



WHISTLEBLOWER POLICY

1. INTRODUCTION

- 1.1 Audalia Resources Limited (**Audalia Resources** or the **Company**) is committed to maintaining a high standard of integrity, corporate compliance and good corporate governance.
- 1.2 This Policy forms part of the Audalia Resources' risk management framework, which includes the Risk Management Policy and other associated risk and compliance policies.

2. RESPONSIBILITY

- 2.1 It is the Board's responsibility and objective to foster an environment within the Company where individual differences are respected, employment opportunities are based on merit, skill and ability, and where inappropriate attitudes, behaviours and practices at all levels within the Company and its subsidiaries are confronted and eliminated.

3. PURPOSE

- 3.1 The purpose of this Policy is to set out the process for Employees of Audalia Resources to report concerns about conduct which appears to be illegal, unethical or otherwise improper.
- 3.2 The aim of this Policy is to make Audalia Resources Employees feel confident about raising concerns internally, by offering a reporting and investigative mechanism that is object, confidential, independent and protects them from reprisal or disadvantage.
- 3.3 Under this Policy, Audalia Resources Employees:
- are encouraged to report their concerns, whether openly or, if preferred, anonymously;
 - will be afforded confidentiality unless indicated (or the law requires) otherwise;
 - will be advised of the outcome of the investigation and any action taken as much as practicable; and
 - will not be victimised or adversely affected because of reporting their concerns provided of course, that there is basis for the concerns, and that they have acted in good faith and without malicious intent.

4. APPLICATION OF THIS POLICY

- 4.1 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 (collectively referred to as **Employees** in this Policy).

5. POLICY ON WHISTLEBLOWING

- 5.1 All of Audalia Resources Employees have a responsibility under this Policy and the Company's Code of Conduct to help detect, prevent and report instances of suspicious activity or wrongdoing, referred to as **Reportable Matter**. Employees are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage with their immediate manager, and serious matters will then be escalated through to the Audit and Risk Committee.
- 5.2 Audalia Resources is committed to ensuring that all Employees have a safe, reliable and confidential way of reporting any Reportable Matter. Employees should report a Reportable Matter under this Policy if the Employee:
- (i) have previously reported a Reportable Matter and is not satisfied with the response to the report; or
 - (ii) feel unable to raise the Reportable Matter with the immediate manager, either because that person is the subject of the report or because there is a reason to believe that the immediate manager is unlikely to deal with the report properly.

6. WHAT IS A "REPORTABLE MATTER"?

- 6.1 A Reportable Matter is any concern (actual or suspected) about the following conduct, or the deliberate concealment of such conduct:
- (i) financial irregularity (including fraud against Audalia Resources or a customer or supplier);
 - (ii) corrupt conduct;
 - (iii) criminal conduct;
 - (iv) failure to comply with any legal or regulatory obligation;
 - (v) unfair or unethical dealing with a customer;
 - (vi) unethical or other serious improper conduct, including breaches of Audalia Resources' policies;
 - (vii) misconduct or an improper state of affairs or circumstances;
 - (viii) danger to the public or the financial system;
 - (ix) offence against any other law of the Commonwealth that is punishable by imprisonment for a period of 12 months or more.

7. HOW TO REPORT

- 7.1 Any report under this Policy can be made to a Whistleblower Protection Officer either in person, by telephone or in writing. The role of the Whistleblower Protection Officer, is to safeguard the interests of an individual making the report.
- 7.2 The following persons listed below are the Whistleblower Protection Officer:
- (i) Chair of the Board;
 - (ii) Chair of the Audit and Risk Committee; or
 - (iii) Company Secretary.
- 7.3 An Employee may at any stage skip a person in the chain outlined above if that person is the subject of the report or if there is a reason to believe that person is not likely to deal with the report properly.
- 7.4 Disclosures may also be made by post to Audalia Resources Limited, PO Box 354 West Perth Western Australia 6872 (marked "Private and Confidential" and to the attention of any of the persons mentioned above).

- 7.5 While reports can be made anonymously if preferred, this may affect the ability to investigate the matter properly and to communicate with the Employee about his or her report.
- 7.6 Nothing in this Policy should be taken as restricting an Employee from reporting any matter or providing any information to a regulator (such as ASIC or ASX), the Company's auditor or member of the audit team or any other person in accordance with any relevant law, regulation or other requirement.

