



# **MORETON RESOURCES LTD**

**CODE OF CONDUCT**

**JUNE 2015**

## 1. Overview

The Company aims to deliver outstanding performance for investors, customers, consumers and employees. In striving to achieve this aim, the Company is committed to implementing the Company's core principles and values as stated in this Code when dealing with fellow employees, customers, government authorities, creditors and the community as a whole.

The Company values difference and is committed to achieving an inclusive and respectful workforce. Personnel are expected to:

- treat those they deal with through the Company with dignity and respect;
- never unlawfully discriminate, harass or bully; and
- contribute to promotion of a safe working environment by taking responsibility for health and safety and reporting any issues or potential issues immediately.

### 1.1 Purpose

The Moreton Resources Limited (Moreton or **Company**) Code of Conduct (Code) governs all Moreton's commercial operations and the conduct of Directors, employees, contractors, consultants and all other people when they represent Moreton (Personnel).

### 1.2 Provision of this Code

A copy of this Code will be given to all incumbent and new Personnel.

## 2 General Principles

This Code sets out a practical set of guiding principles by which Personnel are expected to work.

### 2.1 Compliance with Laws

The operations of the Company must be conducted in compliance with all laws and regulations applicable in Australia and in the jurisdictions in which Moreton's operations and activities are being undertaken. Personnel are also expected to conduct the Company's operations in keeping with the highest legal, moral and ethical standards.

Compliance with the law means observing the letter and spirit of the law as well as managing the business of Moreton so that Moreton and its Personnel are recognised as "good corporate citizens" at all times.

### 2.2 Performance of Duties by Personnel

All Personnel of Moreton, its subsidiaries and associated entities must conduct the business of the Company with the highest level of ethics and integrity in relation to each other and all others with whom they deal.

Personnel must act:

- ethically, honestly, responsibly and diligently;
- in full compliance with the letter and spirit of the law and this Code; and
- in the best interest of the Company.

### 2.3 Breach of the Code

Any breach of applicable laws, accepted ethical commercial practices or other aspects of this Code will result in disciplinary action. Depending on the severity of the breach, such

disciplinary action may include reprimand, formal warning, demotion or termination of employment/engagement (as the case may be).

Similar disciplinary action may be taken against any manager who directly approves of such action or has knowledge of the action and does not take appropriate remedial action.

Breach of applicable laws or regulations may also result in prosecution by the appropriate authorities. The Company will not pay, directly or indirectly, any penalties imposed on any Personnel as a result of an individual knowingly breaching a law or regulation.

#### **2.4 Reporting Breaches**

All Personnel are requested to report immediately any circumstances which may involve a breach of this Code, or any law, to the Managing Director, the Chairman or the Company Secretary.

It is in the best interests of Moreton for all Personnel to immediately report any observance of a breach of this Code.

The external auditors of Moreton may review the operations of the Company. Part of this review may be to report to the Board any breaches of this Code which they detect.

### **3 Unacceptable Payments & Contributions**

#### **3.1 Prohibited Payments & Contributions**

Bribes, kickbacks, inducements or other illegal payments of any kind must not be made (either directly or indirectly) to or for the benefit of any government official (of any country) or any other third party in connection with obtaining orders or favourable treatment or for any other purpose.

Political contributions (to any government or political official or party) must not be made directly or indirectly on behalf of Moreton without the prior approval of the Board.

#### **3.2 Personnel's Responsibilities**

Personnel must not seek or accept any type of compensation, fee, commission or gratuity from a third party in connection with the operations of the Company.

### **4 Giving or Receiving Gifts**

Personnel must not give, seek or accept in connection with the operations of the Company any gift, entertainment or other personal favour or assistance which goes beyond common courtesies associated with accepted ethical commercial practice. For avoidance of doubt, any gift (or series of gifts) received by Personnel from the one party which might, as a matter of judgement, fall outside the ambit of this paragraph, must be reported to the Company Secretary with full details of the background of the gift.

### **5 Protection of Moreton Assets**

#### **5.1 Responsibilities of Personnel**

Personnel are responsible for taking all prudent steps to ensure the protection of Moreton's assets and resources. In particular, Personnel should take care to minimise the possibility of theft or misappropriation of Moreton's assets and resources by any person.

#### **5.2 Assets used for Moreton Purpose only**

Personnel must ensure that Moreton's assets and resources are used only for the purposes

of the Company and in accordance with appropriate authorisations.

## **6 Proper Accounting**

### *6.1 Accounting Roles*

Personnel must ensure that all the Company's accounting records accurately and fairly reflect, in reasonable detail, all underlying transactions and all of Moreton's cash, assets and liabilities.

### *6.2 Maintenance of Accounting Records*

Accounting records must be maintained in accordance with International Financial Reporting Standards and any financial and accounting policies issued by Moreton.

## **7 Dealing with Auditors**

### *7.1 External Auditors*

Personnel must fully co-operate with the external auditors of Moreton.

Personnel must not make a false or misleading statement to the external auditors of Moreton and must not conceal any relevant information from the external auditors of Moreton.

### *7.2 Internal Auditors*

Personnel must fully co-operate with the internal auditors of the Company (if any).

Personnel must not make a false or misleading statement to the internal auditors of the Company and must not conceal any relevant information from the internal auditors of the Company.

## **8 Unauthorised Public Statements**

### *8.1 Unauthorised Statements*

Personnel must not, without prior consent of the Moreton Board which may be included in the terms of engagement or as advised from time to time, directly or indirectly state that they are representing Moreton or its public position in respect of any matter.

### *8.2 Unauthorised Activity*

Personnel must not directly or indirectly engage in any activity which could by association cause Moreton public embarrassment or other damage.

## **9 Conflict of Interest**

### *9.1 Use of Position for Personal Benefit*

Personnel must not use their position for personal benefit independent from the business of Moreton or to benefit any other business or person.

### *9.2 Taking Advantage of Property*

Personnel must not take advantage of any property or information belonging to Moreton, or opportunities arising from those, for personal benefit independent from the business of Moreton or to benefit any other business or person.

**9.3** *Interest in Third Parties*

No Personnel, or any family member or companion over which the Personnel has influence, may directly or indirectly have an equity interest in, or have a significant beneficial connection with, any business or individual with whom Moreton have entered into a commercial contract, without the prior written consent of the Chairman or his nominee. For the avoidance of doubt, this paragraph permits contractors and consultants to have outside interests, providing that they are disclosed by the individual at the time of entry into contract with Moreton.

**9.4** *Outside Business Activity*

Personnel must not engage directly or indirectly in any outside business activity involving commercial contact with, or work for the benefit of, third parties with whom Moreton have entered into a commercial contract, without the prior written consent of the Chairman or his nominee.

**10 Use of Inside Information**

**10.1** *Non-Disclosure of Confidential Information*

Personnel must not disclose confidential Company information to any third party without the prior consent of a Director of the Company, or if required by law.

**10.2** *Confidential Moreton Documents*

Personnel must maintain the confidentiality of all Moreton's documents and must not disclose any information contained within the documents to any third party without the prior consent of a Director of Moreton.

**11 Moreton Securities Trading Policy**

All Personnel must abide by the Company's Securities Trading Policy.

**12 Review**

The Board shall review the Code periodically to ensure its relevance, effectiveness and consistency with best practice. Any changes must be approved by the Board.