

# **CORPORATE GOVERNANCE POLICIES**

## **CODE OF CONDUCT**

This code of conduct aims to encourage the appropriate standards of conduct and behaviour of the directors, officers, employees and contractors (collectively called the employees) and documents the ethical standards by which the Company will undertake its business dealings.

Employees are expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.

### **GENERAL PRINCIPLES**

1. Employees shall comply with all laws and regulations for the conduct of the Company's business. Employees should seek advice from the Managing Director (when appointed) if they are unclear about laws or regulations relating to their work. Employees have an obligation, to comply with the spirit as well as the letter of the law and with the principles of this code.
2. The Company acknowledges that the health, safety and welfare of its employees and the community is of paramount importance and the Company is committed to pursue its goals through safe work practices. The highest standards of health, safety and welfare are to be maintained in accordance with occupational health and safety regulations and codes of practice.
3. The Company shall prevent or otherwise minimise, mitigate and remediate, any harmful effects of the Company's operations on the environment. Compliance with all environmental laws and regulations is the foundation on which the Company builds its environmental performance.
4. The Company is committed to developing a work environment in which all employees are treated fairly and with respect. Employment with the Company must be offered and provided based on availability and merit. All employees and applicants for employment should be treated and evaluated according to their job-related skills, qualifications, abilities and aptitudes only.
5. Employees of the Company must act honestly, in good faith and in the best interests of the Company as a whole.
6. Employees have a duty to use due care and diligence in fulfilling the functions of their position and exercising the powers attached to their employment.
7. Employees must recognise that their primary responsibility is to the Company's shareholders as a whole.
8. Employees must not make improper use of information acquired as an employee and must not take improper advantage of their position for personal gain or the gain of their associates.
9. Confidential information received by employees in the course of the exercise of their duties remains the property of the Company. Confidential information can only be released or used with specific prior permission from the Company.
10. Employees should not engage in conduct likely to bring discredit upon the Company.

The Company views breaches of this code as serious misconduct. Employees who have become aware of any breaches of this code must report the matter immediately to the Managing Director (when appointed) or the Company Secretary. The Managing Director or Company Secretary have the responsibility to report the breach to the appropriate senior management or to the Board and to advise the employee of the outcome and actions implemented.

Any employee who in good faith, reports a breach or a suspected breach will not be subject to any retaliation or recrimination for making that report.

Employees who breach the policies outlined in the code may be subject to disciplinary action, including in the case of serious breaches, dismissal, at the discretion of the Board.

## **DIRECTORS**

The following additional principles apply to directors of the Company and aim to ensure directors have a clear understanding of the Company's expectations of their conduct.

### ***Fiduciary duties***

All directors have a fiduciary relationship with the shareholders of the Company. A director occupies a unique position of trust with shareholders, which makes it unlawful for directors to improperly use their position to gain advantage for themselves.

### ***Duties of directors***

Each director must endeavour to ensure that the Company is properly managed so as to protect and enhance the interests of all shareholders. To meet this obligation, directors need to devote sufficient time and effort to understand the Company's operations.

### ***Conflict of interest***

At all times a director must be able to act in the interests of the Company. Where the interests of associates, the personal interest of a director or a director's family may conflict with those of the Company, then the director must immediately disclose such conflict and either:

- eliminate the conflict, or
- abstain from participation in any discussion or decision-making process in relation to the subject matter of the conflict, or
- in exceptional circumstances they may need to consider resignation.

### ***Insider trading***

Information concerning the activities or proposed activities of the Company, which is not public and which could materially affect the Company's share price, must not be used for any purpose other than valid Company requirements.

### ***Share trading***

All employees and contractors must observe the Company's Securities Trading Policy. In conjunction with the legal prohibition on dealing in the Company's securities when in possession of unpublished price sensitive information, the Company has established specific "closed" periods when directors, key management personnel and certain other nominated employees are not permitted to buy and sell the Company's securities.

## **STAKEHOLDERS**

The Board recognises that the primary stakeholders in the Company are its shareholders. Other legitimate stakeholders in the Company include employees, contractors and the general community.

