



**Corporate Governance Policy
Strategic Energy Resources Limited
ACN 051 212 429**

**Approved and adopted on 24 July 2019
Last Amended on 18 May 2020**



Corporate Governance Policy

1. Lay solid foundations for management and oversight

1.1. Board role and responsibilities

Strategic Energy Resources Limited ('SER' or 'Company') has established clear roles and responsibilities for its Board in its Board Charter (Appendix A).

The SER Board is responsible for leading SER, setting its objectives and establishing a strategy for achieving them. The Board also provides guidance to management.

The Board Charter sets out:

- the roles and responsibilities of the Board
- the composition of the Board
- SER's approach to independent directors and independent decision-making
- the roles and responsibilities of the Chairperson and Company Secretary
- performance evaluation of the Board and senior executives, and
- procedure for the selection and replacement of new directors.

Management is responsible for implementing the Board's strategic vision. Due to its size, SER primarily uses consultants and contractors, rather than directly employed management.

The Board will review the Board Charter annually.

1.2. Diversity

The SER Board has adopted a Diversity Policy on achieving gender, age and ethnic diversity in the Company's employees (Appendix B).

The Chairperson is responsible for ensuring the policy is brought to the attention of all employees and for monitoring compliance with the policy.

1.3. Reporting

SER will, in its annual Corporate Governance Statement, include the recommended information set out in the ASX Corporate Governance Principles in relation to the Guide to reporting on Principle 2.

2. Structure the Board to add value

SER's Board is of an appropriate size, composition, skill set and commitment to discharge its duties effectively and efficiently.

2.1. Board Composition

The composition of the Board is set out in the Board Charter, as are policies surrounding Board succession and replacement and the nomination and appointment of new directors.

2.2. Board skills matrix

SER maintains a Board Skills Matrix setting out the mix of skills and diversity that the Board currently has, or is looking to achieve, in its membership. The Board Skills Matrix is at Appendix C.

2.3. Independent directors, directors' interests and independent decision-making

SER acknowledges that the Board should ideally be composed of a majority of independent directors. SER is not currently too small for this to be practical.

SER requires all its directors to be independent in their decision-making. This is set out in more detail in the Board Charter (Appendix A).

2.4. Reporting

SER will, in its annual Corporate Governance Statement, include the recommended information set out in the ASX Corporate Governance Principles in relation to the Guide to reporting on Principle 2.

3. Promote ethical and responsible decision-making

3.1. Code of Conduct

The SER Board has adopted a Code of Conduct (Appendix E) to promote ethical and responsible decision-making by directors, management and employees. The Code embraces the values of honesty, integrity, enterprise, excellence, accountability, justice, independence and equality of shareholder opportunity.

The Board is responsible for ensuring that training on the Code of Conduct is provided to staff and officers of SER.

The Board is responsible for making advisers, consultants and contractors aware of the Company's expectations set out in the Code of Conduct.

3.2. Reporting

SER will, in its annual Corporate Governance Statement, include the recommended information set out in the ASX Corporate Governance Principles in relation to the Guide to reporting on Principle 3.

3.3. Whistleblower Policy

The SER Board has adopted a Whistleblower Policy (Appendix K) which demonstrates that the Company is committed to the highest standards of conduct and ethical behaviour in all of its business activities. The Company supports a culture of honest and ethical behaviour in ensuring good corporate compliance and governance. The policy sets out, amongst other things, instances of suspected misconduct which can be reported to the internal and external parties and summarises the protections offered to whistleblowers.

Any material breach of the Company's policies, including any breach of the Whistleblower Policy, is raised at the Audit, Finance and Risk Committee level, with the latter reporting on them at the next Board meeting.

3.4. Anti-Bribery and Corruption Policy

The SER Board has adopted an Anti-Bribery and Corruption Policy (Appendix L) which demonstrates that the Company is committed to conducting its operations and business activities with integrity and preventing bribery or corruption by any of its directors, officers, employees or any other party acting on its behalf. SER is committed to complying with all laws that apply to it, including anti-bribery and corruption laws.

4. Safeguard integrity in financial reporting

4.1. Responsibility of the Board

The SER Board shall review the integrity of the Company's financial reporting, oversee the independence and competence of the external auditors and review management's implementation of SER's risk management policies.

The Board shall provide appropriate quality assurance regarding procedures and processes in relation to the following responsibilities:

- External audit function:
 - reviewing and overseeing the planning process for external audits
 - reviewing the overall conduct of the external audit process including the independence of all parties to the process
 - reviewing the performance of the external auditors
 - consider the reappointment and proposed fees of the external auditor, and
 - where appropriate, seeking tenders for the audit and, where a change of external auditor is recommended, applying to shareholders for shareholder approval.
- reviewing the quality and accuracy of published financial reports
- reviewing the accounting function and ongoing application of appropriate accounting and business policies and procedures
- reviewing SER's internal control systems, and
- overseeing the implementation of the company's risk management program.

4.2. Verification of financial reports

The CEO (or equivalent) and CFO (or equivalent) are required by the Company to state the following in writing prior to the Board approving the Company's financial statements for a financial period:

- that the Company's financial reports contain a true and fair view, in all material respects, of the financial condition and operating performance of the Company and comply with relevant accounting standards, and
- that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control, which is operating effectively in all material, respects in relation to financial reporting risks.

4.3. Reporting

SER will, in its annual Corporate Governance Statement, include the recommended information set out in the ASX Corporate Governance Principles in relation to the Guide to reporting on Principle 4.

5. Make timely and balanced disclosure

5.1. Disclosure policy

The SER Board has adopted a Continuous Disclosure and Communications Policy (Appendix F) to ensure timely and accurate disclosure of price-sensitive information to shareholders through the ASX.

The Continuous Disclosure and Communications Policy ensures that:

- all investors have equal and timely access to material information concerning the company, including its financial position, performance, ownership and governance, and
- announcements are subject to a vetting and authorisation process designed to ensure they
 - are released in a timely manner
 - are factual

- do not omit material information, and
- are expressed in a clear and objective manner that allows investors to assess the impact of the information when making investment decisions.

5.2. Reporting

SER will, in its annual Corporate Governance Statement, include the recommended information set out in the ASX Corporate Governance Principles in relation to the Guide to reporting on Principle 5.

6. Respect the right of shareholders

SER respects the rights of its shareholders and is committed to providing them with the information and facilities to exercise their rights effectively, including:

- giving shareholders ready access to information about SER and its governance policies on its website
- communicating openly and honestly with shareholders,
- encouraging and facilitating the participation of shareholders in meetings, and
- making available the contact details of the Company Secretary for all and any contact and request that the investor deemed relevant.

SER has adopted guidelines of the ASX Corporate Governance Council for improving shareholder participation through the design and content of notices and through the conduct of the meeting itself.

6.1. Reporting

SER will, in its annual Corporate Governance Statement, include the recommended information set out in the ASX Corporate Governance Principles in relation to the Guide to reporting on Principle 6.

6.2. Recognise and manage risk

The SER Board has established a risk management framework to enable it to identify and manage risk on an ongoing basis.

6.3. Review by the Board

The Board's collective experience will enable accurate identification of the principal risks that affect SER's business. Key operational risks and their management will be recurring items for deliberation at Board meetings. SER does not have a separate risk committee due to its small size.

When reviewing risk management policies, the Board should take into account SER's legal obligations and should also consider the reasonable expectations of SER's stakeholders, including: shareholders, employees, customers, suppliers, creditors, consumers and the community.

The Board will review SER's risk management framework at least annually to satisfy itself that it continues to be sound.

6.4. External auditor

The company, in general meeting, is responsible for the appointment of the external auditors of SER.

The Board will review the scope, performance and fees of the external auditors at least once a year.

6.5. Economic, environmental and social sustainability

SER understands that operating in an economic, environmental and socially responsible way is better for both the community and SER itself.

SER is committed to working with shareholders and stakeholders to make sure its operations are economically, environmentally and socially sustainable.

6.6. Reporting

SER will, in its annual Corporate Governance Statement, include the recommended information set out in the ASX Corporate Governance Principles in relation to the Guide to reporting on Principle 7.

7. Remunerate fairly and responsibly

SER has a clear remuneration policy for its directors and senior executives which clearly aligns remuneration to the creation of value for shareholders.

SER considers itself to be currently too small to have a remuneration committee.

7.1. Director and senior executive remuneration policy

SER's remuneration policy is structured for the purpose of:

- motivating senior executives to pursue the long-term growth and success of SER, and
- demonstrating a clear relationship between senior executives' performance and remuneration.

The Board's responsibility is to set the level and structure of remuneration for officers (including but not limited to directors and secretaries) and executives, for the purpose of balancing SER's competing interests of:

- attracting and retaining senior executives and directors, and
- not paying excessive remuneration.

Executive directors' remuneration should be structured to reflect short and long-term performance objectives appropriate to SER's circumstances and goals.

Executive directors' and senior executives' remuneration packages should involve a balance between fixed and incentive-based pay, reflecting short- and long-term performance objectives appropriate to SER's circumstances and goals.

The total maximum remuneration of non-executive directors is the subject of a Shareholder resolution in accordance with SER's Constitution and the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to SER of the respective contributions by each non-executive director.

The Board may award additional remuneration to non-executive directors called upon to perform extra services or make extra exertions on behalf of SER.

Each of the non-executive directors receives a fixed fee for their services as directors. There is no direct link between remuneration paid to any of the directors and corporate performance, such as bonus payments for achievement of certain key performance indicators.

No director may be involved in setting their own remuneration or terms and conditions and in such a case relevant directors are required to be absent from the full Board discussion.

The Board will review the remuneration policies of all Directors and senior executives officers on at least an annual basis.

7.2. Reporting

SER will, in its annual Corporate Governance Statement, include the recommended information set out in the ASX Corporate Governance Principles in relation to the Guide to reporting on Principle 8.

