



## **CODE OF CONDUCT**

### **1. INTRODUCTION**

The Board of Directors of Nagambie Mining Limited ("the Company") is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable.

This Code of Conduct ("the Code") has been prepared in accordance with the ASX Corporate Governance Council's Best Practice Recommendations.

All Directors and employees are required to comply with the corporate governance policies and standards described in this Code. Consultants, contractors and partners working with or for the Company should be informed of the relevant principles and of the requirement that they act in accordance with them.

The principles and procedures set out in this Code are not exhaustive; they are practical guides on how the Company, its Directors and employees are required to conduct themselves in order to maintain high standards of corporate governance and ethical behaviour in all dealings and activities.

### **2. COMPLIANCE WITH LAWS**

Nagambie must comply with the law and, where it is clear, the spirit of all laws and regulations relating to their business conduct. It is every employee's responsibility to ensure that they fully understand all laws and regulations relevant to their work.

Ignorance of the law does not excuse the Company or its employees from their obligations to comply. Breach or non-compliance carries potentially serious consequences for the Company and its employees. If employees are unclear about any law or regulation relating to their work, they should raise the matter with their manager or supervisor who may seek legal advice if necessary.

### **3. RESPONSIBILITIES**

### 3.1. Shareholders and the financial community generally

The Board is committed to maximizing performance, generating appropriate levels of Shareholder value and financial return.

The Board is therefore concerned to ensure that the Company is probably managed to protect and enhance Shareholder interests and that the Company, its directors, officers and employees operate in an appropriate environment of corporate governance.

### 3.2. Clients, customers, consumers and individuals

The Company, its directors and employees must treat all clients, customers, consumers and individuals fairly and with respect.

### 3.3. Board composition

Corporate Governance Council recommendation 2.1 requires the majority of the Board to be independent directors. Recommendation 2.2 requires the Chairperson to be independent. Recommendation 2.3 requires the role of Chairperson and CEO should not be exercised by the same person.

## **4. DISCLOSURE POLICY**

### 4.1. Disclosure Obligations

Nagambie is committed to open communications with the market on a prompt and regular basis in compliance with the Corporations Act and the ASX Listing Rules.

Under ASX Listing Rule 3.1, Nagambie must immediately notify the ASX of information concerning Nagambie of which it is or becomes aware and which a reasonable person would expect to have a material affect on the price or value of securities of Nagambie. Materially price sensitive information must be immediately notified to the ASX unless it falls within the scope of the confidentiality exemption contained in Listing Rule 3.1.

### 4.2. Material Price Sensitive Information

Material Price sensitive information may include inter alia:

- material changes in financial performance;
- material changes to expected future financial performance;
- changes in directors and senior executives;

- mergers, acquisitions/divestments, material joint ventures or material changes in assets;
- material developments in regard to new projects or ventures;
- events regarding Nagambie's shares or securities;
- substantial litigation; and
- industry issues or decisions by regulatory bodies of significance that may impact Nagambie.

Skill and judgment is required to assess all the circumstances in assessing whether information may be considered 'price sensitive'.

Nagambie will ensure that all price sensitive information is released to the market on a timely basis, notwithstanding whether such information has a positive or negative sentiment.

#### 4.3. Confidentiality

Under ASX Listing Rule 3.1, certain material information does not need to be disclosed if it falls within the scope of the confidentiality exemption in that Listing Rule. Therefore, once it is determined that a matter is material, it should be considered whether it could be considered confidential.

It is imperative that all material information be immediately disclosed to the Directors and the Company Secretary. If the information is considered to be confidential, then all necessary steps should be taken to ensure that the information remains confidential.

#### 4.4. Announcements and Releases

Management of Nagambie is responsible for the form and content of a disclosure to the market. If necessary, management may consult Nagambie external professional advisers in relation to the form and content of a disclosure.

Nagambie will communicate all announcements to the ASX by facsimile or by electronic means as permitted by the ASX. Nagambie will also ensure that it retains a confirmation that the announcement has been received by the ASX prior to releasing the information to other parties. Nagambie will post all announcements to its website within 24 hours of submitting an announcement to the ASX.

At all times management of Nagambie will use its best endeavours to provide each Executive Director and Non-Executive Director and Company Secretary with a reasonable opportunity to comment on the form and content of a proposed disclosure and, as far as is reasonably practicable, for each Director to consent to the release of the proposed disclosure.

The Company Secretary is to provide a copy of the disclosure to the ASX Company Announcements Office. The ASX Company Announcements Office must confirm receipt of the disclosure and release to the market prior to Nagambie disclosing the information. Upon confirmation of receipt by the ASX Company Announcements Office of a disclosure, Nagambie must immediately post a copy of the disclosure on the investor information section of Nagambie's website.

