



S K Y M E T A L S

Code of Conduct

Sky Metals Limited (ACN 098 952 035) (Company)

Part A – Scope and application

1 Purpose of the Code of Conduct

The Company is committed to a high level of integrity and ethical standards in all business practices. Employees must conduct themselves in a manner consistent with current community and Company standards and in compliance with all relevant legislation.

The Code of Conduct outlines how the Company expects its representatives to behave and conduct business in the workplace on a range of issues. It includes legal compliance and guidelines on appropriate ethical standards.

The objective of the Code of Conduct is to:

- provide a benchmark for professional behaviour throughout the Company;
- support the Company's business reputation and corporate image within the community; and
- make Company Directors and employees aware of the consequences if they breach the policy.

We regularly monitor and test our policies under this Code of Conduct to ensure our commitments remain relevant, effective and consistent with our stakeholders' expectations.

While the Code of Conduct is designed to ensure the Company delivers on its commitment to corporate responsibility and sustainable business practice, it does not create any rights in any employee, client, customer, supplier, competitor, shareholder or any other person or entity.

2 Who the Code of Conduct applies to

All employees must comply with the Code of Conduct. A reference to 'employees' includes temporary employees, contractors and Company Directors.

The Code of Conduct applies to all business activities with suppliers, contractors, customers, shareholders and employees in Australia and overseas.

Responsibility lies with every person covered by the Code of Conduct to conduct themselves in accordance with the Code of Conduct.

Some employees may also have additional responsibilities relating to the Code of Conduct (see below).

| Position | Responsibility |
|--|---|
| Employee/contractor | <p>It is an employee's/contractor's responsibility to:</p> <ul style="list-style-type: none"> • comply with the Code of Conduct; • act at all times in the best interests of the Company, with strict integrity and according to legal and approved Company business practices; and • raise any concerns or issues with their manager. |
| Manager | <p>It is a manager's responsibility to:</p> <ul style="list-style-type: none"> • communicate the Code of Conduct to employees and contractors; • take a leadership role in observing and promoting the behaviour and standards in the Code of Conduct and related policies; and • take immediate action where an employee reports a potential breach of the Code of Conduct, or where the manager observes a potential breach. |
| Human Resources (Company Secretary) | <p>It is the responsibility of Human Resources to:</p> <ul style="list-style-type: none"> • conduct preliminary investigations in relation to potential breaches of the Code of Conduct; • review and recommend updates of the Code of Conduct and related policies as required; and • conduct training on the Code of Conduct for employees. |
| Audit and Risk Committee (if applicable) or Board | <p>It is the role of the Audit and Risk Committee (if applicable) or Board to review the Code of Conduct, and ensure arrangements are in place for dissemination to all employees, including communicating the importance of the Code of Conduct, and monitoring compliance.</p> <p>The Audit and Risk Committee (if applicable) or Board will also review and discuss with management and the auditors the overall adequacy and effectiveness of the Company's legal, regulatory and ethical compliance programs.</p> <p>The Audit and Risk Committee (if applicable) or Board will receive information regarding material breaches of the Code of Conduct and the Company's Anti-Bribery and Corruption Policy, and</p> |

Position**Responsibility**

reports of material incidents under the Company's Speak Up Policy.

3 **How the Code of Conduct interacts with other Company policies**

The Code of Conduct should be read in conjunction with the Company's other policies, including the Disclosure Policy, Securities Dealing Policy, Diversity Policy, Speak Up Policy and Anti-Bribery and Corruption Policy. Copies of all Company policies are available at www.skymetals.com.au.

The Company continually assesses and upgrades its policies and procedures to ensure compliance with corporate governance requirements. You will be notified of any material changes to the policies and procedures.

4 **What to do if you suspect the Code of Conduct has been breached**

(a) Reporting channels

You are encouraged to report to your manager any genuine behaviour or situation which you believe breaches or potentially breaches the Code of Conduct, policies or the law.

Alternatively, you can report unacceptable behaviour through any of the following channels:

- CEO;
- CFO; and
- Company Secretary/General Counsel.

If you wish to report a breach or potential breach anonymously, you may provide a detailed report to 2 Hawthorn Place, Orange NSW 2800, marked attention Chair.

Managers to whom potential breaches are reported should discuss the issue with the CEO who will assess the appropriate action to be taken in response to the report.