8. Corporate Governance Framework

The Company's Corporate Governance Framework shall be read together with the Company's Constitution, subject to the Corporations Act, the Listing Rules and the ASX Settlement Operating Rules, and when inconsistencies arise the Constitution shall prevail.

9. Appendices

- A. Board Charter
- B. Audit and Risk Committee Charter
- C. Remuneration and Nomination Committee Charter
- D. Diversity Policy
- E. Privacy, Security and Data Protection Policy
- F. Code of Conduct
- G. Continuous Disclosure and Communications Policy
- H. Securities Trading Policy
- I. Health, Safety and Environment Policy
- J. Related Parties Transaction and Conflict of Interests Policy
- K. Whistleblower Policy
- L. Anti-Bribery and Corruption Policy

APPENDIX A

Board Charter

1. Objectives

1.1 The board of directors of Strategic Energy Resources Limited (Board) is responsible for:

- (a) setting the goals and objectives of Strategic Energy Resources Limited (**Company**) and its related bodies corporate (**Group**);
- (b) monitoring and providing effective oversight of the management of the Group;
- (c) reviewing and monitoring the principal risks of the Group and its system of internal compliance and controls;
- (d) setting an appropriate corporate governance and compliance framework and monitoring its effectiveness for the Group;
- (e) demonstrating and setting the tone of leadership;
- (f) determining broad policies for the Group as it develops its goals of delivering value to shareholders; and
- (g) acting as an effective interface with the Company's shareholders.

1.2 The Board's role and purpose must be considered in light of:

- (a) the obligations and duties of directors and officers under the Corporations Act 2001 (Cth) (**Act**) and other relevant legislation;
 - (b) the ASX Listing Rules;
 - (c) ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**Governance Principles**); and
 - (d) the Company's constitution (**Constitution**),
- as applicable from time to time.

2. Board structure

The composition, structure and proceedings of the Board are governed by the Constitution, the Act and the ASX Listing Rules. Subject to the provisions of the Constitution, the Board, together with the Nomination and Remuneration Committee, will be responsible for:

- (a) determining the size and composition of the Board;
- (b) determining the appropriate competencies of Board members;
- (c) reviewing membership of the Board annually;
- (d) ensuring the Board has the appropriate mix of skills, expertise and experience necessary to fulfil its function effectively; and
- (e) appointing the chair of the Board (**Chair**).

3. Functions of the Board

Without limitation the key responsibilities of the Board include:

- (a) adding value through representing the interests of shareholders by overseeing and appraising the Company's strategies, policies and performance;
- (b) providing strategic direction for, and approval of, corporate strategy and performance objectives;
- (c) reviewing and ratifying systems of risk management, internal compliance and control, codes of conduct and legal and regulatory compliance to ensure appropriate compliance systems and controls are in place;
- (d) overseeing the integrity of the entity's accounting reporting systems, including the external audit;
- (e) overseeing the entity's process of timely and balanced disclosures of all material information under ASX continuous disclosure requirements;
- (f) monitoring senior management's performance and implementation of strategy, and seeking to ensure appropriate resources are available;
- (g) approving and monitoring the operational and financial position and performance of the Company;
- (h) approving and monitoring the progress of major capital expenditure, capital management, acquisitions and divestments;
- (i) approving and monitoring budgets;
- (j) approving and monitoring borrowing and debt arrangements;
- (k) managing the Company's capital structure;
- (l) ensuring that the Group acts legally and responsibly and maintains the highest ethical standards;
- (m) developing an investor relations program to facilitate effective two-way communication with shareholders;
- (n) approving the Code of Conduct;
- (o) overseeing control and accountability systems; and
- (p) performing such other functions as are required by law or are assigned to the Board.

4. Non-executive directors

- 4.1 The Board will aim to have a majority of independent non-executive directors.
- 4.2 While the Company will aim to have a majority of independent non-executive Directors, this may not always be practicable given the size of the Board and the Company's circumstances. Accordingly, the Directors have absolute discretion to determine the appropriate composition of the Board from time to time, subject to the Constitution, the Act and the ASX Listing Rules.
- 4.3 To the extent that the Board does not achieve this structure from time to time, the Board should establish a process to achieve this structure and measure itself against that process annually.
- 4.4 The Board will consider and decide on the independence of its non-executive directors each year.
- 4.5 If a director is or becomes aware of any information, facts or circumstances which will or may affect that director's independence or the director's perceived independence, the director must immediately disclose all relevant details in writing to the Company Secretary and the Chair.

- 4.6 A non-executive director is considered "independent", on fulfilment of requirements as provided under Recommendation 2.3 of the Corporate Governance Principles and Recommendations (4th Edition).
- 4.7 The Board does not believe it is appropriate to set a limit on tenure. While tenure limits may bring fresh ideas and viewpoints to the Board, they hold the disadvantage of losing the contributions of directors who have developed in-depth and invaluable insight into the Company and its operations over a significant period of time. Accordingly, while tenure as a factor is considered, it is one of many factors the Board takes into account in the context of the optimum composition of the Board when assessing the independence and ongoing contribution of a director.
- 4.8 All directors (except the Managing Director or CEO), are required to submit themselves for re-election in accordance with the terms of the Constitution and the ASX Listing Rules.
- 4.9 Non-executive directors are expected to devote the necessary time to discharge their duties. It is Board policy that prior to their appointment, non-executive directors must provide the Chair with details of other commitments and an indication of time involved and to acknowledge that they will have adequate time to meet what is expected of them. Further, they should consult with the Chair, or the Board, and inform the Nomination and Remuneration Committee before accepting any other non-executive director appointment.
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5. Role of the Managing Director/CEO

- 5.1 The management function is conducted by, or under the supervision of, the Managing Director/CEO as directed by the Board (and by other officers to whom the Managing Director/CEO has properly delegated a management function).
- 5.2 The Board approves corporate objectives for the Managing Director/CEO to satisfy and the duties and responsibilities of the Managing Director/CEO.
- 5.3 The Managing Director/CEO is responsible for implementing strategic objectives, plans and budgets approved by the Board.
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6. Relationship with management

- 6.1 The Board may delegate certain powers as they consider appropriate. However, ultimate responsibility for strategy and control rests with the Board.
- 6.2 The Board delegates the day to day responsibility of the Company's resources to management under the leadership of the Managing Director/CEO, to deliver the strategic direction and goals determined by the Board, however ultimately management are accountable to the Board.
- 6.3 Management must supply the Board with information in a form, timeframe and of a quality that will enable the Board to discharge its duties effectively.
- 6.4 Directors are entitled to request additional information from management at any time.
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7. Delegation to committees

- 7.1 The Board will from time to time establish Committees to assist the Board in fulfilling its duties and discharging its responsibilities.
- 7.2 Each Committee will adopt a formal charter setting out the matters relevant to the composition, responsibilities and administration of the Committee.
- 7.3 The Board may also delegate specific functions to ad hoc committees on an "as needs" basis.

- 7.4 The powers delegated to these Committees will be set out in Board resolutions and the Committee charters.
- 7.5 The split of powers between the Board, Committees and senior management will be determined by the Board.
- 7.6 The Board will conduct regular reviews of the division of responsibilities and the Committee Charters to ensure they remain appropriate to the needs of the Group.
- 7.7 Where the Board does not consider that the Company will benefit from a particular separate committee:
- a. the Board must:
 - i. carry out the duties and discharge the responsibilities that would ordinarily be assigned to that committee as set out in the Charter for that committee; and
 - ii. ensure that it has appropriate balance of skills, experience, independence and knowledge of the Company to enable it to discharge its duties and responsibilities effectively; and
 - b. the Company must disclose in, or in conjunction with, its annual report the following, as applicable:
 - i. the fact a Committee has not been established; or
 - ii. if an Audit and Risk Committee has not been established, the processes the Board employs that independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner, and the process it employs for overseeing the Company's risk management framework;
 - iii. if a Nomination Committee has not been established, the processes the Board employs to address Board succession issues; and
 - iv. if a Remuneration Committee has not been established, the processes the Board employs for setting the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive.

8. Reserved authorities

Matters specifically reserved to the Board or its Committees include:

- (a) appointment of the Chair;
- (b) appointment and removal of the Managing Director/ CEO;
- (c) appointment and removal of the CFO;
- (d) appointment and removal of the Company Secretary and senior executives;
- (e) appointment of Directors to fill a vacancy or as an additional Director;
- (f) establishment of Board committees, their membership and their delegated authorities;
- (g) approval of dividends;
- (h) approval of half-year and full year financial results;
- (i) approval of annual budgets and the strategic plan;
- (j) approval of significant changes to the organisational structure;
- (k) review of corporate codes of conduct;

- (l) approval of major capital expenditure, acquisitions and divestments in excess of authority levels delegated to management;
 - (m) commence material litigation
 - (n) determining the form and operation of employee performance and incentive plans;
 - (o) calling meetings of shareholders;
 - (p) disclosure (continuous and periodic) obligations under the ASX Listing Rules and Act; and
 - (q) any other specific matters nominated by the Board from time to time.
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9. Board process

- 9.1 The Board will meet regularly and intends to meet six times each year.
 - 9.2 Directors will use all reasonable endeavours to attend Board meetings.
 - 9.3 The Constitution governs the regulation of Board meetings and proceedings including the quorum for a Board meeting which is two non-executive Directors.
 - 9.4 The Board intends to elect one of its members to be Chair, who would be an independent non-executive director.
 - 9.5 If at any time the Company has a Chair who is not independent, the Board will consider appointing a lead independent director.
 - 9.6 The Chair will represent the Board in all communications to shareholders and shall be responsible for communicating the Board's position on matters relevant to them.
 - 9.7 The Chair will:
 - (a) approving agendas working with the Company Secretary and ensuring sufficient time is available for the Board to effectively undertake its role;
 - (b) chair meetings of the Board and of shareholders, including the AGM;
 - (c) ensure the Board's decisions are implemented;
 - (d) ensure that the Board fulfils its obligations under this charter and as required under the relevant legislation;
 - (e) provide effective leadership to the Board and the Company;
 - (f) lead the Board to ensure it operates efficiently and effectively as a group; and
 - (g) promote constructive and respectful relations between the Board and management.
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10. Confidentiality

In order to enable full and frank discussions, all discussions at meetings of the Board are to be considered confidential and are not to be disclosed outside of the meeting except to the extent:

- (a) required by the Act, the ASX Listing Rules, the Constitution; or
 - (b) approved by the Board.
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11. Company Secretary

- 11.1 The Board will appoint at least one Company Secretary.
- 11.2 The Company Secretary is accountable to the Board.

