

# ANTI-BRIBERY AND CORRUPTION POLICY

<b>VERSION NO.</b>	1.0		
<b>RESPONSIBLE PERSON/S</b>	Board	<b>CONTACT INFORMATION</b>	-

VERSION HISTORY				
VERSION	APPROVED BY	REVISION DATE	DESCRIPTION OF CHANGE	AUTHOR/S
1.0	Board	June 2020	New Policy	-

## 1.0 INTRODUCTION

- (a) Arafura Resources Ltd and its subsidiaries (collectively, **Arafura or Company**), are committed to conducting its business activities in an ethical, lawful and socially responsible manner, and in accordance with the laws and regulations of the countries in which it operates. the Company's reputation as an ethical business organisation is important to its ongoing success. Engaging in bribery and corrupt conduct is contrary to this commitment and constitutes a serious offence with criminal and civil penalties. It also exposes the Company to significant reputational damage.
- (b) This Anti-Bribery and Corruption Policy applies to all of the Company employees, officers and in certain circumstances, consultants, secondees, contractors, agents and intermediaries representing the Company (collectively **Employees**). This policy supports the Company's Code of Conduct and Statement of Values and, in particular, the Company's firm commitment to operating an ethical business organisation.
- (c) Employees must:
  - (i) not engage in bribery or corrupt conduct or conceal such conduct;
  - (ii) comply with the laws and regulations which apply to us and the Company's operations;
  - (iii) comply with this policy and all the procedures the Company adopts; and
  - (iv) report any concern or suspected or potential breach of this policy immediately in accordance with section 4(c) of this policy.
- (d) This policy, Code of Conduct and Statement of Values are available in the Corporate Governance section of the Company's website.

Arafura Resources Limited | ABN: 22 080 933 455

**Perth Address:**

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PO Box 37220, Winnellie NT 0821



## 2.0 WHAT IS BRIBERY AND CORRUPTION

Bribery and corruption involves offering, promising or giving a benefit, a favour, a gift or anything of value with the intention of unduly influencing the behaviour of a person or a foreign public official in the performance of their duty, in order to obtain or retain business or some other improper advantage.

### 2.1 What behaviour is prohibited by this policy

The following are prohibited behaviour under this policy.

- (a) Offering, paying or receiving bribes

Offering, making or receiving a bribe is strictly prohibited. Australia is a signatory to the OECD Convention Combating Bribery of Foreign Public Officials in International Business Transactions and has enacted legislation prohibiting the offering, paying, causing or promising of anything of value to both foreign and domestic public officials. The legislation enables Australian regulators to prosecute its citizens and corporations for the bribery of public officials in Australia and other countries.

Contravention of the anti-bribery and corruption laws of Australia and of other countries in which The Company operates in has serious criminal and civil consequences, such as imprisonment or fines.

- (b) Offering, paying or receiving kick-backs or secret commissions

Offering, making or receiving a 'kick-back' or a secret commission as an inducement or reward for doing or not doing something, or showing or not showing favour or disfavour to any person in relation to business matters is also prohibited under Australian state and territory laws. Contravention of the state and territory anti-bribery and corruption laws also has serious criminal and civil consequences, such as imprisonment or fines.

- (c) Offering or accepting gifts and hospitality beyond acceptable business courtesies

Offering, making or receiving a gift, business courtesy or hospitality can create an obligation or be construed or used by others to allege favouritism, discrimination, collusion or similarly unacceptable practices. Employees must not give, seek or accept in connection with the Company's business any gifts, meals, refreshments and entertainment which goes beyond common courtesies associated with ordinary and proper course of business. Employees must avoid everything that could reasonably be construed as a bribe or improper inducement.

Any gift, entertainment or other personal favour or assistance given or received which has a value in excess of \$150 (or any other amount determined or announced by the Board) must be approved in advance by the Company Secretary. If it is impractical or impossible to do so, you must disclose the gift to the Company Secretary for approval as soon as practicable after its receipt. Details of the gift must be entered into the gifts and entertainment register maintained by the Company (attached).

- (d) Donations

No donation to any charity, political party, politician or candidate for public office in any country must be made on behalf of the Company unless the donation has been approved in advance by the Board

and complies with the local law and government policies of the jurisdiction where the donation is made. It must also be recorded accurately in the Company's accounts.

Attendance at political gatherings, meetings and function in a professional capacity is permitted where there is a legitimate business purpose. Records of attendance (and the cost of attendance) must be declared in the gifts and entertainment register.

- (e) Improper dealing of accounting records

Intentionally or recklessly making, altering, destroying, concealing or doing something with an accounting document with the intention of or concealing or disguising the receiving or giving of a bribe is strictly prohibited and is a criminal offence under Australian law.

### **3.0 THE COMPANY'S PROCEDURES IN IMPLEMENTING AND MONITORING COMPLIANCE**

#### **3.1 Education and training**

The Company will provide education and training to any officers and employees likely to be exposed to bribery or corruption in relation to the issue of bribery and corruption and this policy. The purpose of the education and training will be to assist officers and employees in their understanding of what conduct is prohibited and unlawful and how to recognise and manage instances of bribery or corruption.

#### **3.2 Investigations**

Any potential breaches of this policy will be properly recorded, investigated and dealt with.

### **4.0 YOUR RESPONSIBILITIES**

Employees are expected to ensure they understand this policy and the impact this has on their areas of responsibility. In particular, Employees must:

- (a) endeavour to comply with the terms of this policy;
- (b) undertake all requisite training provided in relation to the laws and regulations relating to bribery and corruption and this policy; and
- (c) immediately report any concern, suspected or potential breaches of this policy to either:
  - (i) the Managing Director;
  - (ii) the Chief Financial Officer; or
  - (iii) a Whistleblower Protection Officer in accordance with The Company's Whistleblower Protection Policy, which is available in the Corporate Governance section of The Company's website.

All material breaches of this policy must be reported immediately to the Board.

## **5.0 CONSEQUENCES FOR BREACHING THIS POLICY**

Any suspected breaches of this policy will be thoroughly investigated. Any material breaches of this policy will also be reported to the Board.

In circumstances where a breach of this policy is established, appropriate disciplinary and remedial actions will be taken.

The Company reserves the right to inform the appropriate authorities where it is considered that there has been criminal activity or an apparent breach of any law.

## **6.0 REVIEWS AND CHANGES TO THIS POLICY**

The Board, in conjunction with the Audit and Risk Management Committee, will review this policy periodically to ensure that it is operating effectively and whether any changes are required.

The Board may change this policy from time to time by resolution.

If you have any questions regarding any aspect of this policy, please contact the Company Secretary.

## 7.0 GIFT REGISTER

Any gift, entertainment or other personal favour or assistance given or received which has a value in excess of \$150 must be added to the register below in accordance with section 2.1(c) of the Company's Anti-Bribery and Corruption Policy.

Date of gift	Recipient name	Donor name	Description of gift	Reason for gift	Estimated value of gift	Approval by Company Secretary	Date of approval