(b) Whistleblower protection

The Company is committed to ensuring that you are not disadvantaged or discriminated against for reporting unacceptable behaviour in good faith.

For full details, please see the Company's Speak Up Policy.

5 **Consequences of breaching the Code of Conduct**

The Company recognises that breaches of the Code of Conduct may occur from time to time. We expect that any breach will be inadvertent and without intent, however it should be clearly

understood that any breach may result in disciplinary action or other penalties including, in extreme circumstances, dismissal or termination of the contract or engagement.

Depending on the nature of the breach, penalties may be imposed ranging from counselling to dismissal or termination of the contract or engagement (in extreme circumstances). The Company will act objectively and in accordance with any applicable provisions or requirements in an employment contract.

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 the law.

6 Who to speak to if you have questions

The Code of Conduct does not include:

- every ethical issue that an employee might face; nor
- every law and policy that applies to the Company.

In representing the Company you are expected to act in a manner consistent with the key values underpinning the Code of Conduct, namely:

- our actions must be governed by high standards of integrity and fairness;
- our decisions must be made in accordance with the spirit and letter of the applicable law; and
- our business must be conducted honestly and ethically, with our best skills and judgment, and for the benefit of customers, employees, shareholders and the Company alike.

If you have any questions regarding the Code of Conduct or any of the Company's policies at any time, you should contact the Company Secretary.

Part B – Your obligations

1 Compliance with laws and regulations

You should be aware of, and comply with, your duties and obligations under all laws and regulations relating to your work.

We encourage you to:

- actively understand the laws which affect or relate to the Company's operations;
- attend seminars presented by the Company or other external service providers to maintain your knowledge of the laws and regulations, as well as to increase your awareness of relevant legal and industry developments; and
- interpret the law in a way which reinforces the Company's reputation for integrity.

If you have a question as to whether particular laws apply or how they may be interpreted, please contact the Company Secretary.

2 Fair trading and dealing

The Company aims to maintain a high standard of ethical behaviour in conducting business and to behave with integrity in all dealings with customers, shareholders, government, employees, suppliers and the community.

When dealing with others, you must:

- act in accordance with the Company's stated values;
- perform your duties in a professional manner;
- act with the utmost integrity and objectivity; and
- strive at all times to enhance the Company's reputation and performance.

You are encouraged to familiarise yourself with the legal requirements applying to fair trading and dealing, and to undertake training or attend seminars to develop and maintain your knowledge so that you can act in accordance with those requirements.

If you have a question or wish to report a breach of fair dealing requirements, please contact the Company Secretary.

3 Conflicts of interest

You are responsible for notifying the Company of any conflicts of interest (actual or potential). If you are concerned that you may have a conflict of interest you should disclose that interest and discuss the matter with the Company Secretary.

(a) What is a conflict of interest?

A conflict of interest exists where loyalties are divided.

You may have a conflict of interest if, in the course of your employment or engagement with the Company:

- any of your decisions lead to an improper gain or benefit to you or your associate; or
- your personal interests, the interests of an associate, or relative, or obligation to some other person or entity, conflict with your obligation to the Company.

The following are some common examples that illustrate actual or apparent conflicts of interest that you must avoid. The examples are intended to be a guide only.

(b) Improper personal benefits

Conflicts of interest can arise when you or a member of your family receive improper personal benefits as a result of your position. You and your relatives should not give unreasonable gifts to, or receive unreasonable gifts from, the Company's customers or suppliers or others with whom the Company interacts.

We encourage you not to accept a gift (of any kind or value) in circumstances where your business judgment might appear to have been compromised, or where you or the Company would be embarrassed if the gift was made public.

If you have dealings with companies based in countries where gift giving has important cultural significance and plays an important role in business relationships, you should be aware and respectful of such cultural practices but remain mindful of the Company's policy in this regard.

If you are in doubt as to the appropriateness of a gift (including whether that gift may be considered "unreasonable") please check with the Company Secretary. You should also refer to the Company's Anti-Bribery and Corruption Policy.

(c) Financial interests in other businesses

You should avoid having a significant ownership interest or personal financial interest in any other enterprise if that interest compromises or appears to compromise your loyalty to the Company.

You must disclose all personal financial interests that you or members of your family have in organisations which have established, or are attempting to establish, a business relationship with the Company or which compete with the Company.

Personal financial interests include, among other things, interests resulting from the following relationships:

- officer, director, employee or independent contractor;
- ownership of shares or other equity interest;
- debtor or creditor (other than in respect of personal financing arrangements with a recognised financial institution, such as mortgages); or
- lessee or lessor.