- 11.3 The Company Secretary is responsible for coordination of all Board business, including agendas, board papers, minutes, communication with regulatory bodies and the ASX, all statutory and other filings and monitoring compliance by the Board with its policies and procedures.
- 11.4 The Company Secretary (or delegate) is to attend all Board and Committee meetings or to otherwise receive an update from the Chair or Committee Chair (as applicable) to ensure that accurate minutes of each meeting are taken.
- 11.5 All Directors will have access to the Company Secretary at all times.
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12. Performance review

- 12.1 The Board recognises that regular reviews of its effectiveness and performance are key to the improvement of the governance of the Company. The Board will review and evaluate:
- (a) its own performance, including against the requirements of this charter and ensure its remuneration policies are aligned with the values and strategic objectives;
 - (b) the performance of its Committees; and
 - (c) the performance of individual Directors,
- on an annual basis against both measurable and qualitative indicators in conjunction with the Nomination & Remuneration Committee.
- 12.2 The Chair and the Company Secretary will work together to ensure that the performance assessment of the Board, in the manner described above, is formalised and a review is undertaken on an annual basis.
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13. Advice and Information

- 13.1 Directors have the right to seek independent professional advice in the furtherance of their duties as Directors at the Company's expense. The Chair's prior approval or Board resolution of such expenditure is required and all Directors must be advised of the outcome.
- 13.2 Directors are entitled to on-going access to the Company's operations, employees and information to enable them to fulfil their responsibilities under this Charter and to perform such other functions as prescribed by law.
- 13.3 Directors are expected to keep up to date with issues and developments that are relevant to them in fulfilling their duties and responsibilities and are encouraged to access and undertake appropriate education and professional development activities. Training and education programs that are approved by the Chair will be provided at the Company's expense.
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14. Charter Review

- 14.1 This Charter cannot be amended without approval from the Company's Board. This Charter will be reviewed from time to time to ensure that it remains effective and meets best practice standards and the needs of the Company.
- 14.2 To the extent that there is any inconsistency between this Charter and the Constitution, the Constitution will prevail.
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15. Approved and Adopted

This Charter was approved and adopted by the Board on 18 May 2020.

APPENDIX B

Audit and Risk Committee Charter

1. Objectives

The Audit and Risk Committee (Committee) has been established by the board of Directors (Board) of Strategic Energy Resources Limited (SER or Company). Its purpose is to support and advise the Board in fulfilling its responsibilities to shareholders, employees and other stakeholders of the Company and its related bodies corporate (Group) by:

- (a) assisting the Board in fulfilling its oversight responsibilities in respect of:
 - (i) the financial reporting process;
 - (ii) the system of internal control relating to all matters affecting the Company's financial performance;
 - (iii) the internal (if appointed) and external audit process; and
 - (iv) the process for monitoring compliance with laws and regulations and the Company's Code of Conduct;
- (b) assisting the Board with the adoption and application of appropriate ethical standards and management of the Group and the conduct of its business;
- (c) assisting the Board in exercising of due care, diligence and skill in relation to risk assessment, risk management strategies and monitoring as well as reviewing the adequacy of the Group's insurance policies and self-insured risks; and
- (d) reviewing related party transactions.

2. Authority

The Committee has authority to exercise its roles and responsibilities as set out in this Charter and granted to it from time to time by resolution of the Board. The Committee has authority to conduct or authorise investigations into any matters within its scope of responsibility. It is empowered to:

- (a) retain outside accountants or other advisers to advise the Committee or assist in the conduct of an investigation;
- (b) seek any information it requires from Board members and employees (all of whom are directed to cooperate with the Committee's requests) or external parties; and
- (c) meet with Group officers, employees, internal and external auditors, or outside legal advisers, as necessary and without management present.

3. Specific Responsibilities

In order to fulfil its responsibilities to the Board, the Committee will:

3.1 Financial statements

- (a) review the suitability and application of accounting policies to ensure they are applied in accordance with the financial reporting obligations of the Company;
- (b) review the financial statements and consider whether they are complete, consistent with information known to the Committee and reflect appropriate accounting policies and principles;

- (c) assess significant estimates and judgments made in financial statements;
- (d) receive and consider in connection with the Company's financial statements letters of representation to the Board in respect of financial reporting and the adequacy and effectiveness of the Company's risk management, internal compliance and control systems and the process and evidence adopted to satisfy those conclusions;
- (e) review the financial sections of the Company's Annual Report and any other periodic or ad hoc regulatory filings before release and consider the accuracy and completeness of the information; and
- (f) review with management and the external auditors the results of the audit.

3.2 Internal control

- (g) review the effectiveness of the Company's internal controls regarding all matters affecting the Company's financial performance and reporting, including information technology security and control; and
- (h) review the scope of internal and external auditors' review of internal control, review reports on significant findings and recommendations, together with management's responses, and recommend changes from time to time as appropriate.

3.3 Internal audit (if applicable)

- (a) oversee the appointment, replacement or dismissal of the internal auditor, noting that the Board may decide that the Group's operations do not require an internal audit function from time to time;
- (b) review the scope and objectives of the internal audit;
- (c) ensure that internal audit processes are appropriately documented;
- (d) review the plans and activities of the internal audit to ensure that it covers all material risks and financial reporting requirements;
- (e) approve the annual budget, staffing and structure of internal audit and ensure that it is adequately resourced and has unfettered access to Group management;
- (f) approve outsourcing of internal audit services;
- (g) assess the adequacy, effectiveness, expertise and independence of the internal audit;
- (h) meet with the internal auditor to review reports and monitor management response;
- (i) meet as often as the Committee considers appropriate, and in any event at least once a year, to discuss any matters that the Committee or internal auditor believes should be discussed privately; and
- (j) ensure there are no unjustified restrictions or limitations placed on the internal audit function.

3.4 External audit

- (a) make recommendations to the Board regarding the remuneration and monitoring of independence of the external auditor;
- (b) establish procedures for the selection and appointment of the external auditor;
- (c) review the external auditors' proposed audit scope and approach;
- (d) meet with the external auditors to review reports;
- (e) meet as often as the Committee considers appropriate, and in any event at least once a year, to discuss in that regard any matters that the Committee or auditors believe should be discussed privately;

- (f) establish policies as appropriate in regards to the independence and integrity of the external auditor including the rotation of external audit engagement partners;
- (g) review and confirm the independence of the external auditors by obtaining statements from the auditors concerning any relationships between the auditors and the Group, including non-audit services;
- (h) pre-approve all non-audit services proposed to be provided to the Group by the external auditor firm; and
- (i) for the purpose of removing or appointing external auditors, review the performance of the auditors, including their proposed fees, and if appropriate conduct a tender of the audit. Any subsequent recommendation following the tender for the appointment of an external auditor will be put to the Board and, if a change is approved, it will be put forward to shareholders for their approval.

3.5 Compliance

- (a) consider the work plan for Company compliance activities;
- (b) obtain regular updates from management and the Company's legal adviser regarding compliance matters;
- (c) review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance;
- (d) review and assess the management process supporting external reporting;
- (e) review the findings of any examinations by regulatory agencies; and
- (f) review the process for communicating the Code of Conduct to Group personnel, and for monitoring compliance with that code.

3.6 Reporting responsibilities

- (a) regularly report to the Board about Committee activities, issues, and related recommendations;
- (b) provide an open avenue of communication between internal auditor, external auditors and the Board. For the purpose of supporting the independence of their function, the external auditor and the internal auditor have a direct line of reporting access to the Committee;
- (c) report annually to the shareholders, describing the Committee's composition, frequency of meetings held per period (and the attendance record of committee members), responsibilities, and how they were discharged and any other information required by law or the ASX Listing Rules; and
- (d) review any other reports the Company issues which relate to Committee responsibilities.

3.7 General risk oversight and monitoring

- (a) review the Group's risk appetite and risk tolerance, as determined by the Board on a holistic group-wide basis, and with respect to the relevant categories of operational risk and potential external and internal factors affecting those categories of risk;
- (b) review and assess the various categories of risk faced by the Group, including any concentrations of risk and interrelationships between risks;
- (c) review and assess the likelihood of occurrence, severity of impact of those risks, and any mitigating measures affecting those risks;
- (d) review the responsibility for risk oversight and management of specific risks to ensure a common understanding of accountabilities and roles;

- (e) periodically review the Company's risk management framework and the risk treatment and mitigation policies and procedures developed by management, including procedures for periodic and critical reporting of matters to the Board and the Committee;
- (f) review the objectivity, utility, effectiveness and efficiency of the Company's risk management function in the context of the Group's size, complexity and scope of operations and the industry and economic factors which affect it;
- (g) review how the Company's risk management policy and strategy is communicated throughout the Group to ensure it is embedded as part of the Group's corporate culture; and
- (h) review reports from management, external auditors, internal auditors, legal counsel, regulators, and consultants as appropriate, regarding risks the Group faces and its management of those risks;

3.8 Internal control and risk management

- (a) assess the internal processes for determining and managing key risk areas, particularly:
 - (i) compliance with laws, standards and best practice guidelines;
 - (ii) important judgments and accounting estimates;
 - (iii) litigation and claims; and
 - (iv) fraud and theft;
- (b) address the effectiveness of the internal control, risk management and performance management systems with management, the internal and external auditors, legal and other advisers;
- (c) assess the effectiveness of, and compliance with, risk related internal plans, policies and procedures;
- (d) obtain regular updates about risk and compliance matters; and
- (e) ensure the CEO and CFO are reasonably able to state that their declarations required under section 295A of the Corporations Act 2001 (Cth) relating to financial statements and reports of the Company are founded on a sound system of risk management and internal control, and that the system is operating effectively in all material respects, in relation to the financial reporting risks.

