

**GEOPACIFIC RESOURCES LTD**  
**ACN 003 208 393**  
**("Company")**

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## **ANTI CORRUPTION POLICY**

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## 1. INTRODUCTION

Geopacific Resources Limited (**Geopacific**) is committed to responsible corporate governance and to conducting business in an honest and ethical manner in accordance with the law. Honesty and integrity are considered integral to the Company's values and the way Geopacific and its subsidiaries (**Geopacific Group**) operate their businesses. Conduct associated with bribery, corruption and dishonesty is inconsistent with these values and against the law and may result in Geopacific and individual company employees being prosecuted.

This Anti-Bribery and Anti-Corruption Policy (**Policy**) prohibits Geopacific Personnel (defined below) from engaging in activity that constitutes bribery or corruption. This Policy supports Geopacific's corporate governance framework.

The purpose of this policy is to:

- a) set out the responsibilities of Geopacific Personnel in observing and upholding the prohibition on bribery, corruption and related improper conduct; and
- b) provide information and guidance on how to recognise and deal with instances of bribery and corruption.

## 2. WHO DOES THE POLICY APPLY TO?

This Policy applies to all individuals at all levels who are employed by, act for, or represent the Geopacific Group (Geopacific Personnel) in all countries. This includes, but is not limited to, the following:

- a) directors;
- b) officers;
- c) managers;
- d) employees;
- e) contractors;
- f) consultants; and
- g) any other person representing the Geopacific Group.

This Policy applies to Geopacific Personnel irrespective of their employment status (that is, whether they are employed on a full-time, part-time, fixed term, casual or temporary basis).

## 3. WHAT IS BRIBERY AND CORRUPTION?

### 3.1. Bribery

Bribery is the act of offering or accepting a benefit, with the intention of influencing a person to behave outside the responsibilities of their role or to not act in good faith, in order to gain a personal or business advantage that is not legitimately due.

Acts of bribery are typically intended to improperly influence individuals to act dishonestly in the performance or discharge of their duty.

A bribe could be either a direct or an indirect promise, offering, or authorisation, of anything of value designed to exert improper influence.

The benefit that is offered, given or received may be monetary or non-monetary. For example, it may involve non-cash gifts, political or charitable contributions, loans, reciprocal favours, business or employment opportunities or lavish corporate hospitality.

#### **3.1.1. Target of the bribery**

Whether the target of the act of bribery works in the public or private sector is irrelevant. The relevant laws apply to bribery of public officials as well as bribery in respect of any proposed or completed commercial transaction in the private sector.

#### **3.1.2. Direct and indirect forms**

Bribery can be direct or indirect. It may involve procuring an intermediary or an agent to make an offer which constitutes a bribe to another person, or where a bribe is made to an associate of a person who is sought to be influenced.

#### **3.1.3. Acceptance of a bribe**

It is irrelevant if a bribe is accepted or paid. Merely offering the bribe will usually be sufficient for an offence to be committed.

### **3.2. Corruption**

Corruption is the misuse of office or power or influence for private or personal gain.

### **3.3. Secret commissions**

Secret commissions typically, but not always, arise where a person or entity (eg. any Geopacific Personnel) offers or gives a commission to an agent or representative of another person which is not disclosed by that agent or representative to their principal. Such a payment is made as an inducement to influence the conduct of the principal's business.

## **4. WHAT CONDUCT IS PROHIBITED?**

### **4.1. Legal obligations**

In Australia laws that prohibit bribery and corruption apply to businesses incorporated in Australia and to individuals who are Australian citizens or residents, wherever they may be.

This policy applies the terms of the Australian legislation to Geopacific Personnel for all actions within Australia and for all actions outside Australia where the local legislation is of a lower standard. Where the Company operates in a jurisdiction with a higher standard of legislation then that standard must be adhered to.

### **4.2. Prohibition for Geopacific Personnel**

Geopacific Personnel must not do any act that constitutes bribery or corruption as described in paragraph 3 of this Policy. This means that Geopacific Personnel must not directly or indirectly give, offer, promise, request or receive a bribe or cause a bribe to be given or received.

In addition, the payment of secret commissions by any Geopacific Personnel is prohibited.

## **5. WHAT ARE THE CONSEQUENCES OF A CONTRAVENTION?**

Corruption, bribery and any related conduct are very serious offences.

If any Geopacific Group company is found to have taken part in bribery or any other related improper conduct addressed by this policy, it could face a fine, be excluded from tendering for public contracts and/or suffer reputational harm. An individual may be subject to penalties or lengthy terms of imprisonment.

A breach of this Policy by any Geopacific Personnel will be regarded by Geopacific as serious misconduct, and may lead to disciplinary action which may include termination of employment and/or referral of a matter to the relevant authorities.

## **6. WHAT GIFTS AND HOSPITALITY MAY BE GIVEN OR ACCEPTED?**

### **6.1. Gifts and hospitality**

Gifts, meals, travel, entertainment and other hospitality (Gifts) often form part of a legitimate commercial relationship. However, in some circumstances Gifts can compromise the exercise of objective business judgement, and may result in a breach of this Policy. Therefore, it is important to be careful when offering, promising, giving or receiving anything of value, particularly involving any government official, to ensure that it does not constitute a bribe or corrupt payment or that it would not be perceived as engaging in improper conduct. As such, precautions must be taken and this Policy must be complied with when offering Gifts to, or receiving Gifts from, any external party or entity.

### **6.2. Criteria for allowable Gifts**

This Policy does not preclude any Geopacific Personnel from giving to, or accepting a Gift from, a government official or any other person, when engaging in Geopacific Group business in accordance with the following guidelines.

