



La Mancha Resources Australia Pty Ltd

## Code of Business Conduct

### **Purpose**

La Mancha Australia Pty Ltd (LMRA) builds its reputation and success on the integrity and competence of the people who manage its business and is dedicated to high moral and ethical standards.

This Code of Business Conduct applies to every director, officer and employee of LMRA who will strive to meet LMRA's commitments and obligations to all who have a personal, professional or financial stake in the business. LMRA and its employees will be committed to compliance with all applicable laws, and the provisions of this Code are binding to all employees.

With these credentials in mind, LMRA has adopted this code which sets down the standards of behaviour that LMRA requires of its employees.

### **Employee Occupational Health and Safety**

LMRA considers maintaining safe and healthy working conditions and preventing accidents to be integral to the operation and the administration of its business. All employees are encouraged to be safety conscious, follow safe work procedures and practices, actively report and rectify hazards, report all incidents without fear of personal implications.

### **Environmental Protection**

LMRA is committed to protecting the environment and the health and safety of its employees, their families, their community and the public. LMRA will ensure such protection through compliance with all applicable laws. To meet LMRA environmental standards, we are required to demonstrate compliance with all public health and environmental laws pertaining to its operations. All employees are expected to assist in these efforts.

### **Conflicts of Interest**

All dealings by employees must be conducted without "Conflict of Interests" being in a manner which will not compromise the integrity, or place in question, the reputation of the Company or for personal gain of any individual. All employees have a duty to avoid financial, business or other relationships that may be opposed to the interest of LMRA and which may cause a conflict with the performance of their duties. Employees must not use their position to obtain personal gain or benefit from those doing or seeking to do business. Acceptance of bribes, kickbacks, gifts or favours or gaining personal advantage that may commit LMRA to a business obligation is not acceptable. This does not prevent employees from accepting modest gifts, favours or entertainment, provided such offer is of a nature which will not affect, or reasonably be thought by others to affect, the employee's judgment or conduct in matters involving the Company. These events should be notified to the employee's Manager for reason of disclosure and transparency as they occur.

## **Fair Dealing**

Employees are required to select and deal with external parties, doing or seeking to do business with LMRA, in a completely impartial manner, without favour or preference based upon any considerations other than the best interests of the Company. The Company expects employees to deal fairly with Business Partners without taking unfair advantage through manipulation, concealment, abuse of privileged information or misrepresentation of facts.

## **Transparency in all Community Dealings**

Community and local public relations shall always be conducted with integrity and sensitivity to others with the intent to build an image that will facilitate the Company to achieve its goals. The Company may provide physical and/or financial assistance, on a local basis, to develop a co-operative relationship with its Community by active involvement in non-political matters where the Company's resources can compliment local operations and activities.

## **Accounting Practices**

The Company's accounting practices must reflect, in an accurate and timely manner, all the Company's transactions fairly and in reasonable detail, and in accordance with the highest standards of integrity and accepted accounting principles. Appropriate records must be kept of all transactions and there are to be no cash funds, bank accounts, investments or other assets, which are either not recorded or inadequately recorded. No payment is to be approved without adequate supporting documentation and assigned signatories.

Employees must record and report information accurately and honestly. This includes accurate reporting of time worked, business expenses incurred, exploration data, revenues and costs, and other business-related activities. All Company records are subject to audit, and financial records should be maintained in accordance with generally accepted accounting principles and industry best practices.

Dishonest reporting, whether for internal or external purposes, will not be tolerated. This includes reporting or organizing information in an attempt to mislead or misinform. No entry will be made on the Company's books and records that intentionally hides or disguises the true nature of any transaction.

## **Company Shares - Trading Restrictions**

No employee in an information privileged relationship with the Company, shall purchase or sell securities of the Company while in possession of material information concerning the Company that has not been previously disclosed to the public, nor, except in the necessary course of business, shall an employee inform any individual or entity of any such material information.

## **Protecting Company Assets**

Protecting all LMRA's assets, including physical property and intangible assets (such as data, software, exploration results and confidential information) against loss, theft and misuse is every employee's responsibility. LMRA expects its assets, equipment and facilities to be treated and maintained at the highest standards.

LMRA's assets may be used only for proper Company purposes. They may not be used for personal benefit, nor may they be sold, loaned, given away, or disposed of without proper authorization. Any individual aware of the loss or misuse of assets shall report it in the appropriate manner without fear of reprisal. Anyone receiving such reports shall handle them in a careful and thorough manner, and such investigations will be conducted confidentially.

## **Business Information**

LMRA has developed geologic and processed information over many years at considerable expense. Because of this effort, LMRA possesses valuable confidential information, including proprietary geologic and exploration data. Employees must protect LMRA's business information as carefully as its physical and other property. Unauthorized disclosure of this information could destroy its value to LMRA and give unfair advantage to others. To ensure confidentiality of Company information, Employees must adhere to the following principles:

1. Employees must not disclose confidential information, either during or after employment, except when authorized by LMRA to disclose it to others who have entered into confidentiality agreements with LMRA.
2. Similar restrictions, apply to information obtained from our partners, suppliers, and others who furnish information to LMRA on a confidential basis. Employees must not disclose this confidential information, either during or after employment by LMRA, unless suitably authorized approval has been provided.

## **Employee Responsibilities**

Ethical behavior is an individual responsibility. High standards are expected of all Employees, regardless of position or location. No supervisor has the authority to require conduct that is in violation of this code or any law. Every Employee is expected to report any violation of this code or any applicable law to his or her supervisor. The Company will investigate reports in the strictest possible confidence, consistent with the particular situation. Employees who make such reports in good faith should have no fear of reprisal.

## **Employee Relationships**

LMRA values its employees. Trust, respect, and ethical business conduct are the key to achieving and maintaining sound relationships among LMRA Employees. Basic to these relationships is LMRA's recognition of the personal value and contribution of every employee. LMRA pledges that every employee will be judged and treated with dignity and respect and discrimination or harassment directed against any individual will not be tolerated. Employees will be judged on the basis of his or her performance and qualifications without regard to race, creed, gender, religion, national origin, age, or disability, as outlined in LRMA's Discrimination and Anti Harassment Policy.

## **Management Responsibilities**

All managers are accountable for the actions of their employees. They are also responsible for seeing that policies are followed. Every Manager is responsible for informing his or her employees about Company policies, including those dealing with legal and ethical behavior. Managers and Supervisors also are responsible for maintaining a work environment where constructive, frank, and open discussion is encouraged and expected, without fear of retaliation.

Management at all levels throughout the Company are responsible for ensuring adherence to the this code.

## **Reporting of Breaches**

LMRA encourages the enforcement of any violation of this code. Reports should be directed to a LMRA Manager, General Manager or directly to the Chief Operating Officer.

The Code of Business Conduct does not cover every possible subject or situation. If in doubt, an employee should consult a LMRA Manager or other trusted Company representative who shall be committed to dealing with an enquiry with discretion and apply sound judgment and advice. All reports are to remain confidential. An employee shall reserve the right to report outside his or her normal chain of control.

Breaches will incur appropriate action and involvement of law enforcement agencies where illegal actions have taken place. Employees will not be indemnified from costs incurred which may arise out of breach of this code.