3.9 Risk transfer and insurance

- (a) review how certain risks of the Group may be mitigated by risk transfer strategies and the implementation of those strategies;
- (b) review and analyse the extent to which any risk transfer strategies give rise to new risks which may be material;
- (c) review the Company's insurance arrangements including:
 - (i) type of cover;
 - (ii) scope of cover;
 - (iii) duration of cover;
 - (iv) adequacy of cover;
 - (v) cost of cover;
 - (vi) terms and conditions of cover including exclusions and limitations;
 - (vii) counterparty risk of insurer, including through engaging professional insurance broker services; and

- (d) review any self-insured risks.

3.10 Related party transactions

- (a) *review and monitor related party transactions and investments involving the Company and its directors including maintaining a register of related party contracts.*

3.11 Corporate governance

- (a) review developments in corporate governance in Australia and internationally which may be relevant to the Company and to the expectations of shareholders and other stakeholders;
- (b) monitor the corporate governance requirements of regulators, including the Australian Securities and Investments Commission and the Corporate Governance Council of the ASX;
- (c) review and monitor developments in ethical guidelines and standards for directors;
- (d) advise senior management of its obligation to provide to the Board all information required by it to discharge its responsibilities, including any information specifically requested by the Board;
- (e) advise the Board on corporate governance standards, and on the adoption or amendment of corporate governance policies that would be appropriate for the Company;
- (f) advise the Board of the appointment, role, and removal of the Company Secretary;
- (g) assist the Board in developing the measurable objectives required under the Company's Diversity Policy and in developing initiatives aimed at achieving these objectives;
- (h) review the Company's progress in meeting the measurable objectives set in accordance with the Diversity Policy and report to the Board on this progress, any recommendations of the committee and the relative proportions of men and women at all levels in the organisation;
- (i) assess annually the Company's corporate governance standards including the adequacy and effectiveness of the Company's corporate governance policies and whether they require amendment or new policies should be adopted, and report to the board on the results of the review together with any recommendations of the Committee;
- (j) review annually the Company's compliance with its corporate governance policies and procedures, and report to the Board on the results of the review together with any recommendations of the Committee; and
- (k) assist the Board to prepare the Company's corporate governance disclosure statements in its Annual Report.

3.12 Other responsibilities

- (a) review adequacy of external reporting by the Company to meet the needs of shareholders in the context of the Company's Shareholder Communication Policy and requirements under the ASX Listing Rules;
- (b) perform other activities related to this Charter as requested by the Board;
- (c) institute and oversee special investigations as needed;
- (d) confirm annually to the Board that all responsibilities outlined in this Charter have been carried out; and
- (e) annually evaluate the Committee's and individual members' performance and report this to the Board.

4. **Composition**

4.1 **Ideally the Committee:**

- (a) should comprise of a minimum of three directors of the Company;
- (b) should have a majority of members who are independent non-executive directors;
- (c) have all members of the Committee be financially literate;
- (d) have at least one member with expertise in financial reporting.

4.2 To the extent that the Committee does not achieve this structure from time to time, the Board should establish a process to achieve this structure and measure itself against that process annually.

4.3 Members of the Committee will be appointed and removed by decision of the Board. A member of the Committee may resign from the Committee by notice to the Board.

4.4 The Board will nominate the Chair of the Committee (Chair) from time to time. The Chair should be an independent director who is not Chair of the Board.

5. **Procedural Requirements**

5.1 The Committee will meet as required but not less than two times a year.

5.2 Meetings of the Committee will be convened on reasonable notice issued by the Board or by any two members of the Committee by notice to all members of the Committee.

5.3 A quorum of the Committee will comprise two members, one of whom must be the Chair or, in the absence of the Chair, another independent director. However, all members are expected to attend and participate in Committee meetings.

5.4 If the Chair is absent from a meeting and no acting Chair has been appointed, the members present may choose one of them to act as Chair for that meeting.

5.5 Meetings of the Committee may be held or participated in by conference call or similar means, and decisions may be made by circular or written resolution.

5.6 Non-committee members may be invited to attend meetings by the Chair.

5.7 Any independent non-executive director may attend any meeting of the Committee as an observer without an invitation from the Chair.

5.8 Each member of the Committee will have one vote.

5.9 The Chair will not have a casting vote. If there is a tied vote, the motion will lapse or be referred to the Board for decision.

5.10 The Committee must be provided with such internal resources as it considers necessary or desirable to fulfil its objectives.

5.11 The Committee may seek such advice from any internal or external parties or professional advice as it may consider necessary or desirable to fulfil its objectives.

5.12 The Committee may meet in private with either or both of the Company's Chief Financial Officer and external auditor as it requires.

5.13 Minutes must be prepared, approved by the Chair and circulated to members within three weeks of a meeting. The minutes must be ratified at the next meeting of the Committee.

5.14 Following each meeting the Chair will report to the Board on any matter that should be brought to the Board's attention and on any recommendation of the Committee which requires Board approval

or action, and provide the Board with sufficient information upon which to make a decision in that regard.

6. **Committee Secretary**

- 6.1 The Company Secretary will act as secretary of the Committee.
 - 6.2 The Company Secretary is to attend all Committee meetings or to otherwise receive an update from the Committee Chair to ensure that accurate minutes are taken of each Committee meeting.
 - 6.3 Minutes of meetings of the Committee will be prepared for approval by the Committee and circulated to the members of the Board.
 - 6.4 The Company Secretary will provide such assistance as may be required by the Chair including in relation to preparation of the agenda, minutes or papers for the Committee.
-

7. **Annual Review**

The Committee will prepare and provide to the Board annually:

- (a) a self-evaluation of its performance against this Charter;
- (b) recommended goals and objectives for the coming year; and
- (c) recommended changes or improvements to this Charter if necessary.

The annual review must be done by way of a written report to the Board by the Chair.

8. **Revisions of this Charter**

This Charter and any amendments to it must be approved by the Board.

The Committee is responsible for review of the effectiveness of this Charter and the operations of the Committee and to make recommendations to the Board of any amendments to this Charter.

9. **Approved and Adopted**

This Charter was approved and adopted by the Board on 18 May 2020.

APPENDIX C

Remuneration and Nomination Committee Charter

Due to the size of the Company and Board, the Board fulfils the roles and responsibilities in relation to the Remuneration and Nomination Committee.

Introduction

The Remuneration and Nomination Committee (**Committee**) has been established as a committee of the board of directors of SER (**Company**).

This Charter sets out the role, authority, responsibilities, composition and procedural requirements of the Committee.

Role and Objectives

The Committee's role and objectives are to support and advise the Board in fulfilling its responsibilities to shareholders and employees of the Company, by:

- (a) endeavouring to ensure that:
 - (i) the directors and senior executives of the Group are remunerated fairly and appropriately;
 - (ii) the remuneration policies and outcomes of the Group strike an appropriate balance between the interests of the Company's shareholders, and rewarding and motivating the executives and employees in order to secure the long-term benefits of their energy and loyalty;
 - (iii) the human resources policies and practices are consistent with and complementary to the strategic direction and objectives of the Group as determined by the Board;
 - (iv) short and long-term incentives are challenging and linked to the creation of sustainable shareholder returns; and
 - (v) any termination benefits are justified and appropriate;
- (b) reviewing and advising the Board on the composition of the Board and its Committees and the necessary and desirable competencies of Board members;
- (c) developing a process for the evaluation of the performance of the Board, its committees and individual executive and non-executive directors;
- (d) ensuring that proper succession plans for Board members and senior executives are in place for consideration by the Board; and
- (e) advising the Board on induction and continuing professional development programs for directors.

In order to fulfil its responsibilities, the Committee will have the right:

- (a) to obtain information from management; and
- (b) to seek advice from external consultants or specialists where the Committee considers that necessary or appropriate to allow the Committee to make its determinations or recommendations to the Board.

General remuneration responsibilities

In relation to its remuneration function, the Committee is required to review and make recommendations to the Board about (where applicable):

- (a) the terms of remuneration for the executive and non-executive directors and other senior executives of the Group from time to time including the criteria and processes for assessing performance;

- (b) the process for, and report to the Board on the outcomes of, remuneration reviews for:
 - (i) each non-executive director;
 - (ii) the executives collectively; and
 - (iii) each executive director and other senior executives of the Company;
- (c) changes in remuneration, recruitment, retention and termination policies and practices, including superannuation and other benefits, personnel practices, and industrial relations strategies;
- (d) compliance with relevant legal and regulatory requirements in relation to any such remuneration, equity plans and termination benefits, including obtaining any shareholder approvals which are necessary;
- (e) employee equity plans and allocations under those plans;
- (f) the disclosure of remuneration strategies, policies and practices within the Group and, if necessary, to the Australian Securities Exchange (ASX) and other regulatory authorities;
- (g) the preparation and approval of the remuneration report to be included in the Annual Report in accordance with the Corporations Act 2001 (Cth);
- (h) facilitating shareholder and other stakeholder engagement in relation to the Company's remuneration strategies, policies and practices; and
- (i) whether there is any gender or other inappropriate bias in remuneration for directors, senior executives or other employees.

