

**KABUNI LTD.**  
**Corporate Governance Policies**  
**Code of Conduct**

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## 1. Code of Conduct

This code of conduct aims to encourage the appropriate standards of conduct and behaviour of the directors, officers, employees and contractors (collectively called the “**employees**”) of the Kabuni Ltd. (the “**Company**”).

The Company views breaches of this code as serious misconduct. Employees who have become aware of any breaches of this code must report the matter immediately in accordance with the reporting requirements set out herein.

Employees are expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.

### 1.1 General Principles

- (a) Employees of the Company must act honestly, in good faith and in the best interests of the Company as a whole.
- (b) Employees should comply, both in letter and spirit, with all applicable laws, rules and regulations in the jurisdictions in which the Company operates.
- (c) Employees have a duty to use due care and diligence in fulfilling the functions of their position and exercising the powers attached to their employment.
- (d) Employees must recognise that their primary responsibility is to the Company's shareholders as a whole.
- (e) Employees must protect the assets of the Company to ensure availability for legitimate business purposes and ensure all corporate opportunities are enjoyed by the Company.
- (f) Employees must not take advantage of their position for personal gain, or the gain of their associates.
- (g) Directors have an obligation to be independent in their judgements.
- (h) Confidential information received by employees in the course of the exercise of their duties remains the property of the Company. Confidential information can only be released or used with specific permission from the Company. Confidential information includes all non-public information (regardless of its source) that might be of use to the Company's competitors or harmful to the Company or its customers, suppliers or partners if disclosed. The obligation to maintain the confidentiality of information remains even after the director, officer or employee ceases to be employed or hold office with the Company. Information concerning the activities or proposed activities of the Company, which is not public and which could materially affect the Company's share price must not be used for any purpose other than valid Company requirements.
- (i) Employees have an obligation to comply with the spirit, as well as the letter, of the law which affects its operations, wherever it operates, and with the principles of this code. Where the Company operates overseas, it

shall comply with the relevant local laws as well as any applicable Australian and Canadian laws.

**Corporate Opportunities.** All employees owe a duty to the Company to advance its interests when the opportunity arises. Employees are prohibited from taking for themselves personally (or for the benefit of friends or family members) opportunities that are discovered through the use of Company assets, property, information or position. Employees may not use Company assets, property, information or position for personal gain (including gain of friends or family members). In addition, no director, officer or employee may compete with the Company.

**Conflicts of Interest.** Where the interests of associates, the personal interest of an employee or an employee's family may conflict with those of the Company, then the employee must immediately disclose such conflict and either:

- (a) eliminate the conflict, or
- (b) abstain from participation in any discussion or decision-making process in relation to the subject matter of the conflict.

**Fair Dealing.** Each employee must deal fairly with the Company's security holders, customers, suppliers, competitors, employees and anyone else with whom he or she has contact in the course of performing his or her job. No director, officer or employee may take unfair advantage of anyone through manipulation, concealment, abuse or privileged information, misrepresentation of facts or any other unfair dealing practice.

**Protection and use of Company Assets.** All employees should protect the Company's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the Company's profitability and are prohibited. All Company assets should be used only for legitimate business purposes, though incidental personal use may be permitted. Any suspected incident of fraud or theft should be reported for investigation immediately. The obligation to protect Company assets includes the Company's proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks, and copyrights, as well as business and marketing plans, engineering and manufacturing ideas, designs, databases, records and any non-public financial data or reports. Unauthorized use or distribution of this information is prohibited and could also be illegal and result in civil or criminal penalties. All transactions undertaken on behalf of the Company must be authorized in accordance with Company policies and must be documented accurately. Directors, officers and employees responsible for record-keeping and accounting must ensure that the Company's books and records are accurate, timely and fair in their description of the assets of the Company.

