

Anti-Bribery and Anti-Corruption Policy

TOUBANI RESOURCES LIMITED
(ACN 661 082 435) (Company)

1 Introduction

- (a) Toubani Resources Limited (**Company**) is committed to conducting all of its business activities fairly, honestly with integrity, and in compliance with all applicable laws, rules and regulations. The Company's board of directors (**Board**), management and employees are dedicated to high ethical standards and recognise and support the Company's commitment to compliance with these standards.
- (b) In particular, the Company is committed to preventing any form of Corruption and Bribery and to upholding all laws relevant to these issues, including the Anti-Corruption Legislation. In order to support this commitment, the Company has adopted this Anti-Bribery and Anti-Corruption Policy (**Policy**) to ensure that it has effective procedures in place to prevent Corruption and Bribery.

2 Scope of Policy

- (a) This Policy applies globally. To the extent that local laws, codes of conduct or other regulations (**Local Laws**) in any countries are more rigorous or restrictive than this Policy, those Local Laws should be followed by any subsidiary operating in that country. Where a country has specific Bribery and Corruption Local Laws which are less rigorous than this Policy, this Policy prevails. The Company may, from time to time, provide country specific directions for subsidiaries operating in countries outside Australia.
- (b) This Policy sets out the Company's requirements in relation to interactions with Officials and Third Parties. This Policy does not prohibit interactions with Officials, rather it forbids corrupt interactions with those individuals.
- (c) This Policy applies without exception and without regard to conflicting regional customs, local practices or competitive conditions to all directors, officers and employees of the Company (**Company Personnel**). Upon commencement of employment or service (as appropriate) and from time to time thereafter (as requested by the Company), all Company Personnel must acknowledge their being bound by, and agreement to comply, with this Policy by executing the attached Certification of Compliance (refer to Annexure A).

3 Definitions

In this Policy the following words or phrases mean the following:

Anti-Bribery Officer means an officer of the Company designated by the Board to receive information from the Board, Personnel or Business Associates of the Company according to the terms of this Policy.

Anti-Corruption Legislation includes many laws such as the *Criminal Code Act 1995* (Cth) and all other legislation that applies to the Company, regardless of jurisdiction.

Bribery is the act of offering, promising, giving or accepting a benefit with the intention of influencing a person who is otherwise expected to act in good faith or in an impartial manner, to do or omit to do anything in the performance of their role or function, in order to provide the

Company with business or a business advantage that is not legitimately due (whether in respect of an interaction with an Official or any commercial transaction in the private sector).

Business Associates means third party companies and individuals (such as joint venture partners, consultants and agents) acting on the Company's behalf, whether directly or indirectly, by representing the Company's interests to foreign governments in relation to international business development or retention of business opportunities.

Company means Toubani Resources Limited and all of its subsidiaries.

Corruption is the abuse of entrusted power for private gain.

Facilitation Payment means payments of nominal amounts or other inducement made to persons in order to secure or expedite the performance of a Government Official's routine governmental duties or actions.

Gifts, Entertainment and Hospitality includes the receipt or offer of presents, meals or tokens of appreciation and gratitude or invitations to events, functions, or other social gatherings, in connection with matters related to the Company's business unless they:

- (a) fall within reasonable bounds of value and occurrence;
- (b) do not influence, or are not perceived to influence, objective business judgement; and
- (c) are not prohibited or limited by applicable laws or applicable industry codes.

Government Official means:

- (a) any politician, political party, party official or candidate of political office;
- (b) any official or employee of a domestic or foreign government (whether national, state/provincial or local) or agency, department or instrumentality of any domestic or foreign government or any government-owned or controlled entity (including state-owned enterprises);
- (c) any official or employee of any public international organisation;
- (d) any person acting in a private or public official function or capacity for such domestic or foreign government, agency, instrumentality, entity or organisation;
- (e) any person who holds or performs the duties of any appointment created by custom or convention or who otherwise acts in an official capacity (including, some indigenous or tribal leaders who are authorised and empowered to act on behalf of the relevant group of indigenous peoples and members of royal families); or
- (f) any person who holds themselves out to be an authorised intermediary of a government official.

Item of Value includes, amongst other things, cash, travel, meals, Gifts, Entertainment and Hospitality, other tangible or intangible benefits or anything of value.

Money-laundering means the process by which a person or entity conceals the existence of an illegal source of income and then disguises that income to make it appear legitimate.

Official means a Government Official, political party, official or officer of a political party or candidate for political office.

Personnel means all persons acting (whether authorised or unauthorised) on behalf of the Company at all levels, including officers, directors, temporary staff, contractors, consultants and employees of the Company.