Specific remuneration responsibilities

In order to fulfil its responsibilities relating to remuneration, the Committee will (where applicable):

Executive remuneration generally

- (a) review and evaluate market practice and trends in remuneration matters;
- (b) review and make recommendations to the Board regarding executive remuneration generally including, but not limited to, base pay, incentive payments, equity awards and service contracts;
- (c) consider whether to seek shareholder approval of the executive remuneration and, if shareholder approval is not required, whether to disclose any specific remuneration terms (such as termination payments) to ASX;
- (d) oversee the implementation of executive remuneration within the Group;

Executive directors and senior management

- (e) review and make recommendations to the Board on the specific remuneration for each executive director (including base pay, incentive payments, equity awards, termination payments and service contracts), determine whether any shareholder approvals are required and ensure that any equity-based executive remuneration is made in accordance with shareholder approvals;
- (f) review and make recommendations to the Board regarding the specific remuneration (including base pay, incentive payments, equity awards, termination payments and service contracts) for each senior executive of the Company;

Non-executive director remuneration

- (g) review and establish the level of remuneration for non-executive directors, including fees, superannuation and other benefits. The level of director remuneration is to be set so as to attract the best candidates for the Board while maintaining a level commensurate with boards of similar size and type;
- (h) where necessary recommend that the Board seek an increase in the amount of remuneration for non-executive directors approved by shareholders;
- (i) consider if any equity based remuneration is appropriate for non-executive directors;

Equity based and long-term incentive plans (LTIs)

- (j) review, at least annually, and make recommendations to the Board regarding the design of all equity based and/or LTI plans;

- (k) keep all plans under review in the light of legislative, regulatory and market developments and make recommendations to the Board regarding proposed amendments to any such plans;
- (l) for each such plan, determine each year whether awards will be made under that plan;
- (m) review and make recommendations to the Board regarding proposed aggregate and individual awards under each plan, including determining the applicable eligibility criteria and vesting and exercise conditions;
- (n) review and make recommendations to the Board regarding the administration and allocation of individual interests in awards which are held in a trust or similar structure;
- (o) review and make recommendations to the Board regarding performance hurdles for such plans, if appropriate;
- (p) administer the operation of the plans, including determining disputes and resolving questions of fact or interpretation concerning the plans;

Short term incentives

- (q) review, at least annually, and make recommendations regarding short term incentives, performance targets and bonus payments for executives, management, employees and contractors; and

Performance reviews

- (r) review and report to the Board on the performance of executive directors, non-executive directors and senior executives each reporting period.

Nomination responsibilities

In relation to its nomination function, the Committee is required to:

- (a) develop and implement processes for the evaluation of the performance of the Board, its Committees and individual executive and non-executive directors and regularly review those processes;
- (b) establish criteria for Board membership;
- (c) review and make recommendations to the Board regarding the size and composition of the Board;
- (d) develop and review the process for the selection, appointment and re-election of directors;
- (e) establish a skills matrix setting out the mix of skills and diversity the Board has or is looking to achieve;
- (f) periodically assess the skills, experience and expertise required to discharge the Board's duties, having regard to the strategic direction of the Company, and make recommendations to the Board about the necessary and desirable competencies of directors, the time expected to be devoted by non-executive directors in relation to the Company's affairs, and plans for enhancing director competencies;
- (g) identify and make recommendations to the Board for the appointments of new Board candidates having regard to the policy stated in section on Selection and Appointment of new Directors noted below;
- (h) inform the Board of the names of directors who are retiring in accordance with the provisions of the Company's Constitution and make recommendations to the Board as to whether the Board should support the re-nomination of that retiring director;
- (i) establish and facilitate an induction program for new directors with all such information and advice which may be considered necessary or desirable for the director to commence their appointment to the Board, including information and advice regarding:
 - (i) the Company's financial, strategic, operational and risk management position;
 - (ii) the rights, duties and responsibilities of the directors;
 - (iii) the roles and responsibilities of senior executives; and
 - (iv) the role of Board committees;
- (j) develop and review continuous professional development programs for directors in order to enhance director competencies and develop and enhance directors' skills and knowledge on key developments affecting the Group and the industry in which it operates;

- (k) review nomination practices against measurable objectives for achieving gender diversity;
- (l) identify any specific responsibilities of individual Board members, including the Chair;
- (m) review the time required to be committed by non-executive directors to properly fulfil their duties and whether non-executive directors meet these requirements;
- (n) assist the Board in assessing the independence of each non-executive director;
- (o) review succession planning for Board members and provide advice to the Board on whether succession plans are in place to maintain an appropriate balance of skills, experience, expertise and diversity on the Board;
- (p) review succession planning for the Chief Executive Officer (If applicable) and other key executives of the Group;
- (q) review the performance of the Chair and report results of the evaluation to the Board; and
- (r) review the membership and performance of other Board committees and make recommendations to the Board.

Board Approvals

Before implementing any of the following proposals the Board will request the Committee to review the proposal and make a recommendation to the Board in relation to:

- (a) any change to the remuneration or contract terms of the executive directors and any other senior executives of the Company;
- (b) any amendment to any short-term incentive scheme adopted by the Company and allocation of sums under the short term incentive scheme to directors and senior executives;
- (c) the design of any new equity or share plan or executive incentive or option plan, or the amendment of any existing equity or share plan or executive incentive or option plan;
- (d) the total level of award proposed from equity or share plans or executive incentive or option plans; and
- (e) any proposed termination payment to the executive directors and any other senior executives of the Company which has not been previously reviewed and recommended by the Committee. A termination payment to any other departing executive must be reported to the Committee at its next meeting.

Selection and appointment of new Directors

Factors to be considered when reviewing a potential candidate for appointment as a director include:

- (a) the skills, experience, expertise and personal qualities that will best complement Board effectiveness;
- (b) the existing composition of the Board, having regard to the objective that the Board should comprise a mix of executive and non-executive directors and comprise directors with a broad range of skills, knowledge, expertise and experience from a diverse range of backgrounds;
- (c) the capability of the candidate to devote the necessary time and commitment to the role (this involves a consideration of matters such as other board or executive appointments);
- (d) potential conflicts of interest;
- (e) the independence of the candidate, with reference to the criteria for an independent director set out in the Board Charter; and
- (f) the Board's commitment to promoting diversity on the Board.

Detailed background information in relation to a potential candidate should be provided to all directors.

Appropriate checks should be undertaken before appointing a potential candidate or putting forward a candidate to shareholders for approval, which should include checks as to the person's character, experience, education, criminal record and bankruptcy history.

The identification of potential candidates may be assisted by the use of external search organisations as appropriate.

The Committee will report to the Board outlining the following details of the director selection process:

- (a) the process by which candidates are identified and selected, including whether an external search organisation was used and their recommendations; and
- (b) the factors taken into account in the selection process, and the reasons why the Committee is recommending the appointment of the candidate as a director.

A written agreement will be entered into for each director and senior executive setting out the terms of their appointment.

Composition

Where possible, the Committee will initially comprise a minimum of three members, a majority of whom should be independent non-executive directors.

It is intended that any future Committee will comprise a minimum of three members, all of whom will be non-executive directors and the majority of whom should be independent directors.

If the Chair of the Board is an independent director, the Chair of the Board will be the Chair of the Committee.

Otherwise, the Board will nominate the Chair of the Committee from time to time. The Chair of the Committee must be an independent director.

Procedural requirements

The Committee will meet as required but not less than once a year.

A quorum of the Committee will comprise two members, one of whom must be the Chair or, in the absence of the Chair, another independent director.

If the Chair is absent from a meeting and no acting Chair has been appointed, the members present may choose one of them to act as Chair for that meeting.

Meetings of the Committee may be held or participated in by conference call or similar means, and decisions may be made by circular or written resolution.

Each member of the Committee will have one vote.

The Chair will not have a casting vote. If there is a tied vote, the motion will lapse.

A member must not be present for discussions at a Committee meeting on, or vote on a matter regarding, their own election, re-election, removal, remuneration or a specific remuneration policy that affects them. However, a member who is a non-executive director may be present and vote in relation to the remuneration of all non-executive directors.

Any member of the Committee may, with the Chair's prior approval, invite any non-member to attend and participate in a meeting of the Committee. Any such invitee will not have any vote.

Following each meeting the Chair will report to the Board on any matter that should be brought to the Board's attention, and on any recommendation of the Committee that requires Board approval or action.

Minutes of meetings of the Committee will be prepared for approval by the Committee and circulated to the members of the Board.

The Company Secretary will attend all Committee meetings and provide such assistance as may be required by the Chair in relation to preparation of the agenda, minutes or papers for the Committee.

The Committee may have access to such internal resources, and seek such advice from any external advisers, consultants or specialists, as it may consider necessary or desirable to fulfil its objectives.

The Chair or, if the Chair is not available, a Committee member should attend the Annual General Meeting of the Company and be available to answer any questions from shareholders about the Committee's activities or, if appropriate, the Company's remuneration arrangements.

Annual Review

The Committee will prepare and provide to the Board annually:

- (a) a self-evaluation of its performance against its Charter, goals and objectives;
- (b) recommended goals and objectives for the coming year; and
- (c) recommended changes or improvements to its Charter if necessary.

The annual review may be done by way of an oral report to the Board by the Chair of the Committee.

Revision of this Charter

The Committee is responsible for reviewing the effectiveness of this Charter and the operations of the Committee and to make recommendations to the Board of any amendments.

Any amendment to this Charter must be approved by the Board.

APPENDIX D

Diversity Policy

SER is committed to workplace diversity at all levels and recognises the benefits arising from the recruitment, development and retention of a talented, diverse and motivated workforce from the widest pool of talent available.