Ownership of less than one percent of the common or ordinary shares in an entity is not normally considered a conflict.

If you have any doubt about personal financial interests, consult with the Company Secretary.

(d) Corporate opportunities

You must not take advantage of property, information or other opportunities arising from your position in the Company.

For example, if you learn of a business or investment opportunity through the use of corporate property or information or your position within the Company, you should only participate in the business or make the investment with approval from the CEO. As a general principle, you should only participate in a joint venture, partnership or other business arrangement with the Company with approval from the CEO.

(e) Conflict of interest arising from a personal relationship

Employees who have the responsibility for or authority to affect the careers or employment of other employees should perform their functions free from any conflict of interest arising from a personal relationship.

For example, a conflict of interest will arise from a personal relationship if you have a family, business or personal relationship (including a personal financial interest, sharing living quarters or a romantic relationship) with any other employee within the Company and that relationship causes, or might reasonably be anticipated to cause, an inability on your part or their part to perform responsibilities objectively and impartially as far as the other party to the relationship is concerned.

You must disclose any conflict of interest arising from a personal relationship to the Company Secretary. Such disclosures will be treated confidentially.

(f) Outside memberships, directorships, employment and public office

The Company supports involvement of its employees in community activities and professional organisations. However, outside employment or activity must not conflict with an employee's ability to properly perform their work for the Company, nor create a conflict (or the appearance of a conflict) of interest.

Before accepting outside employment or a position on the board of directors of another company or non-profit organisation, you must carefully evaluate whether the position could cause, or appear to cause, a conflict of interest. If there is any question, consult the Company Secretary.

You must obtain prior written consent from your manager or the Company Secretary where the proposed employment or position relates to an outside organisation that has or seeks to have a business relationship with the Company or competes with services provided by the Company.

You may accept public office or serve on a public body in your individual private capacity, but not as a representative of the Company. If such public office would require time away from work, you must comply with Company policies regarding leave of absence and absenteeism.

(g) Use of Company name

It is the Company's policy to make available to all employees any discounts with suppliers or other businesses that may be passed on to employees. However, you may not use the Company's name or purchasing power to obtain personal discounts or rebates unless the discounts or rebates are made available to all employees.

4 Improper use or theft of Company property, assets and email

You are responsible for protecting any Company property and assets that are under your control and you should safeguard them from loss, theft and unauthorised use.

Company property and assets includes cash, securities, business plans, third party information, intellectual property (including computer programs, software, models and other items), confidential information, office equipment and supplies.

You must not:

- use Company assets for any unlawful purpose or unauthorised personal benefit;
- remove Company property and documents from official premises without a good and proper reason. If required to be removed, they should be stored in a secure manner and covered by appropriate insurances; and
- make improper disclosure, including inadvertent or careless disclosure, of competitive business strategies and plans, special methods of operation and other information that is of competitive value to the Company. If you are unsure whether information is of a confidential nature, seek advice from your manager before disclosure.

You are encouraged to use common sense and observe standards of good taste regarding content and language when creating documents that may be retained by the Company or a third party. The Company's electronic communications systems should not be used to access or post material that violates Company policies or any laws or regulations. Personal non-business use of the Company's electronic communications systems must also be consistent with any policy adopted by the Company from time to time.

5 Privacy

The Company respects your privacy and the privacy of others.

You should familiarise yourself with, and comply with:

- the privacy laws of Australia; and
- the Company's privacy policies which detail the appropriate use of personal information.

If you have any questions in relation to privacy, please contact the Company Secretary, or refer to the Company's Privacy Policy.

6 Public communications and disclosures

You are responsible for the integrity of the information, reports and records under your control and you are expected to exercise the highest standard of care in preparing materials for public communications.

Those documents and materials should:

- comply with any applicable legal requirements;
- fairly and accurately reflect the transactions or occurrences to which they relate;

- not contain any false or intentionally misleading information, nor intentionally misclassify information; and
- be in reasonable detail and recorded in the proper account and in the proper accounting period.

Media statements and official announcements may only be made by persons authorised under the Company's Disclosure Policy. If you receive a request for information and you are not authorised to respond to the enquiry, refer the request to the appropriate person. Unless the CEO has given prior written consent, Company employees and associated parties must not participate in public forum discussions (including internet-based forums) and social media platforms where the subject matter is related to the Company, its competitors or the industry in which the Company operates.

