors are expected to be familiar with this Code and to have a detailed understanding of Company policies. It is every employee's responsibility to comply with the policies and standards relating to their work and to seek assistance if they do not fully understand a policy or how that policy should be applied.

All employees are expected to adhere to the policies and procedures described in this Code.

Any violation of the code will be investigated and dealt with in a formal manner. The nature of any disciplinary action will depend on the seriousness of the violation and other relevant circumstances.

### *2.19 Responsibilities of Management of the Company*

Management is responsible to the Board, through the CEO, for the Company's performance under this Code.

Under the CEO, senior management have operational responsibility for ensuring compliance with the Code including:

- Ensuring that all employees, and where appropriate consultants, have access to Company policies and procedures;
- Promoting a workplace environment that encourages honest and open communication about business conduct issues, emphasises the importance of operating in accordance with the Company's Code of Conduct, policies and standards and avoids placing pressure on employees to deviate from these standards and policies;
- Establishing internal reporting and approval processes that address high risk areas in relation to business conduct and ensure that breaches are appropriately investigated and appropriately handled;
- Responding promptly and seriously to employees' concerns and questions about business conduct issues and seeking further assistance if required;
- Undertaking business conduct awareness training consistent with this Code and tailored to operational needs of the business;
- Incorporating the values, standards and policies outlined under this Code into the Company's performance management processes, employment contracts, induction procedures, industrial agreements and similar systems; and

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- Demonstrating exemplary behaviour for other employees to follow.

#### *2.20 Professional Behaviour*

All Employees are required to maintain the highest levels of professional conduct in their interactions with each other and in representing the Company in the community in which they operate. Business relationships must be maintained in a manner, which is consistent with the principles of respect for others, integrity and fairness and which meet, as a minimum, the laws applicable to behaviour in the workplace. All employees must be mindful of the social ramifications of their actions, be aware of the local culture and behave accordingly.

#### *2.21 Whistleblower Policy*

The Company is committed to ensuring that its employees and contractors can raise concerns regarding illegal conduct or malpractice in good faith without being subjected to victimisation, harassment or discriminatory treatment, and to have such concerns properly investigated.