Diversity within SER means all the things that make individuals different to one another, including, but not limited to, gender, ethnicity, religion, culture, language, disability, marital or family status, sexual orientation, gender identity and age. It involves a commitment to equality and treating one another with respect.

SER will engage talented people regardless of their gender, ethnicity, religion, culture, language, disability, marital or family status, sexual orientation, gender identity and age and taken into consideration only their skills, competency and suitability for the position and SER team.

Applicability

This policy applies to directors, all employees, contractors, consultants and advisers of SER and SER group companies and any joint ventures under SER's operational control.

Objectives

SER encourages diversity in employment, and in the composition of its Board, as a means of ensuring the company has an appropriate mix of skills and talent to conduct its business and achieve SER's goals.

SER will provide opportunities in respect to employment and employment conditions to achieve:

- a diverse and skilled workforce, leading to continuous improvement in SER's performance and achievement of corporate goals
- a workforce that best represents the talent available in the communities in which SER's assets are located and its employees reside
- a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives through improved awareness of the benefits of workforce diversity and successful management of diversity
- a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff
- the development of necessary skills and experience for leadership roles
- improved employment and career development opportunities for women
- awareness in all staff of their rights and responsibilities with regard to fairness, equity and respect for all aspects of diversity, and
- workplaces that are free from all forms of discrimination, vilification and harassment.

Strategy

SER aims to achieve these objectives by:

- the Board establishing, and reviewing on an annual basis, measurable objectives in support of diversity that will be transparent, achievable over a period of time and fit for purpose
- recruiting and managing at all levels on the basis of merit, an individual's skills, experience and performance
- fostering an inclusive and supportive culture to enable people to develop to their full potential
- promoting diversity through actions and interactions, and
- taking action to prevent and stop discrimination, bullying and harassment.

Responsibilities

It is the responsibility of all directors, officers, employees, contractors and consultants to comply with the SER's Diversity Policy and report violations or suspected violations of this Diversity Policy.

The Board and Chairperson of SER are accountable for ensuring this policy is implemented. The Board of Directors will review SER's diversity practices regularly and will monitor progress toward the achievement of measurable objectives.

APPENDIX E

Privacy, Security and Data Protection Policy

This Policy applies to all personal information that may be collected by SER, or on its behalf, from shareholders, customers, agents, suppliers, contractors, advisors, financiers, joint venture partners or business partners or an employee of the aforementioned entities.

Overview

Personal information means information or an opinion about an identified individual, or an individual who is reasonably identifiable, whether the information or opinion is true or not, and whether the information or opinion is recorded in a material form or not.

Personal Information Collected by the Company

SER collects personal information as required in the course of its business as permitted by law to provide its products and information to customers and the community, in order to carry on its business and comply with relevant laws.

If an individual chooses not to provide certain personal information to SER, the Company may not be able to do business with that individual or their organisation or provide them with the information they require.

Personal information may be collected directly from an individual or, where appropriate or permissible or as generally contemplated, from a third party such as SER's share registry service and corporate reporting services. This includes personal information about individuals who are retail shareholders, and individuals who may be employed by or contracted to institutional shareholders.

SER may supplement the information it collects with information from other sources, such as publicly available databases and publications.

When SER collects personal information, it will, where appropriate, advise the individual whose personal information is being collected as to the reason it is collecting personal information and how the Company plans to use it and, if necessary, disclose the personal information.

Use of Personal Information

SER uses, discloses or otherwise processes personal information for the purpose for which it has been collected, for reasonably related secondary purposes, for purposes which have been consented to by the individual, and any other purpose permitted under the law. The Company may handle personal information in accordance with any exemptions available to it under the law.

Accuracy and Security of Personal Information

The Company takes all reasonable steps to secure personal information and to keep the information accurate and up-to-date. Personal information is stored either electronically or in hard copy and appropriate security measures are in place to protect this information.

SER's website does not provide facilities for the secure transmission of information across the internet. Users should be aware that there are inherent risks in transmitting information across the internet.

SER will take such steps as are reasonable in the circumstances to destroy or de-identify personal information when it is no longer required.

Access and Complaints

In most instances, individuals have a right to access and request corrections to personal information held by SER that relates to them. If an individual wish to access personal information held by SER, it may take

certain measures to verify the individual's identity before providing any details in relation to the information. Any concerns or complaints regarding privacy please contact our Company Office:

Attention: Strategic Energy Resources Limited
Level 4, 100 Albert Road
South Melbourne, VIC, 3205

APPENDIX F

Code of Conduct

This code of conduct aims to encourage the appropriate standards of conduct and behaviour of the directors, officers, employees and contractors (collectively called the “employees”) of SER.

General Principles

Employees are expected to act with integrity and objectivity, striving at all times to enhance the reputation of SER, including by abiding by the following general principles:

- employees are to act honestly, in good faith and in the best interests of the company-as-a-whole
- employees have a duty to use due care and diligence in fulfilling the functions of their position and exercising the powers attached to their employment
- employees must recognise that their primary responsibility is to SER’s shareholders as a whole
- employees must not take advantage of their position for personal gain, or the gain of their associates
- directors have an obligation to be independent in their judgements
- confidential information received by employees in the course of the exercise of their duties remains the property of SER. Confidential information can only be released or used with specific permission from SER
- employees have an obligation, to comply with the spirit as well as the letter, of the law and with the principles of this Code.

SER views breaches of this Code as serious misconduct. Employees who have become aware of any breaches of this Code must report the matter immediately to their line manager or the Company Secretary. The line manager or Company Secretary has the responsibility to report the breach to the appropriate senior management and to advise the relevant employee of the outcome and actions implemented.

Any employee who in good faith, reports a breach or a suspected breach will not be subject to any retaliation or recrimination for making that report.

Employees who breach the policies outlined in the Code may be subject to disciplinary action, including the case of serious breaches, dismissal.

Directors

The following additional obligations apply to directors of SER and aim to ensure directors have a clear understanding of the company’s expectations of their conduct.

Fiduciary Duties

All directors have a fiduciary relationship with the shareholders of the SER. A director occupies a unique position of trust with shareholders, which makes it unlawful for directors to improperly use their position to gain advantage for themselves.

Duties of Directors

Each director must endeavour to ensure that SER is properly managed so as to protect and enhance the interests of all shareholders. To this end, directors need to devote sufficient time and effort to understand the company’s operations.

Directors should ensure that shareholders and the ASX are informed of all material matters that require disclosure and avoid or fully disclose conflicts of interest.

Conflict of Interest

At all times a director must be able to act in the interests of SER. Where the interests of associates, the personal interest of a director or a director's family may conflict with those of SER, then the Director must immediately disclose such conflict and either:

- eliminate the conflict, or
- abstain from participation on any discussion or decision-making process in relation to the subject matter of the conflict.

Executive directors must always be alert to the potential for a conflict of interest between their roles as executive managers and their fiduciary duties as directors.

SER has a Related Party Transactions and Conflicts of Interest Policy (Appendix I) that all employees are required to comply with.

Insider Trading

Information concerning the activities or proposed activities of SER, which is not public and which could materially affect the SER's share price must not be used for any purpose other than valid company requirements.

SER has a Securities Trading Policy (Appendix G) that all employees are required to comply with.

Stakeholders

The Board recognises that the primary stakeholders in the SER are its shareholders. Other legitimate stakeholders include employees, customers and the general community, especially those communities, included indigenous communities, which are affected by SER's operations.

SER's primary objective is to create shareholder wealth through capital growth and dividends by the continued development within the mining sector, and the provision of innovative customer and market focused solutions within the mining and related industries. This is achieved by:

- keeping the market informed of its exploration and mining activities
- actively progressing its exploration programmes, and
- seeking new opportunities within the mining sector.

The company is committed to conducting all its operations in a manner which:

- protects the health and safety of all employees, contractors and community members
- recognises, values and rewards the individual contributions of each employee
- achieves a balance between economic development, maintenance of the environment and social responsibility
- maintains good relationships with suppliers and the local community, and
- is honest, lawful and ethical.

All employees (including directors) are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the company.

APPENDIX G

Continuous Disclosure and Communications Policy

This policy is to be read in conjunction with other company policies, including but not limited to the Related Party Transactions and Conflicts of Interest Policy (Appendix I).

Applicability

This Policy applies to all SER employees including:

- executive and non-executive directors
- full-time, part-time and casual employees, and
- contractors, consultants and advisers.

It includes employees of any SER group companies and any joint ventures under SER's operational control.

Introduction

SER is listed on the Australian Securities Exchange (ASX) and is required to comply with the ASX listing rules.

This Policy is designed to:

- record and communicate SER's commitment to continuous disclosure
- provide a framework and strategy for SER to meet its obligations to disclose material information to the investment community, and
- outline the corporate governance standards applied by SER in its market communications' practices.

The Board will review this Policy regularly to determine whether it is effective in ensuring accurate and timely disclosure in accordance with SER's disclosure obligations.

Failure to comply with the Continuous Disclosure and Communication Policy may lead to a breach of applicable legislation, stock exchange listing rules or other regulations, which may result in Directors incurring personal liability. Disciplinary action, including dismissal, may be taken against any person who fails to comply with this Policy.

Continuous Disclosure

SER will, subject to exceptions set out in the applicable listing rules, immediately (promptly and without delay) notify the market by announcing to the stock exchange any information or major development related to the business of SER that:

- a reasonable person would expect to have a material effect on the price or value of its securities, and
- a reasonable investor is likely to use as part of the basis for making investment decisions.

The requirement to disclose this information does not apply if, and only if, each of the following conditions is and remains satisfied:

- a reasonable person would not expect the information to be disclosed and
- the information is confidential and the ASX has not formed the view that the information has ceased to be confidential and one or more of the following conditions apply:
 - it would be a breach of the law to disclose the information
 - the information concerns an incomplete proposal or negotiation
 - the information is generated for the internal management purposes of SER, or
 - the information is a trade secret.

