



Code of Conduct

Australian Strategic Materials Ltd ACN 168 368 401 (Company)

1 Purpose

The Company and each of its controlled entities (**Group**) is committed to conducting itself with integrity, honesty and fairness in all business practices and to observing the rule and spirit of the legal and regulatory environment in which the Group operates.

The purpose of this Code of Conduct is to:

- (a) establish the standards of behaviour expected of the Board, senior executives and all other employees of the Group when dealing with each other, shareholders, other stakeholders and the broader community;
- (b) maintain confidence in the Group's integrity and support the Group's business reputation and corporate image within the community;
- (c) take into account the Group's legal obligations and the reasonable expectations of its stakeholders;
- (d) set out the responsibility and accountability of individuals for reporting and investigating reports of unethical practices; and
- (e) make directors and employees aware of the consequences if they breach this Code of Conduct.

This Code aims to ensure that the Group delivers on its commitment to integrity, honesty and fairness in its business practices, and to observing the rule and spirit of the legal and regulatory environment in which the Group operates but it does not create any rights in any person including any employee, client, customer, supplier, competitor or shareholder.

This Code applies in addition to, and not to the exclusion of, the Group's other policies and procedures including its *Policy on Continuous Disclosure*, *Shareholder Communication and Investor Relations Policy*, *Securities Trading Policy*, *Diversity Policy*, *Policy on Harassment and Discrimination*, *Occupational Health & Safety Policy* and associated policies, environmental, indigenous and community relations policies, *Privacy Policy*, policies in respect of technology use and monitoring and use of social media, *Media and External Communications Policy*, and *Travel Policy* as amended from time to time.

2 Who does this Code of Conduct apply to?

All directors, officers and employees must comply with this Code. The Board will also make advisers, consultants and contractors aware of the Group's expectations as set out in this Code.

This Code applies to all business activities with suppliers, contractors, customers, shareholders, competitors and employees in Australia and overseas.

Responsibility lies with each person covered by this Code to conduct themselves in accordance with this Code. If you have any questions about the Code, you should speak to the Company Secretary.

Commitment to Code



Directors, officers and employees are committed to conducting themselves with integrity, honesty and fairness in all business practices and to observing the rule and spirit of the legal and regulatory environment in which the Group operates in accordance with this Code, and must deal with the Group's suppliers, contractors, customers, shareholders and competitors accordingly.

3 Responsibility to shareholders

The Group aims to:

- (a) increase shareholder value within an appropriate framework which safeguards the rights and interests of the Group's shareholders and the financial community; and
 - (b) comply with systems of control and accountability which the Group has in place as part of its corporate governance with openness and integrity.
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4 Compliance with laws

The Group will comply with all legal and regulatory requirements which affect its business wherever it operates. Where the Group has operations overseas, it will comply with the relevant local laws and regulations as well as any applicable Australian laws and regulations. Any transgression from the applicable laws and/or regulations is to be reported to the Managing Director as soon as you become aware of such a transgression.

You should be aware of, and comply with, your duties and obligations under all laws and regulations relating to your work. You are encouraged to:

- understand the laws which affect or relate to the Group's operations; and
- attend seminars presented by the Group or other external service providers to maintain your knowledge of the laws and regulations, as well as to increase your awareness of relevant legal and industry developments.

If you have a question as to whether a particular law or regulation applies or how they may be interpreted, please contact the Company Secretary.

5 Conflicts of interest

A conflict of interest exists where loyalties are divided. You may have a conflict of interest if, in the course of your employment or engagement with the Group:

- any of your decisions lead to an improper gain or benefit to you or someone associated with you; or
- your personal interests, the interests of someone associated with you, or obligation to some other person or entity, conflict with your obligation to the Group.

You must not involve yourself in situations where there is an actual or potential conflict of interest. If you are concerned that you have a conflict of interest, you should disclose that interest to:

- (a) the Chair in the case of a director, officer or the Managing Director;
- (b) the Managing Director in the case of a member of management; and
- (c) a supervisor in the case of an employee,



so that it may be considered and dealt with in an appropriate manner for all concerned. You are responsible for notifying the Group of any actual or potential conflicts of interest.

