

WHISTLE-BLOWER POLICY

CAZALY RESOURCES LIMITED ("COMPANY")

1. Background

Directors, officers and employees are expected to observe high standards of business and personal ethics in the conduct of their duties and responsibilities as set out in the Company's Code of Conduct. All employees and representatives of Cazaly Resources Limited ACN 23 101 049 334 (**Cazaly or the Company**) must practise honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations.

The aim of this Policy is to ensure that directors, officers and employees comply with these obligations. It also encourages reporting of violations (or suspected violations) of the Code of Conduct or other examples of unacceptable, undesirable, unlawful or unethical behaviour and provides effective protection from victimisation or dismissal to those reporting by implementing systems for confidentiality and report handling.

The following policy will come into effect from 1 January 2020.

1. Reporting Responsibility

It is the responsibility of all directors, officers and employees to comply with the Company's Code of Conduct and report violations or suspected violations, referred to as a Reportable Matter, in accordance with this Policy.

2. What is a "Reportable Matter"?

A Reportable Matter consists of information where a Discloser has reasonable grounds to suspect:

- (a) misconduct, or an improper state of affairs or circumstances in relation to the Company or its related body corporate; or
- (b) that the Company or its body corporate, or an officer or employee of the Company or its body corporate has engaged in conduct that:
 - (i) constitutes an offence against, or a contravention of, a provision of the *Corporations Act 2001* (Cth) (**Corporations Act**), the *Australian Securities and Investments Commission Act 2001* (Cth), the *Banking Act 1959* (Cth), the *Financial Sector (Collection of Data) Act 2001* (Cth), the *Insurance Act 1973* (Cth), the *Life Insurance Act 1995* (Cth), the *National Consumer Credit Protection Act 2009* (Cth), the *Superannuation Industry (Supervision Act) 1993* (Cth), or an instrument under of such acts (collectively, the **Act**) and *Taxation Administration Act 1953* (Cth) (**Tax Act**); or
 - (ii) constitutes an offence against any other law of the Commonwealth that is punishable by imprisonment for a period of 12 months or more; or
 - (iii) represents a danger to the public or the financial system; or
 - (iv) is prescribed by the regulations of the Act.

As a guide, a Reportable Matter may consist of any conduct which:

- (a) is dishonest, fraudulent or corrupt such as falsification of records, contracts or data, adopting questionable or improper accounting practises or bribery;
- (b) is illegal, such as theft, violence (actual or threatened), harassment or intimidation, criminal damage to property or other breaches of law or regulatory requirements;
- (c) is unethical, such as discrimination, oppression or actions causing substantial damage to the environment;
- (d) is potentially damaging to an employee or person, such as unsafe work practices or substantial wasting of Company resources; or
- (e) may cause financial loss or damage to the Company's reputation or be otherwise detrimental to the Company's interests.

2. Eligible Whistleblower

An individual will be considered an eligible whistleblower if the individual is or has been:

- (a) an officer or employee of the Company;
- (b) an individual who supplies goods or services to the Company or an employee of a person who supplies goods or services to the Company;
- (c) an individual who is an associate of the Company;
- (d) a spouse, child, dependent or dependent of the spouse of any individual referred to at (a) to (c) above,

(collectively, the **Discloser**).

3. No Retaliation

A Discloser who reports a violation under this Policy shall not suffer detriment, either actual or threatened, harassment, retaliation or adverse employment or engagement consequence to themselves, their colleagues, employer (if a contractor) or their relatives. If an officer or employee of the Company retaliates against someone who has reported a possible violation, they may be subject to discipline by the Company or penalties under the Corporations Act.

4. Reporting Reportable Matters

This Policy is intended to encourage and enable Disclosers and to report serious concerns within the Company.

Anyone filing a report concerning a Reportable Matter must have reasonable grounds for believing the information disclosed indicates a violation of the Code of Conduct. It is a serious disciplinary offence to make allegations that prove to be unsubstantiated and made maliciously or known to be false.

In most cases, Discloser should approach their supervisor first as they may be in the best position to address a concern. If Disclosers are not comfortable speaking to their supervisor or not satisfied with their supervisor's response, they are encouraged to speak with anyone in management whom they are comfortable in approaching.