#### 4.5. Trading Halts and Suspensions

If information that would otherwise be disclosed comprises of matters of supposition or is insufficiently definite to warrant disclosure, or if the effect of a disclosure on the value or price of Nagambie's securities is unknown, Nagambie may request that the ASX grant a trading halt or suspend Nagambie's securities from quotation. Management of Nagambie may consult Nagambie's external professional advisers and the ASX in relation to whether a trading halt or suspension is required.

#### 4.6. Company Spokespersons

Nagambie will also nominate specific representatives who are permitted to communicate with external parties including shareholders, analysts and the market. These representatives are known as 'Authorised Spokespersons'.

The Authorised Spokespersons of Nagambie are:

- Chairman of the Board of Directors;
- the Chief Executive Officer; and
- Company Secretary in relation to ASX disclosures

Other directors and executives should refrain from commenting to any party unless specifically authorised to do so by the Board, the Chairman or the Chief Executive Officer.

#### 4.7. Overseeing and Coordinating Disclosure

The Company Secretary of Nagambie is responsible for overseeing and coordinating the disclosure of information to the ASX, analysts, stockbrokers, shareholders, the media and the public. The Company Secretary must inform the Directors, senior management and employees of Nagambie's continuous disclosure obligations on a quarterly basis.

Nagambie must inform all newly appointed Directors, new employees and external professional advisers of its continuous disclosure history and policy.

#### 4.8. Monitoring Disclosures

The Directors and senior management personnel of Nagambie must ensure that the Secretary is aware of all information to be presented at briefings with analysts, stockbrokers, shareholders, the media and the public. Prior to being presented, information that has not already been the subject of disclosure to the market and is not generally available to the market must be the subject of disclosure to the ASX. Only when confirmation of receipt of the disclosure and release to the market by the ASX is received and after the information is posted on the company's website, may the information be presented.

#### 4.9. Rumours, Leaks and Inadvertent Disclosures

Nagambie will take appropriate action to limit the likelihood of market rumours or information leaks. This will be achieved by:

- ensuring that external advisors (as appropriate) and staff are subject to confidentiality limitations. Nagambie's employment contract with staff contains confidentiality provisions
- limiting the dissemination of confidential information to those parties who "need to know" the information
- developing an internal culture that recognizes and accepts the need for good governance generally and, in particular, recognises the need for confidentiality.
- Where there are market rumours or leaks, the Chairman and CEO will consider immediately, and after consideration of all the circumstances, will decide on a course of action. In some cases this will require further disclosure to the ASX to ensure that all parties have equal access to information. If necessary, legal advice will be obtained to ensure that the response is appropriate.

Nagambie will conduct regular reviews of briefings to analysts, stockbrokers, shareholders, the media and the public to determine whether any information that has not been the subject of disclosure to the ASX and release to the market announcement has been disclosed. If such information is identified Nagambie will follow its policy in relation to identifying material information to determine whether a disclosure is warranted.

#### 4.10. Briefings

Nagambie acknowledges that from time to time it will provide briefings to analysts and institutional investors.

Where briefings occur, Nagambie will ensure that information is disclosed only where it has previously been announced to the market. Briefings may be used to clarify

information previously released however price sensitive information should not be provided unless it has been previously disclosed.

Only an Authorised Spokesperson may make presentations at any analyst briefing. The scope of any such discussions should be agreed in writing prior to the meeting with the analysts. Nagambie will ensure that prior to the meeting the analysts are aware that Nagambie is unable to provide price sensitive information which has not been disclosed.

On all occasions Nagambie will be cautious in responses to questions, and where appropriate refrain from answering questions to ensure that all parties have access to available information. Nagambie should not speculate regarding expected future performance or actual past performance unless the market has been informed in this regard.

Nagambie should regularly inform the market of past performance against budget, the expected future results and any revisions of expectations. Such information must be provided to the market as a whole rather than to specific stakeholders. In the event that information is inadvertently disclosed that is price sensitive, Nagambie will immediately release this information to the market.

## **5. TRADING IN SECURITIES**

### **5.1. Trading in the Company's securities by Directors, Executives and Staff**

Trading in the Company's securities by Directors, Executives and Staff of the Company should only occur in circumstances where the market is considered to be fully informed of the Company's activities. This policy requires that Directors, Executives and Staff discuss their intention to trade in the Company's securities with the Chairman prior to trading. Directors, management and staff are expected to act ethically and responsibly. All Board members are qualified professionals within their respective industries and accordingly conduct themselves in a professional and ethical manner in both their normal commercial activities and the discharge of their responsibilities as directors.

