

## Anti-Bribery and Anti-Corruption Policy

### 1. Introduction

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Bribery can be described as the giving to or receiving by any person of anything of value (usually money, a gift, loan, reward, advantage, benefit of any kind, favour, commission or entertainment), as an inducement or reward for obtaining business or any other benefit, including in connection with an act or omission by a foreign public official in connection with the performance of that official's duties or functions. Bribery can take place in the public sector or private sector. Bribery can also take place where an improper payment is made by or through a third party. Bribes and kickbacks can therefore include, but are not limited to:

- (a) gifts and excessive or inappropriate entertainment, hospitality, travel and accommodation expenses;
- (b) payments, whether by employees or business partners such as agents or consultants;
- (c) other 'favours' provided to public officials or customers, such as engaging a company owned by a public official; and
- (d) the uncompensated use of company services, facilities or property.

Bribery is a serious criminal offence and can damage Sarama Resources Ltd.'s (**Company**) reputation and standing in the community.

### 2. Scope

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This policy applies to all employees, executive management, suppliers and consultants as well as temporary and contract staff (including subcontractors) (**Representatives**). Representatives must ensure that they do not become involved, in any way, in the payment of bribes or kickbacks, whether in the public or commercial sector, or otherwise breach applicable laws in relation to the corruption of foreign public officials. This policy sets out the minimum standards to which all Representatives of the Company must adhere to at all times.

### 3. Objective

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The Company has a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all business dealings.

The objective of this policy is to:

- (a) set out the responsibilities in observing and upholding the Company's position on bribery and corruption; and
- (b) provide information and guidance to those working for the Company on how to recognise and deal with bribery and corruption issues.

## 4. Anti-bribery and anti-corruption policy

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### 4.1 Policy details

Representatives of the Company are not permitted to pay, offer, accept or receive a bribe in any form. Bribery is illegal and contrary to the Company's Code of Conduct. Representatives must never:

- (a) offer, pay or give anything of value to a public official in order to obtain business or benefit to the Company. 'Public official' means anyone paid directly or indirectly by a government or performing a public function, anyone who holds a legislative, administrative or judicial position of a foreign state, and anyone who is an official or agent of a public international organization that is formed by one or more states, governments, or such public international organizations;
- (b) attempt to induce a public official, whether local or foreign, to do something illegal or unethical;
- (c) pay any person when the Representative knows, or has reason to suspect, that all or part of the payment may be channelled to a public official;
- (d) offer or receive anything of value as a 'quid pro quo' in relation to obtaining business or awarding contracts;
- (e) otherwise use illegal or improper means (including bribes, favours, blackmail, financial payments, inducements, secret commissions or other rewards) to influence the actions of others;
- (f) make a false or misleading entry in the Company's books or financial records, including by failing to maintain the accounting records required by applicable law in this regard;
- (g) act as an intermediary for a third party in the solicitation, acceptance, payment or offer of a bribe or kickback;
- (h) do anything to induce, assist or permit someone else to violate these rules; and
- (i) ignore, or fail to report, any suggestion of a bribe.

As well as complying with the specific prohibitions in this policy, Representatives must exercise common sense and judgement in assessing whether any arrangement could be perceived to be corrupt or otherwise inappropriate and in the event this is unclear, consult the Company's CFO for clarity.

## 4.2 Agents and Intermediaries

- (a) Representatives should not hire an agent, consultant or other intermediary if they have reason to suspect that they will pay bribes on behalf of the Company's behalf.
- (b) Representatives should seek to ensure that any third parties that are hired will not make, offer, solicit or receive improper payments on behalf of the Company. All fees and expenses paid to third parties should represent appropriate and justifiable remuneration for legitimate services to be provided and should be paid directly to the third party. Accurate financial records of all payments must be kept.
- (c) Procedures should be put in place to assist Representatives in determining whether particular third parties present a corruption risk and, if so, what steps should be taken to address that risk.
- (d) All contracts should include relevant wording prohibiting the counter party from undertaking corrupt activity including but not limited to the payment of bribes.
- (e) Representatives should assess whether a counter party may pose a high corruption risk and consult with their line manager if it is determined there is a need for enhanced due diligence and monitoring, or whether a proposed relationship should not proceed.

