



SheffieldResources  
LIMITED

# CODE OF CONDUCT

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## **PURPOSE AND PREAMBLE**

The purpose of this Code of Conduct is to provide a framework for decisions and actions in relation to ethical conduct in employment. It underpins the Company's commitment to integrity and fair dealing in its business affairs and to a duty of care to all employees, clients and stakeholders.

The reputation and integrity of Sheffield Resources Limited and its subsidiaries ("Sheffield" of "the Company") depends on its directors and employees behaving in a way which is consistent with best practice for corporate governance in the community in which the Company operates.

Sheffield expects all employees to adhere to the highest standards of personal and professional integrity and to avoid any conduct that might reflect unfavourably upon them, other employees or upon Sheffield. The Company's business goals are important and demanding but these goals must be achieved honestly and ethically.

With these qualifications in mind, the Board has adopted this Code of Conduct, which sets forth the standards of behaviour that Sheffield requires of its officers and employees. The Board, management and all employees of Sheffield are committed to implementing this Code of Conduct.

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## **PERSONAL AND PROFESSIONAL BEHAVIOUR**

All employees are required to maintain the highest levels of professional conduct in their interactions with each other and in representing Sheffield in the community. Business relationships must be maintained in a manner which is consistent with principles of honesty, integrity and fairness which meet, as a minimum, the laws applicable to behaviour in the work environment.

Each employee has an obligation to use their best efforts to deal in a fair and responsible manner with each of Sheffield's third parties to allow Sheffield to build successful and lasting business relationships.

Sheffield does not seek competitive advantage through illegal or unethical business practices. Employees must not take unfair advantage of any person or company through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any unfair dealing practice.

When carrying out their duties, employees should:

- (a) behave honestly and with integrity and report other employees who are behaving dishonestly;
- (b) carry out your work with integrity and to a high standard and in particular, commit to the Company's policy of producing quality goods and services;
- (c) operate within the law at all times;
- (d) follow the policies of the Company; and
- (e) act in an appropriate business-like manner when representing the Company in public forums.

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## **CONFLICT OF INTEREST**

Potential for conflict of interest arises when it is likely that you could be influenced, or it could be perceived that you are influenced by a personal interest when carrying out your duties. Conflicts of interest that lead to biased decision making may constitute corrupt conduct.

- (a) Some situations that may give rise to a conflict of interest include situations where you have:
  - (a) financial interests in a matter the Company deals with or you are aware that your friends or relatives have a financial interest in the matter;
  - (b) directorships/management of outside organisations;
  - (c) membership of boards of outside organisations;
  - (d) personal relationships with people the Company is dealing with which go beyond the level of a professional working relationship;
  - (e) secondary employment, business, commercial, or other activities outside of the workplace which impacts on your duty and obligations to the Company;
  - (f) access to information that can be used for personal gain; and
  - (g) offer of an inducement.
- (b) You may often be the only person aware of the potential for conflict. It is your responsibility to avoid any conflict from arising that could compromise your ability to perform your duties impartially. You must report any potential or actual conflicts of interest to your manager.
- (c) If you are uncertain whether a conflict exists, you should discuss that matter with your manager and attempt to resolve any conflicts that may exist.
- (d) You must not submit or accept any bribe, or other improper inducement. Any such inducements are to be reported to your manager.

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## **CORRUPT CONDUCT**

Corrupt conduct involves the dishonest or partial use of power or position which results in one person/group being advantaged over another. Corruption can take many forms including, but not limited to:

- (a) official misconduct;
- (b) bribery and blackmail;
- (c) unauthorised use of confidential information;
- (d) fraud; and
- (e) theft.

Corrupt conduct will not be tolerated by the Company. Disciplinary action up to and including dismissal will be taken in the event of any employee participating in corrupt conduct.

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## **ACCOUNTABILITIES**

### **Managers and Supervisors**

Managers and supervisors are responsible and accountable for:

- (e) undertaking their duties and behaving in a manner that is consistent with the provisions of the Code of Conduct;
- (f) the effective implementation, promotion and support of the Code of Conduct in their areas of responsibility; and
- (g) ensuring employees under their control understand and follow the provisions outlined in the Code of Conduct.