In this event, the information will be kept confidential to the extent permitted by law until the Board determines it is necessary or appropriate to publicly disclose.

The SER Board

It is the Board's responsibility to effectively implement this Policy, including:

- ensuring that adequate processes and controls are in place for the identification of material information and the release of disclosable information
- the review of material information and determining whether it must be disclosed, and
- overseeing compliance with relevant continuous and periodic disclosure requirements.

The Board will use the external auditor and legal counsel in an advisory capacity where appropriate.

The Company Secretary

The Company Secretary is responsible for the administration of this Policy.

The Company Secretary releases any procedural announcements following circulation to the Board. Any material announcements are circulated to the Board for review and approval prior to releasing to the ASX.

The Company Secretary is responsible for ensuring that announcements are communicated to the relevant stock exchanges in accordance with applicable laws, listing rules and regulations, after approval by the Board.

Trading Halt

In order to facilitate an orderly, fair and informed market it may be necessary to request a trading halt from the ASX. The Chairperson will make the decisions relating to a trading halt.

Rumours

Subject to its continuous disclosure obligations, SER will not generally comment on rumours or market speculation.

Market Communication

SER's corporate governance framework is designed to ensure:

- timely and accurate information regarding SER, including its financial situation, performance, ownership, strategies, activities and governance is provided equally to all shareholders and market participants
- channels for disseminating information are adopted which are fair, timely and cost-efficient, and
- it does not communicate material price, or value sensitive information to any external party prior to that information being disclosed to all shareholders and market participants in compliance with its continuous disclosure obligations.

Website

All information disclosed in compliance with this Policy will be placed promptly on SER's website at www.strategicenergy.com.au. The website also includes a facility to allow interested persons to subscribe to electronically receive electronic public releases and other relevant information concerning SER.

Spokespersons

Otherwise than as approved by the Board, only the Chairperson is authorised to make any public statement on behalf of, or attributable to, SER.

If any other employee receives a request for comment from an investor, analyst or the media in relation to any matter concerning SER, they must advise that person that they are not authorised to speak on behalf of SER and must refer enquiries to the Chairperson.

The Chairperson is to be made aware of all external approaches from media, Government or financial agencies. Any written statements must be approved by the Chairperson prior to release. Any presentations or speeches that may attract media attention must be reviewed and cleared by the Chairperson or their designated delegate prior to the presentation.

Analyst and Investors' Briefings

SER conducts briefings for analyst, investor and media groups to discuss information that has been released to the market. The following protocols apply:

- no material information will be disclosed at these briefings unless it has been previously or simultaneously released to the market
- if material information is inadvertently released it will immediately be released to the stock exchanges and placed on the SER website
- questions at briefings that deal with material information not previously disclosed will not be answered, and
- all briefing and presentation materials will be disclosed to the market via the ASX and placed on SER's website prior to the commencement of the briefing.

Analyst Reports

Where requested to do so, SER may review analysts' draft models and research reports but will confine its comments to factual matters and material previously disclosed. SER may comment on analysts' earnings estimate to the extent of:

- acknowledging the current market range of estimates
- questioning an analyst's assumptions or sensitivities if the analyst's estimate is significantly at variance from current market range estimates, and
- advising factual errors where data is already in the public domain.

Shareholder Meetings

SER encourages and supports shareholder participation. Mechanisms for enabling shareholder participation will be reviewed regularly to encourage the highest level of anticipation and include:

- Notices of Meeting being prepared, and meetings being conducted, in accordance with industry best practice and the guidelines published by the ASX Corporate Governance Council, and
- the use of electronic communication to disseminate information relating to meetings and to facilitate shareholder voting in the most efficient manner.

Industry Conferences

This Policy applies to any form of communication such as a speech, roundtable discussion or informal conversation at a conference, by any director, officer, employee, agent and contractor of SER made at any industry conference or similar event.

Unintentional Disclosure

Any disclosure made, whereby any person who made the disclosure did not know or was reckless in not knowing that the information was both material information and has not been disclosed, is commonly referred to as unintentional disclosure.

If it is determined that there has been unintentional disclosure, the Board will immediately take all appropriate steps, including: disclosure of the material information that has been unintentionally disclosed; and notifying the person to whom the unintentional disclosure was made that such information has not been disclosed and must remain confidential and that they may not trade in the shares of SER with knowledge of such information until it is disclosed.

APPENDIX H

Securities Trading Policy

Insider Trading Prohibition

Directors, officers and employees¹ who wish to trade in SER securities must first have regard to the statutory provisions of the Corporations Act dealing with insider trading. Insider trading is the practice of dealing in a company's securities (which includes shares, options and rights) by a person in possession of information not generally available, but if it were generally available would, or would be likely to influence a person's decision to transact in the Company's securities. It may also include the passing on of this information to another or procuring another person to deal in the securities. **Insider trading is an offence which carries severe penalties, including imprisonment.**

In summary, directors, officers and employees of SER must not, whether in their own capacity or as an agent for another, subscribe for, purchase or sell, or enter into an agreement to subscribe for, purchase or sell, any securities in the company, or procure another person to do so:

- if that director, officer or employee possesses information that a reasonable person would expect to have a material effect on the price or value of the securities or influence a person's decision to buy or sell the securities in the Company if the information was generally available;
- if the director, officer or employee knows or ought reasonably to know, that:
 - the information is not generally available; and
 - if it were generally available, it might have a material effect on the price or value of the securities or influence a person's decision to buy or sell the securities in the Company.

Further, directors, officers and employees must not either directly or indirectly pass on this kind of information to another person if they know, or ought reasonably to know, that this other person is likely to deal in the securities of the Company or procure another person to do so.

Closed Periods, Additional Periods and Prohibited Periods

In addition to the prohibitions on insider trading set out in the Corporations Act, SER requires that directors, officers and employees must not trade in the Company's securities during the 'Closed Periods' commencing two weeks prior to the release of the Company's quarterly cash flow reports (Appendix 5B).

There is an exception to this 'Closed Periods' trading if the circumstances are exceptional and the procedure for prior written clearance described below has been met.

In addition to the prohibitions on insider trading set out in the Corporations Act, SER requires that directors, officers and employees must not trade in SER securities within any period imposed by SER from time to time, because SER is considering matters that would require disclosure to the market but for Listing Rule 3.1 A ('Additional Period'), unless the circumstances are exceptional and the procedure for prior written clearance described below has been met. This prohibition is in addition to the Closed Periods. The Closed Periods, and the Additional Period are together referred to as a 'Prohibited Period' in this policy.

Please note that even if it is outside of a Prohibited Period, directors, officers and employees must not trade in SER's securities if they are in possession of inside information.

¹ In this policy, reference to directors, officers and employees includes all 'Connected Persons' of the directors, officers and employees. 'Connected Persons' means any person over whom the director, officer or employee has significant influence or control. Further, all references to officers includes a reference to 'key management personnel' as defined in AASB Standard 124 Related Party Disclosure, being those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the entity.

Exceptional Circumstances when trading may be permitted subject to prior written clearance.

A person may trade in the Company's securities inside a Prohibited Period, subject to obtaining prior written clearance in accordance with the procedure described below, in the following exceptional circumstances:

- if the person granting the prior written clearance is satisfied that the person seeking the clearance does not possess unpublished price sensitive information about the Company and the person seeking clearance is in severe financial hardship
- if the person granting the prior written clearance is satisfied that the person seeking the clearance does not possess unpublished price sensitive information about the company and there are other circumstances deemed to be exceptional by the person granting the prior written clearance, or
- where trading is required for compliance with a court order or court enforceable undertakings or for some other legal or regulatory requirement.

Procedure for Obtaining Clearance Prior to Trading

Directors, officers and employees must not trade in the Company's securities at any time outside a Prohibited Period unless the director, officer or employee first obtains prior written clearance from the Chairperson. The Chairperson will not unreasonably withhold clearance.

Directors, officers and employees must not trade in the Company's securities during a Prohibited Period, including in the exceptional circumstances referred to above, unless the director, officer or employee obtains prior written clearance from the Chairperson.

Should the Chairperson wish to trade securities, written clearance should be obtained from another member of the Board. Permission will not be unreasonably withheld.

A request for prior written clearance to trade during a Prohibited Period should be made in writing and given to the Company Secretary and the Chairperson. The request may be submitted by email.

Any written clearance granted under this policy will be valid for the period of 10 business days from the time which it is given, or such other shorter period as may be determined by the person granting the clearance. The expiry time of the clearance will be stated in the clearance granted. Written clearance under this policy may be given by email.

Trading which is not subject to this policy

The following trading by directors, officers and employees is excluded from this policy:

- transfers of securities already held into a superannuation fund or other saving scheme in which the director, officer or employee is a beneficiary
- an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in the company's securities) where the assets of the fund or other scheme are invested at the discretion of a third party
- where the director, officer or employee is a trustee, trading in the company's securities by that trust provided the director, officer or employee is not a beneficiary of the trust and any decision to trade during a Prohibited Period is taken by the other trustees or by the investment managers independently of the director, officer or employee
- undertakings to accept, or the acceptance of, a takeover offer
- trading under an offer or invitation made to all or most of the security holders such as, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue
- the exercise (but not the sale of securities following exercise) of an option or right under an employee incentive scheme, or the conversion of a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a Prohibited Period and the company has been in an exceptionally long Prohibited Period or the company has had a

- number of consecutive Prohibited Periods and the director, officer or employee could not reasonably have been expected to exercise it at a time when free to do so, or
- trading under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in the trading policy and where:
 - (a) the director, officer or employee did not enter into the plan or amend the plan during a Prohibited Period; and
 - (b) the trading plan does not permit the director, officer or employee to exercise any influence or discretion over how, when, or whether to trade.