The Company has adopted the Disclosure Policy as a means of ensuring compliance with its disclosure and communication obligations under the *Corporations Act 2001*(Cth) and the ASX Listing Rules. The aim of the Disclosure Policy is to keep the market fully informed of information that may have a material effect on the price or value of the Company's securities, and to correct any material mistake or misinformation in the market.

Ensure that you are aware of the requirements of the Disclosure Policy and, if it applies to you, you must act in accordance with the policy.

7 Employment practices

(a) Equal opportunity and anti-discrimination

The Company is committed to:

- equal employment opportunity;
- compliance with the letter and spirit of a full range of fair employment practices and anti-discrimination laws; and
- a workplace free from any kind of discrimination, harassment or intimidation of employees.

The Company's Diversity Policy can be found on the Company's website. All employees are expected to be familiar with this policy.

The Company will promptly investigate all allegations of harassment, bullying, victimisation or discrimination and will take appropriate corrective action. Retaliation against individuals for raising claims of harassment or discrimination will not be tolerated.

(b) Occupational health and safety

The Company is committed to maintaining a healthy and safe working environment for its employees. All appropriate laws and internal regulations (including occupational health and safety laws) should be fully complied with. All people have obligations to assist in ensuring that this situation is maintained at all times.

Misusing controlled substances or alcohol or selling, manufacturing, distributing, possessing, using or being under the influence of illegal drugs on the job will not be tolerated.

You should familiarise yourself with the Company's Occupational Health and Safety (OH&S) policies and all relevant procedures to ensure the workplace is safe and without risk to the health of others and yourself. You should follow any lawful and reasonable instructions consistent with that policy and those procedures.

(c) Company reputation

Employees must not act in any way that could cause harm to the Company's reputation or market position during or after their employment. Employees have a duty to act in a manner that merits the continued trust and confidence of the public.

(d) Securities trading

The Company is committed to upholding fair and ethical securities trading practices complying with all laws and avoid any conflicts of interest.

Employees must not:

- use any price-sensitive information (which is not generally available to others) in deciding whether or not to buy or sell the Company's securities;
- deal with the Company's securities when in possession of price-sensitive information about the Company which has not been publicly disclosed; and
- act contrary to the Company's Securities Dealing Policy (which provides guidance on when employees are likely to possess price-sensitive information).

You should familiarise yourself with the Company's Securities Dealing Policy and ensure you act in accordance with it in conducting any dealing in the Company's securities.

(e) Bribes, inducements and commissions

You must not pay or receive any bribes, facilitation payments, inducements or commissions (this includes any item intended to improperly obtain favourable treatment or avoid unfavourable circumstances).

You must not give or receive any unreasonable gifts (see section 3 of this Part B – 'Conflicts of interest') or otherwise act in an unethical way. Remember that agreeing not to act may have the same ramifications as acting in an unethical way.

Please see the Company's Anti-Bribery and Corruption Policy for more details.

(a) Contribution to the community

The Company is a responsible corporate citizen and actively supports the communities in which we live and work. Each employee is expected to uphold the Company's commitment to pursue good corporate citizenship while engaging in its corporate activity.

You must abide by all local laws and regulations, and are expected to respect and care for the environments in which the Company operates.

The Company supports and encourages you to actively contribute to the needs of the community. If you wish to make such a contribution (such as donations or sponsorship) on behalf of the Company, consult the CEO for approval.

(b) Environment

The Company is committed to doing business in an environmentally responsible manner and identifying environmental risks that may arise out of its operations.

If you are aware of, or suspect, an action that is not environmentally responsible or in breach of the applicable laws and regulations, report the matter in accordance with section 4 of Part A – ‘What to do if you suspect the Code of Conduct has been breached’.

(c) Politics

You may voluntarily participate in the political process as an individual. We ask that you do not engage in actions that could cause someone to believe that your actions reflect the views or position of the Company, if that is not the case.

It is against Company policy to use corporate funds for political purposes. This policy does not prohibit:

- communications by the Company to its shareholders on any lawful subject;
- payments of salaries and expenses of employees whose duties may include communication with government officials; or
- political activity by any employee in his or her individual, private capacity. However, to eliminate any appearance of coercion in such political activities, it is against Company policy for any supervisor to solicit funds from a subordinate for political purposes.