### **Employees**

All employees are responsible for:

- (a) undertaking their duties in a manner that is consistent with the provisions of the Code of Conduct;
- (b) reporting suspected corrupt conduct; and
- (c) reporting any departure from the Code of Conduct by themselves or others.

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## **FAIR DEALING**

The Company aims to succeed through fair and honest competition and not through unethical or illegal business practices. Each employee should endeavour to deal fairly with the Company's suppliers, customers and other employees.

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## **PUBLIC AND MEDIA COMMENT**

- (a) Individuals have a right to give their opinions on political and social issues in their private capacity as members of the community.
- (b) Employees must not make official comment on matters relating to the Company unless they are:
  - (i) authorised to do so by the Managing Director and Chief Executive Officer; or
  - (ii) giving evidence in court; or
  - (iii) otherwise authorised or required to by law.

- (c) Employees must not release unpublished or privileged information unless they have the authority to do so from the Managing Director and Chief Executive Officer.

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## **GIFTS AND ENTERTAINMENT**

Employees must not seek, offer or accept any payments, gifts, benefits or entertainment (including courtesies, bribes, facilitation payments, inducements or commissions) beyond that which is considered as normal and legitimate business practice. If a gift is offered to an employee that could be construed by others as improper, the offer of the gift must be reported to that employee's immediate manager whose approval is required before such a gift can be accepted. It is important to assess the value having regard to local customs and traditions. A record of any gift, entertainment or other personal favour or assistance given or received which has a value in excess of AUD\$100 must be declared to the employee's supervisor. A gift may be viewed as a bribe if it is not declared.

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## **USE OF COMPANY RESOURCES**

Requests to use Company resources outside core business time should be referred to management for approval.

If employees are authorised to use Company resources outside core business times they must take responsibility for maintaining, replacing, and safeguarding the property and following any special directions or conditions that apply.

Employees using Company resources **without** obtaining prior approval could face disciplinary and/or criminal action. Company resources are not to be used for any private commercial purposes.

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## **SECURITY OF INFORMATION**

Employees are to make sure that confidential and sensitive information cannot be accessed by unauthorised persons. Sensitive material should be securely stored overnight or when unattended. Employees must ensure that confidential information is only disclosed or discussed with people who are authorised to have access to it. It is considered a serious act of misconduct to deliberately release confidential documents or information to unauthorised persons, and may incur disciplinary action.

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## **INTELLECTUAL PROPERTY**

Intellectual property includes the rights relating to scientific discoveries, industrial designs, trademarks, service marks, commercial names and designations, and inventions and is valuable to the Company.

The Company is the owner of intellectual property created by employees in the course of their employment unless a specific prior agreement has been made. Employees must obtain written permission to use any such intellectual property from the Company Secretary/Group Legal Counsel before making any use of that property for purposes other than as required in their role as employee.

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## **DISCRIMINATION AND HARASSMENT**

Employees must not harass, discriminate, or support others who harass and discriminate against colleagues or members of the public on the grounds of sex, pregnancy, marital

status, age, race (including their colour, nationality, descent, ethnic or religious background), physical or intellectual impairment, homosexuality or transgender.

Such harassment or discrimination may constitute an offence under legislation. Managers should understand and apply the principles of Equal Employment Opportunity.

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## **OCCUPATIONAL HEALTH AND SAFETY**

It is the responsibility of all employees to act in accordance with occupational health and safety legislation, regulations and policies applicable to their respective organisations and to use security and safety equipment provided.

Specifically all employees are responsible for safety in their work area by:

- (d) following the safety and security directives of management;
- (e) advising management of areas where there is potential problem in safety and reporting suspicious occurrences; and
- (f) minimising risks in the workplace.

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## **INSIDER TRADING**

All employees must observe the Company's Share 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 time periods when Directors, management and employees are permitted to buy and sell the Company's securities.

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## **RESPONSIBILITIES TO INVESTORS AND FINANCIAL COMMUNITY**

The Company strives for full, fair and accurate disclosure of financial and other information on a timely basis.