Secret Commissions means offering or giving a commission to an agent or representative of another person that is not disclosed by that agent or representative to their principal to induce or influence the conduct of the principal's business.

Secure an improper advantage includes obtaining any commercial or financial benefit.

Third Party means any individual or organisation other than Officials, with whom Personnel come into contact during the course of their employment or business relationships associated with the Company.

4 Purpose

The purpose of this Policy is to:

- (a) set out the responsibilities of the Company and its management and Personnel in upholding the Company's commitment to preventing any form of Bribery or Corruption; and
- (b) provide information and guidance to Personnel on how to recognise and deal with any potential Bribery and Corruption issues.

5 Scope and Authority

- (a) The Company requires all Personnel to comply with this Policy as well as the Anti-Corruption Legislation. The prevention, detection and reporting of Bribery and other forms of Corruption are the responsibility of all those working for the Company or under its control.
- (b) This Policy applies to all Personnel, including directors, temporary staff and contractors, and Business Associates of the Company.

6 Responsibility for Policy Compliance and Training

- (a) The Company's Board is responsible for the overall administration of this Policy. The Board and the Anti-Bribery Officer will monitor the implementation of this Policy and will review on an ongoing basis the Policy's suitability and effectiveness. Internal control systems and procedures will be audited regularly to ensure that they are effective in minimising the risk of non-compliance with this Policy.
- (b) A copy of this Policy will be made available to all Personnel via the Company's website and in such other ways as will ensure the policy is available to Personnel wishing to use it.
- (c) All Personnel are required to understand and comply with this Policy and to follow the reporting requirements set out in this Policy. To this end, regular and appropriate training on how to comply with this Policy will be provided to all senior managers and other relevant Personnel by the Board and the Anti-Bribery Officer for each business. However, it is the responsibility of all Personnel to ensure that they read, understand and comply with this Policy.
- (d) All Business Associates are required to be made aware of this Policy and to undertake to comply with this Policy in relation to any of their dealings with, for or on behalf of the Company.
- (e) The prevention, detection and reporting of Bribery and other improper conduct addressed by this Policy are the responsibility of all those working for or engaged by the Company. All Personnel should be vigilant and immediately report any breaches or suspicious activity to the officer responsible for compliance.

7 Consequences of Breaching this Policy

- (a) Bribery and the related improper conduct addressed by this Policy are very serious offences that will be taken seriously, reviewed and thoroughly investigated by the Company. Depending on the circumstances, the incident may be referred to regulatory and law enforcement agencies.
- (b) A breach of this Policy may also expose Personnel and the Company to criminal and/or civil penalties, substantial fines, exclusion from tendering for government or private contracts, loss of business and reputational damage.
- (c) Breach of this Policy by Personnel will be regarded as serious misconduct, leading to disciplinary action which may include termination of employment.

8 Policy

- (a) Personnel must:
 - (i) understand and comply with this Policy and attend all relevant training;
 - (ii) not engage in Bribery or any other form of Corruption or improper conduct;
 - (iii) not make Facilitation Payments;
 - (iv) not offer, pay, solicit or accept Secret Commissions;
 - (v) not engage in Money Laundering;
 - (vi) not give or accept Items of Value where to do so might influence, or be perceived to influence, objective business judgement or otherwise be perceived as improper in the circumstances;
 - (vii) obtain required approvals for political contributions and charitable donations;
 - (viii) maintain accurate records of dealings with Third Parties; and
 - (ix) be vigilant and report any breaches of, or suspicious behaviour related to, this Policy.
- (b) This Policy does not prohibit the giving of normal and appropriate hospitality to, or receiving it from, Third Parties.

9 Prohibition Against Bribery and Corruption

- (a) The Company strictly prohibits Personnel engaging in or tolerating Bribery or any other form of Corruption or improper conduct.
- (b) The Company's corporate values require that in all aspects of business all Personnel act honestly, adhere to the highest ethical standards, and act in compliance with all relevant legal requirements. In this respect Personnel must not engage in Bribery or any other form of Corruption. The principles and values can be found on the Company's website.
- (c) The prohibition of Bribery under this Policy includes the provision or conveying of an Item of Value to any Third Party, Official or family members of Officials, whether directly or indirectly, to secure any improper advantage or to obtain or retain business. This means that Personnel must not:
 - (i) offer, promise or give an Item of Value with the intention of influencing an Official or Third Party who is otherwise expected to act in good faith or in an impartial manner, to do or omit to do anything in the performance of their role

or function, in order to provide the Company with business or an improper advantage;