Supervisors and managers are required to report suspected Reportable Matters to the Report and Investigation Officer, who has specific and exclusive responsibility to investigate all reported potential violations.

Additionally, Disclosers are able to file a complaint concerning a Reportable Matter to the following external people or bodies:

- (a) an external auditor of the Company;
- (b) Australian Securities and Investment Commission (**ASIC**);
- (c) Australian Prudential Regulation Authority (**APRA**); and
- (d) a lawyer (to obtain advice or representation about the related Australian laws).

If any person is not comfortable speaking with their direct supervisor or manager on a Reportable Matter or if they are unavailable they should contact the Report and Investigation Officer or a member of the Board.

5. Report and Investigation Officer

The Report and Investigation Officer is responsible for investigating and resolving all reported complaints and allegations concerning Reportable Matters as outlined in this Policy. At their discretion, the Report and Investigation Officer shall advise the Chair and Managing Director (or equivalent) and/or the Audit Committee (if applicable) of the Board. Unless otherwise advised the Report and Investigation Officer will be the Company Secretary.

The Report and Investigation Officer has direct access to the Board and Audit Committee (if applicable) of the Board and is required to report to the Board and Audit Committee (if applicable) of the Board, at least a bi-annual basis, on the compliance activity of Cazaly.

If a Discloser is not comfortable speaking with the Report and Investigation Officer on a Reportable Matter or if they are unavailable the Discloser should contact the Chair or another member of the Board.

6. Accounting and Auditing Matters

The Audit Committee will address concerns raised in relation to corporate accounting practices, internal controls or auditing. The Report and Investigation Officer is responsible for notifying the Audit Committee of any such complaint and working with the Committee to resolve the matter.

7. Confidentiality

If a Discloser makes a report under this Policy, the Company will ensure that Discloser's identity is protected from disclosure.

The Discloser's identity, or information likely to lead to the identity of the Discloser, will not be disclosed unless the:

- (a) Discloser making the report consents to the disclosure;
- (b) disclosure is required by law;
- (c) disclosure is made to ASIC, APRA, a member of the Federal Police or Commissioner of Taxation; or
- (d) disclosure is made to a legal practitioner for the purpose of obtaining legal advice or legal representation in relation to any related law.

The Company will ensure that any records relating to the report are stored securely and is only accessed by authorised personnel.

The following unauthorised disclosures will be regarded as a disciplinary matter and unacceptable conduct, and will be dealt with in accordance with the Company's disciplinary procedures:

- (a) unauthorised disclosure of the identity of a person who has made a report of unacceptable

- conduct; or
- (b) unauthorised disclosure of information from which the identity of the reporting person could be inferred.

8. Protections Under the Corporations Act

Under the Corporations Act, the Discloser qualifies for certain protection where:

- (a) the person is a Discloser in relation to the Company;
 - (i) the disclosure is made to ASIC;
 - (ii) the disclosure is made to APRA;
 - (iii) the disclosure is made by a person to a Commonwealth authority in relation to the Company;
 - (iv) the disclosure is made to an officer or senior manager of the Company or a related body corporate;
 - (v) the disclosure is made to the auditor or a member of the audit team of the Company or an actuary of the Company or a related body corporate;
 - (vi) to the Report and Investigation Officer;
 - (vii) the disclosure is made to a legal practitioner for the purpose of obtaining legal advice or legal representation;

a person making the disclosure provides his or her name prior to disclosing the information; and
- (b) the Discloser makes a report on Reportable Matters on the reasonable grounds to support that the information being disclosed concerns misconduct, or an improper state of affairs or circumstances in relation to the Company.

The protections do not generally apply to information relating to personal work-related grievances except in limited circumstances.