Sheffield is committed to delivering value to its shareholders and to representing The Company's growth and progress truthfully and accurately. Sheffield also complies with the laws and regulations that govern shareholder's rights.

Sheffield is committed to safeguarding the integrity of financial reporting and as such will openly promote and instigate a structure of review and authorisation designed to ensure the truthful and factual presentation of Sheffield's financial position. Sheffield's books, records and accounts are to reflect accurately, fairly and in reasonable detail, all transactions in accordance with the highest standards of integrity and applicable generally accepted accounting principles.

Appropriate records must be kept of all transactions and there are to be no cash funds, bank accounts, investments or other assets, which are either not recorded or inadequately recorded on the books. No payment is to be approved without adequate supporting documentation.

Individuals and entities with whom Sheffield deals may request that commissions, service fees and other amounts be remitted to third persons or bank accounts in countries outside Australia. Such payments may only be made if:

- (a) the amount payable does not arise from artificial additions to normal pricing;
- (b) payment is authorised in writing by the individual or entity earning the commission, fee or other amounts;
- (c) payment is made to the same individual or entity to which it is owed or to an affiliate under common ownership; and
- (d) payment will not violate applicable law.

Frank disclosure is to be made to all reasonable enquiries of Sheffield auditors and legal advisors.

Employees shall not influence, coerce, manipulate or mislead any internal auditor or any independent public accountant or adviser engaged by Sheffield in the performance of an audit for the purposes of rendering the financial statements materially misleading.

Sheffield's mineral reserves and resources must be defined, calculated and disclosed in a manner consistent with applicable laws, security regulations and Sheffield's established procedures.

Sheffield has obligations in relation to the periodic and continuous disclosure of information about Sheffield and its activities. In order to comply with its disclosure obligations, Sheffield has developed a Continuous Disclosure Policy, applicable to all employees. A failure to comply with these disclosure obligations may result in Sheffield's shares being suspended, or in exceptional circumstances, removed from trading on the Australian Securities Exchange.

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## **LEGISLATION**

It is essential that all employees comply with the laws and regulations of the countries in which we operate. Violations of such laws may have serious consequences for the Company and any individuals concerned. Any known violation must be reported immediately to management.

Ignorance of legislation is not a defence. Moreover, agreements or arrangements need not necessarily be in writing for contravention to be inferred from the conduct of the parties. If this Code does not cover a particular situation or if the application or interpretation of a local law is uncertain, or in circumstances where the proper course of ethical conduct is unclear, employees should seek the assistance of their supervisor who, if necessary, should seek competent local legal advice or, if necessary, the advice of Sheffield's counsel. If there is insufficient time to obtain such advice, employees should conduct themselves in a manner they would not hesitate to have publicly disclosed.

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## **BREACHES OF THE CODE OF CONDUCT**

Employees should note that breaches of certain sections of this Code of Conduct may be punishable under legislation.

Breaches of this Code of Conduct may lead to disciplinary action. The process for disciplinary action is outlined in Company policies and guidelines, relevant industrial awards and agreements.

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## **REPORTING MATTERS OF CONCERN**

Employees are encouraged to raise any matters of concern in good faith with the head of their business unit or with the Company Secretary, without fear of retribution.

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## **AMENDMENT OF THIS CODE**

This code has been adopted by the Board. Any amendment to this code can only be approved by the Board.

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## **REVIEW OF THIS CODE**

The Company will monitor compliance with this code periodically by liaising with the Board, management and staff, especially in relation to any areas of difficulty which arise from this code and will consider any suggestions for improvement. The Company Secretary will conduct a review of this code and the effectiveness of the Company's standards of conduct with respect to the objects of this code at least once annually, to ensure compliance with the law and determine the extent to which the ASX Corporate Governance Council's Principles and Recommendations ("ASX Principles") have been met. The Company Secretary will report to the Board with his or her recommendations for consideration by the Board.

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## **DISCLOSURE**

A copy of this code should be made available on the Company's website and is to be made available to shareholders of Sheffield upon request.