



CODE OF CONDUCT

1. OVERVIEW

- 1.1 The purpose of this Code of Conduct is to ensure that Employees of Audalia Resources Limited (**Audalia Resources** or the **Company**) have a clear understanding of Audalia Resources' expectations of their conduct.
- 1.2 To the extent practicable, the Company has followed the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3rd Edition) (the **Recommendations**).

2. APPLICATION OF THIS POLICY

- 2.1 This Policy applies to anyone who is employed by or works at Audalia Resources, including employees (whether permanent, part-time, fixed term or temporary), contractors, consultants, secondees, officers and directors wherever located (collectively referred to as **Employees** in this Policy).

3. OBLIGATIONS OF DIRECTORS AND OFFICERS

- 3.1 Each director and officer of Audalia Resources must comply with the following requirements:
- 3.1.1 each director and officer of Audalia Resources must act honestly with a high standard of personal integrity, in good faith and in the best interests of the Company as a whole;
 - 3.1.2 each director and officer has a duty to use due care and diligence in fulfilling the functions of office and exercising powers attached to that office;
 - 3.1.3 each director and officer must use the powers of office for a proper purpose, in the best interests of the Company as a whole;
 - 3.1.4 each director and officer must recognise that the primary responsibility is to the Company's shareholders as a whole but should, where appropriate, have regard for the interests of all stakeholders of the Company;
 - 3.1.5 each director and officer must not take personal advantage of the position of director or officer;
 - 3.1.6 each director and officer must not make improper use of information acquired as a director or officer;
 - 3.1.7 each director and officer must not allow personal interests, or the interests of any associated person, to conflict with the interests of the Company or that would be likely to negatively affect the Company's reputation;
 - 3.1.8 each director and officer has an obligation to be independent in judgement and actions and to take all reasonable steps to be satisfied as to the

soundness of all decisions taken by the board of directors and committees of the Board;

3.1.9 confidential information received by each director and officer in the course of the exercise of directorial duties remains the property of the Company from which it was obtained and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by that Company, or the person from whom the information is provided, or is required by the law; and

3.1.10 each director and officer has an obligation, at all times, to comply with the spirit as well as the letter of the law and with the principles of this Code of Conduct and the *Corporations Act 2001* (Cth) and other regulations as enacted from time to time.

4. OBLIGATIONS OF EMPLOYEES

4.1 All Employees must:

4.1.1 act in a way guided by Audalia Resources' values, including acting in the best interests of Audalia Resources and with honesty, integrity and fairness;

4.1.2 comply with the laws and regulations which apply to Audalia Resources and its operations;

4.1.3 comply with this Code of Conduct and the other policies and procedures of Audalia Resources;

4.1.4 disclose material personal relationships they may have with Audalia Resources staff, customers and suppliers which may be perceived to be a conflict of interest;

4.1.5 immediately report any concern about a possible breach of the Code, or any other Reportable Matter (as defined in the Company's Whistleblower Policy);

4.1.6 not knowingly participate in any illegal or unethical activity;

4.1.7 not enter into any arrangement or participate in any activity that would conflict with the interests of Audalia Resources, or would cause Audalia Resources to breach its obligations;

4.1.8 not act in any way in which would be likely to negatively affect Audalia Resources' reputation;

4.1.9 not take advantage of Audalia Resources' property or information or their position (or opportunities arising from these) for personal gain or to compete with Audalia Resources; and

4.1.10 not take advantage of or misuse a third party's property or information.

5. ACCOUNTABILITY

5.1 Managers

All managers are responsible for:

5.1.1 undertaking their duties in a manner consistent with the provisions of the Code of Conduct;

5.1.2 the effective implementation, promotion and support of the Code of Conduct in their areas of responsibility; and

5.1.3 reporting any departure from the Code of Conduct by themselves or by others.

5.1 Employees

All Employees are responsible for:

5.1.1 undertaking their duties in a manner consistent with the provisions of the Code of Conduct and their agreements with the Company;

5.1.2 reporting suspected corrupt conduct; and

5.1.3 reporting any departure from the Code of Conduct by themselves or by others.

6. COMPLIANCE WITH CORPORATE GOVERNANCE PRACTICES AND DOCUMENTS

6.1 Compliance with this Code of Conduct is mandatory. In addition, each Employee of the Company must comply with all corporate governance practices and documents established and approved by the Board of Audalia Resources from time to time, including but not limited to:

- (i) the Constitution of Audalia Resources;
- (ii) Board Charter;
- (iii) Nomination and Remuneration Committee Charter;
- (iv) Audit and Risk Committee Charter;
- (v) Continuous Disclosure Policy;
- (vi) Shareholder Communication Policy;
- (vii) Risk Management Policy;
- (viii) Securities Trading Policy;
- (ix) Diversity Policy;
- (x) Whistleblower Policy; and
- (xi) Anti-Bribery and Anti-Corruption Policy.

6.2 Any Employee who does not comply with this Code of Conduct will be considered to have engaged in serious misconduct which may result in the termination of their engagement by the Company.

6.3 Any Employee that has any concern about a possible breach of the Code of Conduct must immediately report it to their immediate manager. The procedures for reporting these concerns other than to an employee's immediate manager are set out in Audalia Resources' Whistleblower Policy. The procedures provide for a staged escalation in a manner intended to ensure that employees are not disadvantaged in any way for reporting such concerns, that the matter is dealt with promptly and fairly, and that sensitive information is dealt with appropriately.

7. REVIEW OF CODE OF CONDUCT

7.1 The Board will review this Code of Conduct from time to time to ensure it remains consistent with the Board's objectives and responsibilities.

8. PUBLICATION OF CODE OF CONDUCT

- 8.1 This Code of Conduct will be available on the Company's website and the key features will be published in the corporate governance statement.

9. VERSION CONTROL

Version	Date	Changes
1.0	13 April 2011	First version of policy
2.0	27 September 2015	General review and update
3.0	26 June 2019	General review and update

Approved by the Board of Audalia Resources Limited on 26 June 2019.