- (ii) authorise the payment or provision of Items of Value to any other person, if it is known, or reasonably should have been known, that any portion of that payment or Item of Value will be passed onto an Official or Third Party to secure an improper advantage or obtain or retain business;
 - (iii) engage, or procure, a third party to make a payment or provide an Item of Value to an Official or Third Party, (or to procure another person to make such payment or provision), in order to secure an improper advantage or obtain or retain business; or
 - (iv) give an Item of Value to an Official to expedite or to secure the performance of a routine governmental action is strictly prohibited. These may include payments to obtain permits, licenses or visas, or to obtain police protection, or facilitate importation of goods.
- (d) The prohibition of Bribery under this Policy also includes the request or acceptance of (or the agreement to accept) an Item of Value from an Official or Third Party:
- (i) intending that, in consequence, a function or activity should be performed improperly (whether by the requestor/acceptor or another person);
 - (ii) where the request, agreement or acceptance itself constitutes the recipient's improper performance of a function or activity; or
 - (iii) as a reward for the improper performance of a function or activity (whether by the recipient or another person).

10 Gifts, Meals, Entertainment, Travel and Accommodation

10.1 General rule

- (a) Company Personnel may not, on behalf of the Company, provide or receive any gifts (including cash or cash equivalents), meals, entertainment, travel or accommodation directly or indirectly, to or from a Government Official, a Customer Representative or a supplier including a service provider to the Company, or their respective family members if the transaction might improperly induce (or appear to induce) the recipient to use his or her influence to secure an Improper Advantage for the giver. This includes gifts to charities or other organisations in which the recipient or a family member is or might be involved.
- (b) Useful tests for determining a gift's inappropriateness are:
 - (i) if the gift would create embarrassment or obligation for the giver or receiver; or
 - (ii) if the action could not stand up to public scrutiny.
- (c) In receiving gifts, Company Personnel must ask themselves whether one purpose of a gift is intended to influence, or appear to influence, business decisions and would thereby compromise their ability to act in the best interests of the Company.

10.2 Gifts

- (a) Subject to the above, Company Personnel may give or receive a gift of nominal value to or from a Customer Representative. A gift is considered of nominal value if its retail value is less than \$100 or its equivalent. Even if the gift is less than nominal value, Company Personnel should only accept it if it is consistent with common business practice. Any offer to Company Personnel of a gift or other business courtesy that exceeds nominal value, or that seems inconsistent with common business practices, should be immediately reported to the Company Secretary.

- (b) Company personnel may never give a gift, even of nominal value, to a Government Official.

10.3 Meals and Entertainment

Company Personnel may offer or receive infrequent, reasonable and appropriate business meals or entertainment; provided that business is discussed at those events and that the activity has a clear business purpose. An example would be the promotion, demonstration or explanation of the Company's products or services, or the execution or performance of a contract. Such activity shall not involve excessive expenditures. The guidelines for reasonable and appropriate activities shall be normal industry practice in the relevant locality consistent with local legal requirements. While the gift value described above does not strictly apply in the case of meals and entertainment, that limitation is an indication of the reasonableness of the meals or entertainment.

11 Prohibition On Facilitation Payments, Secret Commissions and Money Laundering

- (a) The Company does not condone the making of Facilitation Payments, Secret Commissions and Money Laundering.
- (b) Personnel are prohibited from:
 - (i) making Facilitation Payments;
 - (ii) offering, paying, soliciting or receiving Secret Commissions; and
 - (iii) engaging in Money-Laundering.

12 Political Contributions and Charitable Donations

- (a) The Company prohibits Personnel from making political contributions to Officials on behalf of the Company. Any donations above a level determined in Federal legislation must be disclosed annually to the Australian Electoral Commission and will be published on its website.
- (b) This Policy does not seek to curtail an individual's freedom to make political contributions in their personal capacity.
- (c) The context of any other political contributions is key in determining their appropriateness. For instance, it is permissible for the Company to make a payment to attend a political function in circumstances where such payment could not be construed as an attempt to influence the political party.
- (d) If you are in any doubt as to the appropriateness of any political contribution, you should consult the Board or the Anti-Bribery Officer before it is given or accepted or otherwise as soon as possible.
- (e) The Company can only make charitable donations that are legal and ethical under local laws and practices. In order to ensure that donations made by the Company to charitable organisations are for proper charitable purposes, Personnel must only make donations on behalf of the Company to charitable organisations previously approved by the Company and within approved financial limits.
- (f) A list of approved charitable organisations is to be maintained by the Board and provided upon request.

