

Perpetual Resources Limited ACN 154 516 533 (Company)

Corporate Governance Policies: Code of Conduct

1. Introduction

The Company is committed to maintaining ethical standards in the conduct of its business activities. The Company's reputation as an ethical business organisation is important to its ongoing success and it expects all its officers and employees to be familiar and have a personal commitment to meeting these standards.

2. Purpose of this Code

The Board has adopted this Code of Conduct (**Code**) to define basic principles of business conduct. The Code requires officers and employees to abide by the policies of the Company and the law. The Code is a set of principles giving direction and reflecting the Company's approach to business conduct and is not a prescriptive list of rules for business behaviour.

3. Business ethics

(a) Openness, honesty, fairness and integrity

Officers and employees will conduct themselves with openness, honesty, fairness and integrity in business transactions and in dealings with others.

(b) Mutual respect

Officers and employees are expected to treat everyone else with whom they interact in their work with courtesy and respect.

(c) Ethical conduct

Officers and employees will act ethically in their approach to business decisions.

(d) Compliance with laws

Officers and employees are expected to comply with all laws and regulations that govern the Company's business and the policies that the Company adopts from time to time.

4. Business conduct

Officers and employees will observe appropriate principles of behaviour when conducting Company business and interacting with others.

(a) Compliance with laws and regulations

Directors, officers and employees will act in compliance with all laws and regulations that apply to the Company's business. Directors, officers and employees should discuss with their manager and if necessary obtain the consent of the Chairman to seek advice from one of the Company's legal advisors if they are unclear about any laws or regulations relating to their work.

(b) Trading in shares

Any trading of the Company's shares must be done in accordance with the Company Share Trading Policy.

(c) Intellectual property

Each officer and employee is responsible for protecting the Company's intellectual property rights. All intellectual property that an employee or contractor generates in relation to the Company is the property of the Company.

5. Personal and professional conduct

(a) Financial integrity

The Company has stringent financial accounting procedures that are overseen by management, the Board (or the audit committee appointed by the Board) and the external auditor. The use of Company funds or assets for any unethical purpose is prohibited.

(b) Giving gifts

The Company does not allow the making of payments or payments in kind (gifts, favours etc) to induce individuals to award business opportunities to the Company or to make a decision in the Company's favour. This activity is prohibited by the *Criminal Code Act 1995 (Cth)*.

The Company recognises that it is accepted business practice that entertainment and small gifts may be extended to customers and other third parties with whom the Company has a relationship. However, any such gifts must be made for a proper purpose.

(c) Accepting gifts

Officers and employees should not accept personal gifts or extraordinary hospitality, accommodation or travel which may influence, or appear to influence, a business decision.

(d) Business agreements and contracts

The Company expects to compete fairly and ethically for all business opportunities. Officers and employees involved in the negotiation of agreements and contracts must ensure that they act in accordance with the law. All appropriate approvals must be obtained before contracts are executed. The Company is committed to meeting its contractual obligations.

(e) Confidentiality and privacy

Officers and employees may not at any time, directly or indirectly, profit from confidential information obtained during the course of duties they perform on behalf of the Company.

Each officer and employee must safeguard confidential information of the Company by not transferring, publishing, using or disclosing it other than when necessary in the ordinary course of business, or as specifically directed or authorised. All confidential or proprietary information that has been entrusted to the Company by a third party must be treated as if it was the Company's confidential information and all officers and employees must adhere to the Company's privacy obligations.

(f) Public Statements

Public statements have the potential to breach the Company's obligations in respect to confidential information, share trading and continuous disclosure.

Officers and employees should not make public statements unless authorised by the Chairman or Company Secretary.

(g) Smoking and the use of drugs and alcohol

A safe and healthy work environment is the responsibility of every employee. This obligation includes responsible behaviour with respect to the use of alcohol, drugs and tobacco when conducting Company business and at Company sponsored activities.

Smoking and the use of recreational or non-prescription drugs is not permitted on Company premises.

(h) Gathering information on the Company's competitors

Information should not be gained through unlawful or deceitful means.

(i) Conflict of interest

All officers and employees have an obligation to seek to avoid financial, business or other relationships which might be opposed to the interests of the Company or which may conflict with the performance of their duties. If you have any doubt about conflicts of interest, you should contact your manager or the Company Secretary.

(j) Use of Company's resources

Employees must use all Company assets for proper purposes during their employment with the Company. No property of the Company may be sold, loaned, given away, or otherwise disposed of, without proper authorisation.

(k) Email and internet

The Company's email and internet systems have been developed to assist communication with stakeholders, suppliers and between staff. These facilities may not be used for personal gain, in a manner which may breach the law or, is inappropriate for an officer or employee of the Company.

6. Respect for others

(a) The Company and its employees

The Company actively supports the principle of equal employment opportunity and expects its officers and employees to practise and support this principle. The Company's policy is to ensure that it does not engage in discriminatory practices and to make employment and career decisions on the basis of individual ability, performance, experience and Company requirements.

The Company regards personal, physical or sexual harassment as unacceptable. The Company expects and requires its officers and employees to comply with Occupational Health and Safety laws and Company policies in this regard.

(b) The Company, its shareholders and the financial community generally

The Company is committed to delivering shareholder value by evaluating its business and expenditure decisions against this objective. The Company has adopted a Continuous Disclosure Policy and will ensure compliance with all relevant disclosure obligations and accounting standards.

- (c) The Company and its stakeholders and suppliers

The Company's stakeholders and suppliers will be treated fairly and with respect. The Company strives to maintain open and frank business dealings and to develop mutually advantageous relationships.

- (d) The Company and the community

The Company recognises that it is part of the community and aims to conduct its business in a manner that ensures that the rights of the community and environment are respected.

7. Reporting improper behaviour

It is the responsibility of the Board to monitor and ensure compliance with the Code and to record, investigate and, where necessary, take action in respect of suspected breaches.

Ensuring compliance with this Code is not always easy and the Company expects all employees to assist in this regard. Any fraudulent or unethical behaviour should be reported to the Board, the Company Secretary or senior management personnel. The Company does not expect that concerned members of staff (**Whistleblowers**) will have unquestionable evidence to support their suspicions. It is the Company's responsibility to investigate and determine whether the suspicions are justified and supported by evidence.

All communications from Whistleblowers will be treated with the strictest confidence and the Whistleblower's identity will not be revealed without their consent. Provided that the concern is raised in good faith, Whistleblowers will not be at any risk of losing their job or suffering any form of reprisal for coming forward. Furthermore, the Company will take all reasonable steps to prevent the harassment or victimisation of the Whistleblower. However, no assurances are offered to members of staff who maliciously raise matters which they know to be untrue. This will be regarded as misconduct and dealt with accordingly.

The Board may refer matters raised by Whistleblowers to a designated investigating officer. Investigations will be conducted confidentially and, if the Whistleblower requests, without disclosing the Whistleblower's identity. In rare cases, it may not be possible to ensure complete confidentiality (eg if legal proceedings take place), however the Whistleblower's identity will not be revealed without their consent and the Company will do everything possible to support and protect the Whistleblower. The investigating officer will keep the Whistleblower informed with regard to the progress of the investigation and what action, if any, the Company will take in response to the Whistleblower's concerns.

8. More information

If you wish to obtain more information regarding any aspect of the Company's Code of Conduct, please consult the Company Secretary.

Approved by the Board on 31 August 2020