The protection given to the Discloser by the Corporations Act when the above conditions are met:

- (a) the Discloser is not subject to any civil, criminal or administrative liability (including disciplinary action) for making the report;
- (b) no contractual or other remedy may be enforced, and no contractual or other right may be exercised, against the Discloser on the basis of the disclosure; and
- (c) in the event that the report is made to ASIC or APRA, or where the disclosure qualifies as a public interest or emergency disclosure, the report is not admissible against the Discloser in criminal proceedings or in proceedings for the imposition of a penalty;
- (d) the Discloser is protected from anyone who causes or threatens to cause detriment to a Discloser or another person in the belief or suspicion that a report has been made, or may have been made, proposes to or could be made, may be guilty of an offence and may be liable for damages;
- (e) a Discloser's identity cannot be disclosed to a court or tribunal except where considered necessary; and
- (f) the person receiving the report commits an offence if they disclose the substance of the report leading to the identity of the Discloser or the Discloser's identity, without the Discloser's consent, to anyone except ASIC, APRA, the Federal Police or a lawyer for the purposes of obtaining legal advice or representation in relation to the report.

9. Protections Under the Tax Act

Under the Tax Act, the disclosure of Reportable Matters by the Discloser qualifies for certain protection:

- (a) when the Reportable Matter is reported to:
 - (i) an auditor, or a member of an audit team conducting an audit, of the Company;
 - (ii) a registered tax agent or BAS agent who provides tax agent services or BAS services to the entity;
 - (iii) Report and Investigating Officers;
 - (iv) Director, secretary or senior manager of the Company; and
 - (v) employees that have functions or duties relating to the tax affairs of the Company (**Tax Recipients**);
- (b) if the Discloser makes a report to the Tax Recipients, the Discloser
 - (i) has reasonable grounds to suspect that the information indicates misconduct, or an improper state of affairs or circumstances, in relation to the tax affairs of the Company; and
 - (ii) considers that the information may assist the eligible recipient to perform functions or duties in relation to the tax affairs of the entity or an associate of the Company.

The protections given by the Tax Act when the above conditions are met:

- (a) the Discloser is not subject to any civil, criminal or administrative liability (including disciplinary action) for making the disclosure;
- (b) no contractual or other remedy may be enforced, and no contractual or other right may be exercised, against the Discloser on the basis of the disclosure;
- (c) the information is not admissible in evidence against the Discloser in criminal proceedings or in proceedings for the imposition of a penalty, other than proceedings in respect of the falsity of the information.
- (d) the Discloser cannot be ordered to pay costs in any legal proceedings in relation to a report;
- (e) anyone who causes or threatens to cause detriment to a Discloser or another person in the belief or suspicion that a report has been made, or may have been made, proposes to or could be made, may be guilty of an offence and liable to pay damages;
- (f) the Discloser's identity cannot be disclosed to a court or tribunal except where considered necessary;
- (g) the Discloser receiving the report commits an offence if they disclose the substance of the report leading to the identity of the Discloser or the Discloser's consent, to anyone except the Commissioner of Taxation, the Federal Police or a lawyer for the purposes of obtaining legal advice or representation in relation to the report.

10. Handling of Reported Violations

The Report and Investigation Officer will notify the person who reported the Reportable Matters and acknowledge receipt of the report within five (5) business days. All reports will be promptly investigated and, if warranted, appropriate corrective action will be taken. If appropriate, a verbal report of outcome/s will be provided to the person who reported the conduct.

Where Reportable Matters are made against another person cannot be substantiated, that person will be entitled to continue in their role as if the allegations had not been made.

In conducting investigations, the Report and Investigation Officer must ensure they observe the confidentiality obligations and in particular must not disclose the information reported, the identity of the person making the disclosure or any information that is likely to lead to the identification of the person making the disclosure.

11. Fair Treatment of Employees

The Company will take all reasonable steps to ensure the Disclosers which qualify for protection are not subject to detrimental treatment.

Detrimental treatment includes dismissal, demotion, harassment, discrimination, disciplinary action, bias, threats or other unfavourable treatment connected with making a complaint.

When a Discloser is subjected to detrimental treatment due to a report concerning Reportable Matters under this policy, the Discloser should report this in accordance with paragraph 6 and 7 of this Policy.

12. Policy

This Policy forms part of the Company's Corporate Governance manual and is available to all personnel on the Company's intranet.

This policy is formally reviewed by the Board each year.

1 January 2020