6 Protection of assets

You must use your best efforts to protect the Group's assets to ensure availability for legitimate business purposes and to ensure all corporate opportunities are enjoyed by the Group and that no property, information or position belonging to the Group or opportunity arising from these are used for personal gain or to compete with the Group.

7 Protection of confidential information

Confidential Information is information that the Group considers to be confidential and that is not generally available outside the Group and may include information of third parties to which the Group has access. It includes information that the Group owns, develops, pays to have developed or to which it has an exclusive right.

The Group and all directors, officers and employees must ensure that they do not disclose any Confidential Information to any third party or other director, officer or employee who does not have a valid business reason for receiving that information unless:

- (a) permitted or required under relevant laws or regulations; or
- (b) agreed by the person or organisation whose information it is.

If Confidential Information is required to be provided to third parties or other directors, officers or employees for valid business purposes, the Group and its directors, officers and employees must:

- (a) take adequate precautions to seek to ensure that the information is only used for those purposes for which it is provided and is not misused or disseminated to the Group's detriment. Such precautions include obtaining a confidentiality agreement or other undertaking (advice about these measures can be obtained from the Company Secretary); and
- (b) take steps to ensure that the information is returned or destroyed when the purpose is complete.

These obligations continue to apply to you after your employment or engagement with the Group ends.

8 Employment practices

The Group is committed to:

- equal employment opportunity and diversity;
- respecting the human rights of its employees;
- a safe work place and maintenance of proper occupational health and safety practices commensurate with the nature of the Group's business and activities; and
- a workplace free from any kind of discrimination, harassment or intimidation of employees.

9 Responsibility to the community

The Group will recognise, consider and respect environmental issues and other community concerns which arise in relation to the Group's activities and comply with all applicable legal and regulatory requirements.

You are expected to abide by all applicable legal and regulatory requirements and are expected to respect and care for the environment in which the Group operates.

10 Privacy

The Group respects your privacy and the privacy of others.

You should familiarise yourself with, and comply with:

- the privacy laws of Australia and, where applicable, the jurisdiction of your business unit; and
- any privacy policies the Group has in place which detail the appropriate use of personal information.

If you have any questions about privacy, please contact the Company Secretary.

11 Fair trading and dealing

The Group will deal with others in a way that is fair and will not engage in deceptive practices.

When dealing with others, you must perform your duties in a professional manner, act with integrity and objectivity; and strive at all times to enhance the Group's reputation and performance.

12 Gifts and hospitality

From time to time you may receive gifts or hospitality in connection with or arising from your connection with the Group (**Gift**). You must not give, seek or accept any Gift which goes beyond common courtesies associated with general commercial practice.

You must wherever possible declare any Gift prior to receipt. If it is impractical or impossible to do so, you must disclose the Gift to the finance team to be recorded in the Gifts and Entertainment Register as soon as practicable after its receipt.

You must refuse or return (as the case may be) the Gift if directed to do so by the Chair.

13 Consequences of breach

Any breach of compliance with this Code of Conduct is to be reported directly to the Managing Director, Chair or Report and Investigation Officer (if one is appointed), 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.

14 Review of Code of Conduct

The Company will monitor compliance with this Code of Conduct periodically by liaising with the directors, officers and employees. Suggestions for improvements or amendments to this Code of Conduct can be made at any time by providing a written note to the Managing Director.

The Board will review this Code of Conduct at least annually, and update it as required.

Summary of Code of Conduct

The Board has adopted a Code of Conduct which outlines the Company's commitment to conducting itself with honesty, fairness and integrity and to observing the rule and spirit of the legal and regulatory environment in which the Company operates, and requires Directors, officers and employees to deal with the Company's customers, suppliers, contractors, shareholders, competitors and each other accordingly. The Code prohibits Directors officers and employees from involving themselves in situations where there is an actual or potential conflict of interest. Directors, officers and employees must not disclose the Company's confidential or proprietary information. Directors, officers and employees must protect the assets of the Company to ensure availability for legitimate business purposes. The Company acknowledges its responsibility to shareholders, the community, and the individual. The Company is committed to equal employment opportunity; a safe work place and maintenance of proper occupational health and safety practices commensurate with the nature of the Company's business and activities; and a workplace free from any kind of discrimination, harassment or intimidation of employees.