13 Interactions with Officials and Third Parties Must be Compliant

The actions of customers that are channel partners or Agents (**Third Parties**) present particular risks, because in certain circumstances the Company and its employees can be held liable for improper payments made even if the Company did not have actual knowledge of the payment. Furthermore, such improper payments between Third Parties and Government Officials may be used to facilitate money laundering or terrorist financing without the knowledge of the Company. Accordingly, this Policy provides for strict due diligence and controls when dealing with Third Parties who may interact with a Government Official for or on behalf of the Company.

14 Payments and Fees

All payments made to a Third Party must be reasonable in relation to the products sold to, or bona fide services rendered by, the Third Party to or on behalf of the Company. Payments to a Third Party should never be made in cash and should be made to the Third Party's bank account in the country where the services are performed or where the Third Party's offices are located. No payments shall be made to a Third Party without detailed invoices that fully and accurately describe the services and expenses incurred.

15 Due Diligence

15.1 Due Diligence Overview

- (a) Due diligence must be performed to ensure that a Third Party is a bona fide and legitimate entity, is qualified for the purpose of its engagement, and maintains standards consistent with the ethical and reputational standards of the Company.
- (b) Due diligence on Third Parties also minimizes the risk of payments being used to facilitate money laundering or terrorist financing without the Company's knowledge.
- (c) The Company recognizes that corruption risks can vary by location, type of transaction and customer, and, accordingly, this Policy requires enhanced diligence procedures for engaging with Third Parties in circumstances that present a higher perceived risk of corruption:
 - (i) Basic Due Diligence is required for screening all potential Third Parties;
 - (ii) Enhanced Due Diligence is required for all potential Third Parties who may be involved in sales, business development, regulatory approvals or other capacity in the following regions, even if Basic Due Diligence does not identify any "red flags" or issues of concern: **Russia, the Commonwealth of Independent States, Eastern Europe, the Middle East (excluding Israel), Central and South America, China, Southeast Asia and Africa;**
 - (iii) Enhanced Due Diligence is required for all potential Third Parties who may **deal with Government Officials** on behalf of the Company; and
 - (iv) Enhanced Due Diligence is required if any **issues of concern or "red flags"** are identified in the Basic Due Diligence. Inability or difficulty to verify the corporate history of an entity or the background and expertise of an individual should be considered a "red flag" that requires Enhanced Due Diligence. Negative reports in the media or in the local business community are also "red flags" requiring Enhanced Due Diligence. Annexure B contains a list of red flags. You should discuss any "red flags" concerning a particular potential Agent with the Company Secretary.

- (d) Annexure C to this Policy provides a flow chart to aid Company Personnel in conducting these due diligence procedures.¹

15.2 Basic Due Diligence Steps

- (a) The required Basic Due Diligence includes:
- (i) completion of a credit application form (if applicable);
 - (ii) verification of the corporate registration of the entity, or the expertise of a person, the business address, corporate history, corporate structure and beneficial ownership, directorships, etc.; and
 - (iii) media search to identify any negative publicity (i.e., conducting reasonable key word searches using public Internet search engines).
- (b) Information regarding items (b) and (c) generally can be confirmed through a third party credit report and desktop media searches. Information identified during the background screening will be reviewed by the accounting department and should be maintained in a due diligence file regarding the potential Customer Representative or Business Partner.

15.3 Enhanced Due Diligence Steps

- (a) The following steps should be taken in connection with Enhanced Due Diligence of a potential Third Party:
- (i) External research and verification of the Third Party's experience and expertise. Publicly available information regarding the potential Third Party should be verified through independent sources. Annexure D to this Policy identifies sources that should be considered in conducting background checks of potential Third Parties, and lists factors demonstrating relevant experience and expertise that should be used in evaluating potential Third Parties. A copy of all research and background checks should be maintained in the due diligence file regarding the potential Third Party.
 - (ii) Completion of a Due Diligence Questionnaire. In most cases, it will be appropriate to have the prospective Third Party submit responses to the Due Diligence Questionnaire, attached to this Policy as Annexure E. The Due Diligence Questionnaire should be supplemented with additional questions depending on the particular facts and circumstances. A copy of the completed Due Diligence Questionnaire should be maintained in the due diligence file regarding the potential Third Party
- (b) In addition to the foregoing, in person meetings are a useful means of verifying business qualifications, experience and expertise of Third Parties. Where an in person meeting or meetings has occurred, the Company Personnel involved in such meeting(s) should document, in the form of written notes or a brief memorandum, the date(s) of the meeting(s), location(s), participants and the discussion that took place. Such documentation should then be provided to the Company Secretary for review and should ultimately be maintained in the due diligence file regarding the potential Third Party.