The Company is committed to conducting all its operations in a manner which:

- protects the health and safety of all employees, contractors and community members;
- recognises, values and rewards the individual contribution of each employee;
- achieves a balance between economic development, maintenance of the environment and social responsibility;
- maintains good relationships with suppliers and the local community; and
- is honest, lawful and moral.

## CONTINUOUS DISCLOSURE POLICY

This policy outlines the disclosure obligations of the GTI Resources Ltd (Company) as required under the Corporations Act and the ASX Listing Rules. The policy is designed to ensure that procedures are in place so that the stock market operated by ASX Limited is properly informed of matters which may have a material impact on the price at which the securities are traded.

As a listed company, the Company is subject to the general principle that unless a disclosure exception applies, information which may affect the price or value of its securities or influence decisions taken by investors to buy or sell its securities must be disclosed publicly immediately, that is promptly and without delay.

The Company is committed to:

- complying with the general and continuous disclosure principles contained in the Corporations Act and the ASX Listing Rules;
- preventing the selective or inadvertent disclosure of material price sensitive information;
- ensuring shareholders and the market are provided with full, accurate and timely information about the Company's activities;
- ensuring that all market participants have equal opportunity to receive externally available information issued by the Company.

### ***Material information***

In accordance with the ASX Listing Rules, the Company must immediately notify the market (via an announcement to the ASX) of any information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Company's securities, whether favourable or unfavourable to the Company.

This rule does not apply to particular information for which each of the following applies:

- one or more of the following applies:
  - it would breach the law to disclose the information;
  - the information concerns an incomplete proposal or negotiation;
  - the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
  - the information is generated for internal management purposes; or
  - the information is a trade secret;
- the information is confidential and the ASX has not formed the view that the information has ceased to be confidential; and
- a reasonable person would not expect the information to be disclosed.

The Company is also required to disclose information if asked to do so by the ASX, to correct or prevent a false market.

The Company is deemed to have become aware of information where a director or executive officer has, or ought to have, come into possession of the information in the course of the performance of his duties.

The Corporations Act defines material effect on price or value as being where a reasonable person would be taken to expect information to have a material effect on the price or value of securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the securities.

The Board has the ultimate responsibility to ensure that the Company complies with its disclosure obligations under the ASX Listing Rules. It has delegated the day to day management of that responsibility to the disclosure officers.

### ***Disclosure officers***

The Chairman, Managing Director (when appointed) and the Company Secretary have been appointed as the Company's disclosure officers responsible for implementing and administering this policy. The disclosure officers are responsible for all communication with ASX and for making decisions on what should be disclosed publicly under this policy.

In the absence of the Chairman, Managing Director or Company Secretary, any matters regarding disclosure issues are to be referred to the chairman of the audit committee who may elect to consult with other non-executive directors.

### ***Review of communications for disclosure***

The disclosure officers will review all communications to the market to ensure that they are full and accurate and comply with the Company's obligations. Such communications may include:

- media releases;
- analyst, investor or other presentations;
- prospectuses; and
- other corporate publications.

Examples of information or events that are likely to require disclosure include:

- results of exploration and drilling activities;
- financial performance and material changes in financial performance or projected financial performance (i.e. financial guidance);
- changes in relation to directors and senior executives;
- mergers, acquisitions, divestments, joint ventures or material changes in assets;
- significant developments in new projects or ventures;
- material information affecting joint venture partners;
- media or market speculation;
- analyst or media reports based on inaccurate or out of date information;
- industry issues which have, or which may have, a material impact on the Company; and
- decisions on significant issues affecting the Company by regulatory authorities.

Where there is any doubt as to whether an issue might materially affect the price or value of the Company's securities, the disclosure officers will assess the circumstances and if necessary, seek external professional advice.

Presentations to analysts and investors will be released to the ASX and then included on the Company's web-site.

### ***Reporting of disclosable information***

Once the requirement to disclose information has been determined, the disclosure officers are the only persons authorised to release that information to the ASX.

Information to be disclosed must be lodged immediately with the ASX. Any such information must not be released to the general public until the Company has received formal confirmation of lodgement by the ASX. All information disclosed to the ASX in compliance with this policy will be promptly placed on the Company's web-site.