This notification obligation operates at all times and applies to dealings in the Company's securities by family members and other associates of directors and employees, as well to personal dealings by the directors and employees. Directors and employees must not buy or sell the Company's securities until approval has been given by the Chairman and Managing Director as the case requires.

The ASX Listing Rules require a director to notify the ASX within 5 business days after any dealing in the Company's securities that results in a change in the relevant interests of the director in the Company's securities.

Investments in other entities by management or staff are not permitted if it is known that the Company has commenced a program to buy or sell investments in that entity.

The Company adheres strictly to the disclosure requirements in the Corporations Act and the ASX Listing Rule of any trading undertaken by Directors or their related entities in the Company's securities.

5.2. Insider trading Insider trading is prohibited by law.

A Director or employee must not use any confidential information regarding the Company's financial position, strategy or operations for personal gain. It is also unlawful to pass price-sensitive information to someone who you know may use the information to buy or sell securities in the Company, or to encourage a third party to deal in the securities of the Company. Employees must exercise the highest degree of caution if they are aware of price-sensitive information.

There are serious penalties including possible imprisonment for violation of these laws.

## **6. CONFIDENTIALITY**

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

Confidentiality provisions should be included as a term of arrangement for consultants, contractors and other parties who provide services to the Company.

Managers and supervisors are responsible for ensuring that arrangements are in place for protecting sensitive and confidential information of the Company.

Employees must ensure that the confidentiality of personal information contained in company records is strictly maintained. Confidential personal information should not be provided to other employees unless they require it to perform their jobs. Information relating to employment records, salaries, addresses, etc. should be released to external organisations only if required by local law or upon receiving permission from the relevant employee.

## **7. EMPLOYMENT**

7.1. Directors' performance appraisal

The Directors' remuneration is considered and determined by the Board having regard to qualifications, expertise and market rates. The Board meets annually to assess the performance of the Chairman, the Directors and the Board as a whole.

A performance appraisal and Board review is scheduled for May of each year. The aim is to conduct an objective assessment of the performance of each Director, including the Chairman, and the Board as a whole. The results will provide the Chairman with meaningful material with which to discuss individual performance with each Director and for the Board to discuss the performance of the Chairman.

The Company's objective is to provide maximum shareholder benefit and the retention of high quality Board members and the Executives. Directors and Executives are remunerated with reference to market rates for comparable positions. Details of the remuneration of specified Directors and Executives are contained in the Directors' Report.

## 7.2. Employment practices

The Company is committed to providing a work environment that is safe and in which everyone is treated fairly and with respect.

Employment with Nagambie must be offered and provided based on 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 (eg. race, colour, gender, religion, personal associations, national origin, age, disability, political beliefs, marital status, sexual orientation, family responsibilities, etc.) may constitute discrimination and are prohibited.

Decisions relating to suppliers, customers, contractors and other stakeholders are also based on the above merits.

The Company prohibits any form of discrimination or harassment. Actions that constitute discrimination and harassment are regarded by the Company as serious misconduct.

If you have any complaints regarding your employment, you are encouraged to speak to your manager or supervisor, the Human Resources Manager or any of the Directors.

## 7.3. Encouraging the reporting of unlawful/unethical behaviour

The Directors will take all relevant steps to promote this Code. Employees are encouraged to report any breaches to a manager or supervisor, the Human

Resources Manager or a Director. The Company and the Directors will work to ensure that the matter is dealt with promptly and fairly, and that the person making the report is not disadvantaged and the person alleged of wrongdoing is given an opportunity to respond.

## **8. CONFLICT 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 Nagambie (i.e. conflict of interests). Such circumstances could compromise or appear to compromise the employee's ability to make impartial business decisions.

This may include:

- Neither employees nor their immediate family members should have interests or investments in a competitor, customer, partner, or supplier of Nagambie that would create a conflict of interest. Conflicts of interest would not usually arise out of merely holding shares in such a company if it is listed on a recognized stock exchange. However, conflicts would arise, if for example, an employee had shares in a family company that was a supplier to Nagambie and the employee was able to influence decision making regarding the award of contracts to that company.
- Similarly, employees should not hold positions in, or have relationships with, outside organisations that have business dealings with Nagambie if the employee's position in the Company allows them to influence these transactions.
- Other than in exceptional circumstances where particular arrangements may be authorised, no employee should be in a position of influence regarding the employment conditions (e.g. work assignment, compensation, etc) or performance assessment of a family member.
- 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 (e.g. employment with a competitor, customer or supplier).