Before giving a Gift to, or accepting a Gift from, any person, including a government official it is important to:

- a) ensure that the Gift is directly connected to a legitimate business activity;
- b) ensure that no regulatory approvals (such as the granting of permits or licences) are currently being considered by that person or government official such that a Gift could, or could be seen to, influence or reward action taken by that person or government official;
- c) ensure that the proposed recipient can accept any such Gift (many government officials and other private sector representatives cannot do so under local laws or their own code of conduct);
- d) ensure that it is of an appropriate value and nature considering local custom, the position of the recipient and the circumstances;
- e) assess that the giving or acceptance of the Gift would not cause a third party to form an impression that there is an improper connection between that Gift and a business opportunity; and
- f) comply with the requirements in paragraphs 6.3 and 6.4 of this Policy.

If a Gift does not satisfy the criteria set out in paragraph 6.2, the Gift must not be given or received by the Geopacific Group or any Geopacific Personnel.

The criteria set out in paragraph 6.2 remains applicable in the case of customary gifts (such as for weddings or cultural festivals).

### **6.3. Giving Gifts**

If any Geopacific Personnel proposes to give a Gift to any external party which is of a value in excess of \$300, they must obtain prior written clearance from their Immediate Manager or Manager-once-Removed.

### **6.4. Receipt of Gifts**

Gifts of any kind must not be demanded or sought from any supplier, customer, government official or other party with whom Geopacific conducts business.

If any member of Geopacific Personnel receives a Gift from an external party which is of a value in excess of \$300, they must report it to their Immediate Manager, who will then decide whether to provide clearance for the Geopacific Personnel to accept the Gift having regard to the criteria set out in paragraph 6.2.

### **6.5. Register of Gifts**

If clearance is given to give a Gift to an external party in accordance with paragraph 6.3, it must be recorded in a register (Register of Gifts), which will be maintained by each office and consolidated quarterly by the Company Secretary and provided to the Board of Directors of Geopacific.

Where a Gift is received by a member of Geopacific Personnel, after reporting it to the Company Secretary, it must also be recorded in the Register of Gifts.

## **7. CORPORATE SOCIAL RESPONSIBILITY - CAPACITY BUILDING**

Geopacific recognises its capacity building responsibilities to improve educational, health and governance capability of communities and countries where it operates. For example, any bona fide requests to subsidise travel, attending conferences, providing education scholarships by officials, bureaucrats and advisers from Third World Countries including Cambodia and Fiji to Australia will be considered but will require approval from the Company Secretary.

Any such capacity building support is to be recorded in the Register of Gifts.

## **8. HOW DOES THIS POLICY APPLY TO THIRD PARTIES?**

The Geopacific Group will not engage or deal with any third party (being any person or entity who is not a member of Geopacific Personnel, including agents, consultants, distributors, other contractors or joint venture partners) if there is a known risk that they will breach applicable anti-bribery or anti-corruption laws or Geopacific's policies and procedures relating to anti-bribery and anti-corruption.

Third parties must be chosen carefully and engaged appropriately, as any improper conduct by a third party could damage Geopacific's reputation and expose the company and its directors and employees to criminal or civil liability or other sanctions.

Before entering into a relationship with a third party, appropriate due diligence enquiries must be undertaken in relation to the third party. The necessary enquiries will vary depending on the nature of the proposed relationship, but will typically, among other things, determine whether:

- a) the third party is reputable, competent and qualified to perform the work for which they are being engaged;
- b) the compensation the third party requests is reasonable;
- c) the proposed arrangement complies with all applicable legal requirements; and
- d) there is any conflict of interest that means engaging the third party would be inappropriate.

Once a third party is engaged, they must be advised of this Policy.

Standard terms must be included in contractual arrangements with the third party that oblige the third party to operate in accordance with relevant anti-bribery and anti-corruption laws and in accordance with this Policy, and if requested in writing by Geopacific, provide Geopacific with a written statement that the third party is fully compliant with the relevant anti-bribery and anti-corruption laws and this Policy.

Furthermore, reasonable steps must be taken to monitor the transactions of the third party, which may involve periodic due diligence and review.

## **9. RECORD KEEPING**

All accounts, invoices, and other documents and records relating to dealings with any external party or third party should be prepared and maintained with accuracy and completeness. No accounts may be kept “off-book” to facilitate or conceal potential breaches of this Policy.

All expenditure by Geopacific Personnel, including on Gifts, must be included in expense reports and approved in accordance with the Geopacific Group's policies.

## **10. WHAT REPORTING OBLIGATIONS APPLY UNDER THIS POLICY?**

### **10.1. Responsibilities of Geopacific Personnel**

All Geopacific Personnel have a responsibility to aid in the prevention, detection and reporting of behaviour in contravention of this Policy.

### **10.2. How to report an incident**

Should a member of Geopacific Personnel reasonably believe or suspect that a breach of this Policy has occurred, or is likely to occur, they must immediately notify the Company Secretary.

### **10.3. Protection for Geopacific Personnel reporting behaviour**

Geopacific is committed to ensuring no person will suffer detriment because they have reported a matter. Detriment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with reporting a matter.

## **11. DO YOU REQUIRE FURTHER GUIDANCE?**

If you require further guidance as to this Policy, please contact the Company Secretary at the Company's office in Perth on 61 8 6143 1823.

## **12. COMPLIANCE WITH THE POLICY**

Geopacific is committed to maintaining its reputation and complying with the law in all jurisdictions in which it operates.

Not all situations can be directly addressed in a policy. Geopacific Personnel should also bring their own reason, propriety and judgement to a situation based on the principles set out in this Policy.

## **13. REVIEW**

This Policy is to be reviewed:

- a) as soon as practicable after a key change in the nature or scope of Geopacific's activities or a change in legislation relating to bribery and corruption; or
- b) otherwise at least once every two years.