16 Solicitation, Extortion, Health and Safety

- (a) This Policy prohibits payment even where they have been requested or demanded by a Government Official or if the Government Official threatens adverse action against the Company unless a payment is made.

¹ Annexure C serves only as a guide and does not reflect all facts and circumstances that may arise in the course of due diligence. Company Personnel should contact the Company Secretary with any questions or for additional guidance.

- (b) If a payment is made to protect an individual's health and safety, it should be immediately reported to the Legal Department and must be accurately recorded in the Company's books and records to reflect the amount and purpose of the payment. If at all practicable, contact should be made with the Company Secretary before such a payment is made. If prior consultation is not practicable, the fact of payment and the circumstances should be reported as soon as is practicable thereafter.

17 Documentation and Recordkeeping

- (a) As part of the Company's commitment to open and honest business practice the Company requires all of its businesses to maintain accurate books of account and records.
- (b) The Company and its subsidiaries must keep accurate and complete records of all business transactions:
 - (i) in accordance with generally accepted accounting principles and practices;
 - (ii) in accordance with the Company's accounting and finance policies; and
 - (iii) in a manner that reasonably reflects the underlying transactions and events.
- (c) It is the responsibility of all Personnel to ensure that all business transactions are recorded honestly and accurately and that any errors or falsification of documents are promptly reported to the appropriate member of the senior management team of the relevant business, and corrected. No accounts are to be kept "off the books" to facilitate or conceal improper payments.
- (d) All Personnel must record Items of Value given or received in the Items of Value Register as set out in Schedule 1.

18 Compliance with Local Laws Required

If Local Laws in a particular country or region are more restrictive than this Policy, then any Personnel, including any Business Associates operating in that country or region must fully comply with the more restrictive requirements.

19 Reporting Violations and Suspected Misconduct

- (a) Any Personnel or stakeholder who believes that a violation of this Policy or any laws has been committed, is being committed, or is being planned, should report the matter immediately to the Board or the Anti-Bribery Officer.
- (b) If anyone is unsure whether a particular act constitutes Bribery, a Facilitation Payment, Secret Commission, Money-Laundering or an improper Item of Value, or has any other queries, they should ask the Board or the Anti-Bribery Officer.

20 Protection

- (a) The Company prohibits retaliation against anyone reporting such suspicions.
- (b) Personnel who wish to raise a concern or report another's wrongdoing, or who have refused pressure to either accept or offer a bribe, should not be worried about possible repercussions. The Company encourages openness and will support any Personnel who raises genuine concerns in good faith under this Policy.

- (c) If you are not comfortable, for any reason, with speaking directly to the Board or the Anti-Bribery Officer, the Company has a Whistleblower Policy which affords certain protections against reprisal, harassment or demotion for making the report.

21 Monitoring and Review

- (a) Records of reports made under this Policy will be maintained and reviewed by the Audit Committee periodically.
- (b) The Board and the Anti-Bribery Officer will monitor the content, effectiveness and implementation of this Policy on a regular basis. There may also be independent reviews taken from time to time. Any findings, updates or improvements identified will be addressed as soon as possible.
- (c) Personnel are invited to comment on this Policy and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the Board or the Anti-Bribery Officer.

22 Reporting and Disciplinary Action

All persons subject to this Policy shall comply with the Policy and promptly report any known or suspected violations of this Policy, as well as any other illegal, improper or unethical conduct, pursuant to the procedures described below. The Company will view any violation of this Policy or failure to report a violation as a significant matter that warrants disciplinary action and may impose such sanctions as it deems appropriate, including, among other things, a letter of censure or suspension or termination of the employment or services of the violator.

23 Reporting Violations and Anonymous Complaints

- (a) Any transaction, no matter how seemingly insignificant, that might give rise to a violation of the Policy and/or applicable anti-corruption laws and regulations must be reported promptly to a supervisor or manager, or the Company Secretary.
- (b) If you wish to remain anonymous, you may report a violation of this Policy by contacting the Company's Company Secretary at:
Kevin Hart, Company Secretary
Email: info@toubaniresources.com
- (c) All such reports may be made in person or by letter, telephone, facsimile, e-mail, or other means and will be treated as confidential, to be used only for the purpose of addressing the specific problem(s) the reports concern. Such reports will be shared with the Company's management and other authorized individuals only on a need-to-know basis. All persons subject to this Policy shall cooperate fully, truthfully, and candidly with any inquiry conducted by or on behalf of the Company. Failure to provide such cooperation may result in discipline, including termination of employment.