8. ACTION REQUIRED WHEN REPORT IS MADE

- 8.1 The Whistleblower Protection Officer to whom a report is made under this Policy must do the following:
- (i) Ensure that the matter is brought to the attention of the Audit and Risk Committee, or an independent and suitably qualified person nominated by the Audit and Risk Committee for investigation.
 - (ii) Give the Chair of the Audit and Risk Committee particulars of the report that have been made.

9. INVESTIGATION PROCESS

- 9.1. Investigation processes will vary depending on the precise nature of the conduct being investigated. The purpose of the investigation is to determine whether or not an Employee's concerns are substantiated, with a view to Audalia Resources then rectifying any wrongdoing uncovered to the extent that this is practicable in all the circumstances.
- 9.2 The investigation will be thorough, objective, fair and independent of the Employee, anyone who is the subject of the Reportable Matter, and any business unit concerned. The investigation will also have proper regard to the principles set out in the Australian Standard on Whistleblower Protection Programs.

10. COMMUNICATING ABOUT THE REPORT

- 10.1 The Employee will be kept informed of the outcome of the investigation arising from the Employee's report, subject to considerations of the privacy of anyone who is the subject of the Reportable Matter and normal confidentiality requirements.
- 10.2 Where practicable, the Employee will be provided with initial feedback within a week of making the report, and any further feedback on a fortnightly basis as the matter progresses.

11. EMPLOYEE PROTECTION

- 11.1 The Whistleblower Protection Officer to whom the report is made under this Policy may, if the Employee agrees, disclose the Employee's identity to the Audit and Risk Committee (and/or other person appointed to the investigation), but will otherwise keep such Employee's identity confidential. They will ensure that all files relating to the report are kept secure, and that information received is held in confidence and is only disclosed to a person not connected with the investigation if:
- (i) the Employee has been consulted and have consented to the disclosure; or

(ii) it is required or permissible by law.

- 11.2 It is possible that someone might deduce the Employee's identity without there having been a breach of confidentiality, if the nature of the report points to one particular individual having made it, or otherwise as a consequence of the nature of the investigatory process.
- 11.3 Audalia Resources recognises that whistleblowing can be a very stressful and difficult thing to do. Provided that the Employee is acting in good faith and has not engaged in serious misconduct or illegal conduct, to the maximum extent possible, the Employee will not be subject to disciplinary sanctions by Audalia Resources in relation to any matters reported.
- 11.4 Audalia Resources will safeguard the Employee's interests, having regard to this Policy, the Australian Standard on Whistleblower Protections Programs, and any other applicable policies and laws.
- 11.5 In particular, Audalia Resources will take whatever action is possible consistently with this Policy to make sure that the Employee is not personally disadvantaged for making the report, whether by dismissal, demotion, any form of harassment, discrimination or any form of current or future bias.
- 11.6 If the Employee claims to have been the subject of any such action as a consequence of making the report, and the matter cannot be resolved by management, the matter will be referred to the Chair of the Audit and Risk Committee.
- 11.7 Any person found in breach of the provisions of this Policy will be subject to disciplinary procedures, up to and including the termination of employment or engagement with Audalia Resources.

12. WHISTLEBLOWER PROTECTION OFFICER

- 12.1 The Chair of the Audit and Risk Committee is appointed as a Whistleblower Protection Officer with power and duties consistent with the Australian Standard on Whistleblower Protections Programs.

13. FALSE REPORTING

- 13.1 A false report of a Reportable Matter could have significant effects on Audalia Resources' reputation and the reputations of other staff members and could also cause considerable waste of time and effort.
- 13.2 Any deliberate false reporting of a Reportable Matter, whether under this Policy or otherwise, will be treated as a serious disciplinary matter.

14. RECORDS

- 14.1 The Chair of the Audit and Risk Committee will maintain a record of all whistleblowing incidents and actions taken under this Policy, so that the Policy can be periodically reviewed.

15. QUESTIONS

- 15.1 Any questions about this Policy should be directed to the Chair of the Audit and Risk Committee or Company Secretary.
- 15.2 Specific questions about whistleblower protection issues can be directed to any Whistleblower Protection Officer.

16. REVIEW

- 16.1 The Audit and Risk Committee will regularly review this Policy and consider its effectiveness.

17. CONTACT LIST

Whistleblower Officer	Protection	Telephone	Email
Brent Butler, Chair of the Audit and Risk Committee		██████████	██
Karen Logan, Company Secretary		██████████	██

18. PUBLICATION OF POLICY

- 18.1 This Policy will be available on the Company's website and the key features will be published in the corporate governance statement.

19. VERSION CONTROL

Version	Date	Changes
1.0	26 June 2019	First version of policy

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