## 4.3 Gifts, entertainment and hospitality

The Company prohibits the offering or acceptance of gifts, entertainment or hospitality in circumstances which would be considered to give rise to undue influence. All Representatives must notify the CFO or MD and CEO of any gifts and/or benefits, either offered or accepted and valued at AUD\$750 or more, to safeguard and make transparent their relationships and dealings with third parties.

## 4.4 Charitable and political donations

- (a) The Company is apolitical and political donations are subject to approval by the MD and CEO and should be of a size such that it does not induce favour or breach any applicable laws, regulations, or stock exchange policies.
- (b) Charitable donations are subject to the same due diligence and approval process as all other business dealings of the Company and should not be used to benefit government officials and third parties.

## 4.5 Mergers and acquisitions

An anti-corruption due diligence on companies which the Company is considering acquiring should be performed during the overall due diligence process. The following risk areas should be considered during the due diligence process:

- (a) an entity's control environment: policies, procedures, employee training, audit environment and whistleblower issues;

- (b) any ongoing or past investigations (government or internal), adverse audit findings (external or internal), or employee discipline for breaches of anti-corruption law or policies;
- (c) an entity's important regulatory relationships, such as key licenses, permits, and other approvals. Due diligence in that context would focus on employees who interact with these regulators, and whether there are any fees, expediting payments, gifts or other benefits to public officials;
- (d) travel, gifts, entertainment, educational or other expenses incurred in connection with marketing of products or services, or in connection with developing and maintaining relationships with government regulators. Diligence in this area would include examining expense records, inspection or training trips, and conference attendee lists and expenses;
- (e) an entity's relationship with consultants, and other third parties and intermediaries, particularly those who interact with government customers or regulators; and
- (f) an entity's participation in joint ventures or other arrangements that are subject to significant government regulation.

#### 4.6 Reporting bribery and suspicious activity

- (a) If any Representative becomes aware of any actual or suspected breach of this policy or is ever offered any bribe or kickback, the Representative must report this to the Authorised Officer (see Schedule 1). Processes are in place to ensure that such complaints are investigated and appropriate action taken. The Company will not permit retaliation of any kind against any Representative for making good faith reports about actual or suspected violations of this policy.
- (b) Whistleblowing reports should be made in accordance with the Company's Whistleblower Policy. Matters which may be reported to the Authorised Officers include (but are not limited to):
  - (i) conduct which is inconsistent with the Company's stated vision, its Code of Conduct, policies and procedures;
  - (ii) violation of law;
  - (iii) deliberate concealment of information;
  - (iv) fraud, corruption, bribery, extortion and theft;
  - (v) financial misconduct; and
  - (vi) attempt to suppress or conceal information relating to any of the above.
- (c) The Company expects all Representatives whether full-time, part-time or temporary acting in good faith to report unethical or fraudulent conduct without fear or favour.

- (d) Suppliers are also encouraged to report unethical and fraudulent activities that could constitute, or could be perceived to be, collusion or price fixing.
- (e) Representatives have an obligation to report suspected or potential breaches of this policy to the Authorised Officer. All information and reports to an Authorised Officer will be dealt with in a responsible and sensitive manner. The Authorised Officer has an obligation to report material breaches of this policy to the Board.

## 5. Roles and Responsibilities

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- 5.1 It is the responsibility of all Representatives to know and adhere to this policy.
- 5.2 The Board have direct responsibility for this policy, for maintaining it and for providing advice and guidance on its implementation.
- 5.3 All business unit managers are directly responsible for implementing this policy within their business areas, and for adherence by their staff.
- 5.4 The Board must ensure that managers and employees likely to be exposed to bribery and corruption are trained to recognise and deal with such conduct in accordance with this policy.

## 6. Compliance

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- 6.1 Representatives are required to familiarise and fully comply with this policy.
- 6.2 Any Representative who fails to comply with the provisions as set out above or any amendment thereto, may be subject to appropriate disciplinary or legal action.
- 6.3 The Board is responsible for reviewing this policy to determine its appropriateness to the needs of the Company from time to time and that the Company's policies, standards, procedures and guidelines comply with legal, regulatory and statutory requirements.
- 6.4 This policy may be amended from time to time in the sole discretion of the Company.

## 7. Enquires

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Enquiries about this policy should be directed to the CFO or the MD and CEO.

## 8. Related Documents

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- 8.1 Code of Conduct.
- 8.2 Whistleblower Policy.



## Schedule 1      Authorised Officers

Name	Position	Contact Details
Lui Evangelista	CFO	E: info@saramaresources.com P: +61 8 9363 7600