## **9. RISK MANAGEMENT**

The Company is committed to the proper identification and management of risk. Nagambie regularly undertakes reviews of its risk management procedures which include implementation of a system of internal sign-offs to ensure not only that Nagambie complies with its legal obligations, but that the Board and ultimately Shareholders can take comfort that an appropriate system of checks and balances is in place regarding those areas of the business which present financial or operating risks.

## **10. INTERESTS AND OTHER STAKEHOLDERS**

The Board recognises the legitimate interests of shareholders, employees and other stakeholders. The Board has adopted corporate governance policies and practices designed to promote responsible management and conduct of the Company.

### **10.1. Cultural Heritage Policy**

Nagambie recognises the need to understand the cultural and spiritual significance to the community of the area in which it is licensed to operate.

Nagambie will work closely with interested community groups and people to identify significant sites and is committed to reaching mutually agreeable outcomes on the effects of its activities on cultural and spiritual values.

Nagambie will specifically undertake to:

- Respect and protect cultural heritage sites of regional significance and sites of local spiritual significance;
- Embrace the intent and comply with the provisions of the Native Title Act and the relevant Mining Act;
- Communicate openly with Aboriginal peoples and local communities so that all relevant; and issues may be aired and understood by the participants.
- Involve Aboriginal people in the conduct of Nagambie's operations where these operations impact on their cultural and spiritual heritage.

### **10.2. Environmental Policy**

Nagambie is committed to protecting the environment and safeguarding public and employee health in all aspects of its operations. Nagambie has adopted an Environmental Management Plan to ensure the environmental protection and safe conduct are conducted by Nagambie employees, its alliance partners and suppliers of goods and services.

### **10.3. Occupational Health and Safety Policy**

Nagambie is committed to achieving the highest performance in occupational health and safety, with the aim of creating and maintaining a safe and healthy working environment throughout its business. Nagambie has endorsed an Occupation Health and Safety Policy.

### **10.4. Board Minutes Policy**

Minutes of all Board or Board Committee meetings are to be drafted and are to be presented to the Chairman of the Board/Committee for review within five (5) business days. The Chairman is to provide comments or suggested drafting amendments, with a further two days of receipt of a minute draft. The amended draft for circulation to Board/Committee members is to be presented to the next meeting of Board/Committee for confirmation.

#### 10.5. Statutory Notice Policy

All Directors are to table annually at the 1 July meeting of the Board a list of all interests held in any companies which may give rise to a conflict of interest if those companies were to have dealings with Nagambie.

Directors will table at the next meeting of the Board, Notice of any changes of interest, public company directorship or public office and/or any change in shareholding in Nagambie.

#### 10.6. Dividend Policy

The ability of the Company to pay dividends depends on the achievement of a satisfactory level of profitability.

It is the Directors' intention to review this policy from time to time and commence the payment of a regular dividend once the Company is able to generate a substantial and sustainable level of cash flow, after allowing for capital expenditure and other commitments.

The Directors can give no assurance as to the amount, timing, franking or payment of any future dividends by the Company. The capacity to pay dividends will depend on a number of factors including future earnings, capital expenditure requirements and the financial position of the Company.

#### 10.7. Review of Code of Conduct

The Code of Conduct will be reviewed regularly by the Audit and Compliance Committee and the Board, having regard to the changing circumstances of Nagambie and any changes to the Code of Conduct will be notified to you in writing.

Updates and amendments to this Code of Conduct will be the responsibility of the Company Secretary. All new management or other relevant staff will be provided with a copy of this Policy as part of their induction into Nagambie. Any updates or amendments as approved by the Board will be notified to appropriate officers and staff by the Company Secretary.

#### 10.8. Reporting to the Board

On a six monthly basis (or more regularly, if appropriate), the Company Secretary will report to the Board in regards to compliance issues relating to this Policy. Material non-compliance with these policies will be reported to the full Board immediately.

#### 10.9. Disclosure

The Board will make appropriate disclosure to shareholders in Nagambie's Annual Report of the key aspects of this Policy on Disclosure and Compliance, including explaining any departure from the best practice recommendations set out in the Australian Stock Exchange Corporate Governance Council Principles of Good Corporate Governance and Best Practice Recommendations.

### **11. COMPLIANCE WITH THE CODE**

All Directors and employees are expected to be familiar with the contents of this Code of Conduct. It is the responsibility of each employee to comply with the policies and standards relating to their work and to seek assistance from a manager or supervisor or a Director if they do not fully understand a policy or how that policy should be applied.

Any director or employee who violates these policies or standards may be subject to disciplinary action, including dismissal in certain situations.