**Disclosure.** The Company's periodic reports and other public documents, including all financial statements and other financial information, must comply with applicable securities laws and stock exchange rules. Each employee who contributes in any way to the preparation or verification of the Company's financial statements and other financial information must ensure that the Company's books, records and accounts are accurately maintained. Each

employee must cooperate fully with the Company's accounting and internal audit departments, as well as the Company's independent public accountants and counsel. Each employee who is involved in the Company's disclosure process must: (a) be familiar with and comply with the Company's disclosure controls and procedures and its internal control over financial reporting; and (b) take all necessary steps to ensure that all filings with the securities regulators and all other public communications about the financial and business condition of the Company provide full, fair, accurate, timely and understandable disclosure.

## **1.2 Directors**

The following additional principles apply to Directors of the Company and aim to ensure directors have a clear understanding of the Company's expectations of their conduct.

### **(a) Fiduciary duties**

All Directors have a fiduciary relationship with the shareholders of the Company. A Director occupies a unique position of trust with shareholders, which makes it unlawful for Directors to improperly use their position to gain advantage for themselves.

### **(b) Duties of Directors**

Each Director must endeavour to ensure that the Company is properly managed so as to protect and enhance the interests of all shareholders. To this end, Directors need to devote sufficient time and effort to understand the Company's operations.

Directors should ensure that shareholders and the ASX are informed of all material matters which require disclosure and avoid or fully disclose conflicts of interest.

### **(c) Conflict of interest**

Executive Directors must always be alert to the potential for a conflict of interest between their roles as executive managers and their fiduciary duty as Directors.

## **1.3 Stakeholders**

The Board recognises that the primary stakeholders in the Company are its shareholders. Other legitimate stakeholders in the Company include employees, customers and the general community.

The Company's primary objective is to create shareholder value through capital growth and continued successful development of its projects.

The Company is committed to conducting all its operations in a manner which:

- (a) protects the health and safety of all employees, contractors and community members;

- (b) recognises values and rewards the individual contribution of each employee;
- (c) employs the best available persons with the skills required to carry out vacant positions;
- (d) achieves a balance between economic development, maintenance of the environment and social responsibility;
- (e) maintains good relationships with suppliers and the local community; and
- (f) is honest, lawful and moral.

All employees (including directors) are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.

#### **1.4 Reporting and Enforcement.**

- (a) Actions prohibited by this code involving directors or executive officers must be reported to the Audit Committee.
- (b) Actions prohibited by this code involving any other person must be reported to the reporting person's supervisor.
- (c) After receiving a report of an alleged prohibited action, the Audit Committee, the relevant supervisor must promptly take all appropriate actions necessary to investigate.
- (d) All directors, officers and employees are expected to cooperate in any internal investigation of misconduct
- (e) The Company must ensure prompt and consistent action against violations of this Code.
- (f) If, after investigating a report of an alleged prohibited action by a director or executive officer, the Audit Committee determines that a violation of this Code has occurred, the Audit Committee will report such determination to the Board of Directors.
- (g) If, after investigating a report of an alleged prohibited action by any other person, the relevant supervisor determines that a violation of this Code has occurred, the supervisor will report such determination to the Chief Legal Officer.
- (h) Upon receipt of a determination that there has been a violation of this Code, the Board of Directors or the Chief Legal Officer will take such preventative or disciplinary action as it deems appropriate, including, but not limited to, reassignment, demotion, dismissal and, in the event of criminal conduct or other serious violations of the law, notification of appropriate governmental authorities.

Any employee who in good faith, reports a breach or a suspected breach will not be subject to any retaliation or recrimination for making that report. Employees who breach the policies outlined in the Code may be subject to disciplinary action, including in the case of serious breaches, dismissal.

The Company will monitor compliance with the Code periodically by liaising with the Audit Committee, the Board, management and other employees especially in relation to any areas of difficulty which arise from this Code and any other ideas or suggestions for improvement of it. Suggestions for improvements or amendments of the Code can be made at any time in writing to the Company Secretary.

This policy is reviewed annually.