### ***Authorised spokespersons***

The Company's authorised spokespersons are the Chairman, Managing Director and the Company Secretary. In appropriate circumstances, the Managing Director may from time to time authorise other spokespersons on particular issues and those within their area of expertise.

No employees or consultants are permitted to comment publicly on matters confidential to the Company. Any information which is not public must be treated by employees and consultants as confidential until publicly released.

#### ***Market speculation and rumours***

As a guiding principle, the Company has a “no comment” policy on market speculation and rumours, which must be observed by all employees. However, the Company will comment on market speculation or rumours if specifically required to do so to comply with its continuous disclosure obligations under the ASX Listing Rules.

#### ***Trading halts***

The Company may, in certain circumstances, request a trading halt to maintain orderly trading in the Company’s securities and to manage any disclosure obligations. Such circumstance may include:

- if confidential price sensitive information is prematurely or inadvertently made public and where an immediate release cannot be made which would fully inform the market; or
- where it may be necessary to arrange a press conference and briefings in advance of making a formal announcement.

Only the Chairman, Managing Director or Company Secretary have authority to request a trading halt from ASX.

#### ***Meetings and group briefings with investors and analysts***

The Chairman and Managing Director are primarily responsible for the Company’s relationship with major shareholders, institutional investors and analysts and shall be the primary contacts for those parties.

Any written materials containing new price-sensitive information to be used in briefing media, institutional investors and analysts are lodged with ASX prior to the briefing commencing. Upon confirmation of receipt by ASX, the briefing material is posted to the Company’s web-site. Briefing materials may also include information that may not strictly be required under continuous disclosure requirements.

The Company will not disclose price sensitive information in any meeting with an investor or stockbroking analyst before formally disclosing it to the market. The Company considers that one-on-one discussions and meetings with investors and stockbroking analysts are an important part of proactive investor relations. However, the Company will only discuss previously disclosed information in such meetings.

The disclosure officers must be fully briefed immediately after any meetings with analysts and investors in cases where information inadvertently discussed may need to be released to the market.

#### ***Periods prior to release of financial results***

During the time between the end of the financial year or half year and the release of actual results, the Company will not discuss financial performance, broker estimates and forecasts and particularly, any pre-result analysis with stockbroking analysts, investors or the media, unless the information to be discussed has already been disclosed to the ASX.

If during the preparation of the financial statements, it appears that price sensitive information has not previously been disclosed, that information will be disclosed immediately and will not be held back for disclosure in the financial statements.

#### ***Web-based communication***

The Company’s web-site features discrete sections for shareholders and investors to ensure that such information can be accessed by interested parties. Such information includes:

- annual, half-yearly and quarterly reports;

- all other company announcements made to the ASX;
- details of the Company's mineral exploration projects; and
- Company profile and Company contact details.
- presentation material provided to investors or stockbroking analysts.

Announcements lodged with the ASX will be made available on the Company's web-site as soon as practicable after ASX confirms receipt of that information. All web-site information will be regularly reviewed and updated to ensure all information is current or clearly dated and archived.

In the future, shareholders may be offered the option of receiving information via e-mail instead of post. In those circumstances, e-mail messages would provide information directly or advise that the Company's web-site has been updated with a new announcement or other information.

#### ***Analysts reports and forecasts***

Stockbroking analysts frequently prepare reports on listed companies that typically detail strategies, performance and financial forecasts. To avoid inadvertent disclosure of information that may affect the Company's value or share price, the Company's comments on analyst reports will be restricted to:

- factual matters
- information the Company has issued publicly;
- other information that is in the public domain;
- guidance on assumptions; and
- where possible, particularly in the case of results announcements, the Company will aim to provide advance notification of group briefings and make them widely accessible, including through the use of web casting through the internet and/or conference calls.

#### **BREACH OF POLICY**

Breaches of this policy may lead to a breach of applicable legislation, ASX Listing Rules or other regulations. This may result in damage to the Company's reputation and potential criminal and civil liabilities could be imposed on the Company or its directors, officers and employees. Accordingly, breaches will be taken very seriously by the Company.