Please note that even if the trading is excluded from this Policy, directors, officers and employees must not trade in SER securities if they are in possession of inside information.

Trading in derivative products

The prohibitions on trading in SER securities imposed by the company and set out in this policy extend to trading in financial products issued or created over or in respect of SER's securities.

Long Term Trading

SER wishes to encourage directors, officers and employees to adopt a long-term attitude to investment in the company's securities. Therefore, directors, officers and employees are strongly discouraged from engaging in short term or speculative trading of SER's securities.

Prohibited Transactions

Directors, officers and employees are prohibited from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements under any equity based remuneration schemes.

Requests for prior written clearance for the transactions set out in this section "Prohibited Transactions" should be made in accordance with the procedure set out above for trading during a Prohibited Period.

Notification

Directors must disclose details of changes in SER securities they hold (directly or indirectly) to the Company Secretary as soon as reasonably possible after the date of the contract to buy and sell the securities ('Contract Date') but in any event:

- no later than 3 business days after the Contract Date; or
- if they begin to have or cease to have a substantial shareholding or there is a change in their substantial holding, the business day after the Contract Date.

Directors are referred to the company's Director's Disclosure Obligations document and Director's Declaration of Interest Form. The Company Secretary is to maintain a register of clearances given in relation to trading in the company's securities. The Company Secretary must report all notifications of dealings in the company's securities to the next Board meeting of SER.

Directors are reminded that it is their obligation under section 205G of the Corporations Act to notify the market operator within 14 days after any change in a director's interest, if the company has not done so.

Breaches

Breach of the insider trading prohibition could expose directors, officers and employees to criminal and civil liability. Breach of insider trading law or this policy will be regarded by the company as serious misconduct which may lead to disciplinary action and/or dismissal.

This policy does not contain an exhaustive analysis of the restrictions imposed on, and the very serious legal ramifications of, insider trading. Directors, officers and employees who wish to obtain further advice in this matter, are encouraged to contact the Company Secretary.

This policy also applies to SER's related entities.

ASX Listing Rule Requirements

It is a requirement for admission to the official list of ASX, and an on-going requirement for listing, that the company has a policy for trading in company securities.

SER will give a copy of this policy to ASX for release to the market. The company will also give any amended version of this policy to ASX when it makes a change to: the periods within which directors, officers and employees are prohibited from trading in the company's securities; the trading that is excluded from the operation of the policy; or the exceptional circumstances in which directors, officers and employees may be permitted to trade during a Prohibited Period, within five business days of the amendments taking effect. SER will also give this policy to ASX immediately on request by ASX.

APPENDIX I

Health, Safety and Environment Policy

SER is committed to managing its activities in an environmentally responsible manner. Through effective management practices, SER aims to ensure activities have a minimum impact on the environment.

SER will:

- develop, implement and maintain project-specific Conservation Management Plans to identify, assess and minimise environmental risk at all stages of its operations as a fundamental part of its long-term strategy
- comply with all applicable legal and statutory requirements to which we subscribe as a minimum standard
- engage Stakeholders on their concerns, aspirations and values regarding the development, operation and closure aspects of our projects
- communicate our policy and environmental performance in an open, transparent and accurate manner
- minimise the environmental impacts of our operations through the efficient use of natural resources and the reduction of input materials and waste
- monitor our environmental footprint and risk through the measurement and reporting of environmental performance
- ensure that all SER employees and contractors are fully aware of this policy and their environmental responsibilities at all stages of the company's activities and operations.

SER is committed to exploring for minerals in a responsible manner that reflects the expectations of the broader community. High standards of environmental, health and safety management will be integrated into all its activities. In so doing, SER will strive to protect human health; minimise adverse impact on the natural, social and cultural environment while fostering beneficial outcomes; and return disturbed sites to a state compatible with a healthy environment.

SER's ultimate goal is for exploration to lay the foundation for the development, operation and rehabilitation of profitable mines in a manner that respects and responds to the social, environmental and economic needs of present generations and anticipates those of future generations in the communities and countries where it works.

In particular, SER believes that each and every employee of the company and its subsidiaries has a shared responsibility to apply this policy through:

Corporate commitment

- **Priority:** Recognising environmental, health and safety management as amongst its highest priorities
- **Legislation:** Complying with all applicable legal requirements in all countries and states within which it explores and operates. Applying corporate standards or sound management practices where legislation may be inadequate
- **Integrated Management:** Integrating environmental, health and safety principles and practices into the planning and day-to-day conduct of each exploration activity both in the field and the office
- **Adoption:** Adopting this policy while conducting work on the company's behalf. Encouraging joint venture parties to adopt the principles of this policy.

Public responsibility

- **Engaging Interested Parties:** Encouraging open and honest dialogue with landowners, land users, indigenous peoples, government authorities and other interested parties, and respecting and responding to concerns they may have
- **Accountability:** Monitoring and auditing its performance in a credible manner, to ensure compliance with corporate and legal requirements; and communicating the results to interested parties
- **Collaboration:** Working with government, industry, research bodies and the public to improve regulations, develop better practices, transfer knowledge and raise public awareness on environment, safety and social issues related to its industry.

Social Progress

- **Community Assistance:** Contributing to the quality of life (for example through education and health) of employees, local communities and host countries, while respecting their cultures, needs and priorities
- **Indigenous Cultures:** Respecting the rights and cultural beliefs of indigenous people who have an interest in the land being explored. Respecting and protecting sites and artefacts of cultural significance.

Environmental, health and safety stewardship

- **Risk Management:** Assessing each exploration activity to identify hazards that could result in harm to the environment, personal injury or illness, property damage, fire or security loss, and evaluating the level of risk they pose. Eliminating those hazards wherever feasible, otherwise managing them to minimise their associated risks.
- **Activity Management:** Minimising adverse impacts of our activities and managing associated risks requires planning; appropriate resources, information and training; sound economically feasible management practices and protection measures; use of personal protective equipment and adherence to standard work procedures.
- **Contingency Planning:** Implementing procedures and training employees to deal with likely incidents and emergency situations at each exploration site; and providing first aid, fire-fighting, spill response and communications equipment.
- **Rehabilitation:** Planning early for the cessation of exploration activities. Progressively, as each exploration activity is completed, rehabilitating affected land to a safe and stable state compatible with a healthy environment. Monitoring and maintaining rehabilitation to ensure its long-term success.
- **Continuous Improvement:** Striving to improve our performance through monitoring and auditing; regular review of policies and practices; and the investigation of incidents.

Economic benefits

- **Living Standard:** Integrating our activities with the economic development objectives of local communities and host countries in which we operate. For example, promoting the employment and training of local and national persons, and the utilisation of competitive local and national goods and services.

APPENDIX J

Related Parties Transaction and Conflict of Interests Policy

Related Party Transactions

The purpose of this policy is to establish a protocol for directors and management in negotiating and entering transactions between SER and related parties.

Transactions between SER and a related party raise a number of potential legal issues:

- there may be an actual or perceived conflict of interest on the part of a director and a director may have a material personal interest for the purpose of section 195 of the Corporations Act (the Act);
- a director could breach their duties owed to SER if they fail to separately consider and act in the best interests of the company, as distinct from the interests of the related party;
- a transaction could contravene Chapter 2E of the Act which, subject to certain exceptions, prohibits public companies from giving financial benefits to a related party of the public company without shareholder approval;
- directors, other persons involved in the negotiations and the related party may be liable for civil penalties for a breach of Chapter 2E;
- the ASX Listing Rules may require approval of the shareholders of SER where SER acquires or disposes of a substantial asset, or issues equity securities, to certain related and other parties.

Who is a related party of SER?

For the purpose of Chapter 2E², related parties of SER include:

- a director of SER or members of that director's immediate family such as a spouse, parent or child
- an entity which has the ability to control SER (Controlling Entity)
- directors of any Controlling Entity and their immediate families
- entities controlled by any of the above parties
- an entity which was a related party to SER within the previous 6 months
- an entity that believes it will become a related party in the future; and an entity acting in concert with a related party.

'Control' exists where a person has the ability to determine decisions in relation to the financial and operating policies of another entity.

The definition of 'related party' for the purpose of the ASX Listing Rules is similar.

What does 'giving a financial benefit' involve?

For the purpose of Chapter 2E, giving a financial benefit is interpreted broadly under the Corporations Act, having regard to the substance rather than the form of the transaction, and includes giving a financial benefit indirectly. Where there is a purchase or sale transaction, both parties to the transaction are 'giving a financial benefit' to the other. The fact that there is payment of consideration for the benefit, even if fair value, does not cause the transaction to escape Chapter 2E of the Act.

Examples of giving a financial benefit include:

- giving or providing finance or property;
- buying or selling an asset
- leasing an asset
- supplying or receiving services
- issuing securities or granting options, and
- taking up or releasing an obligation.

² In the event of any uncertainty, the definition of 'related party' in the Corporations Act and ASX Listing Rules will prevail.

Shareholder approval under Chapter 2E - exceptions

Shareholder approval will not be required for a related party transaction where the following circumstances apply:

- benefits to closely held (i.e. wholly-owned) subsidiaries
- where the transaction is conducted on an arm's length basis (or more favourable to SER than an arm's length basis)
- the financial benefit consists of reasonable remuneration or reimbursement to employees or officers
- payment of reasonable indemnities, insurance premiums and legal costs;
- small amounts paid to a director (less than \$5,000)
- benefits that do not discriminate unfairly between members, and
- payments made under an order of court.

Shareholder approval under the Listing Rules

Subject to a number of exceptions, under ASX Listing Rule 10.1, SER may not, without the approval of non-associated shareholders, acquire a substantial asset from, or dispose of a substantial asset to:

- a related party
- a subsidiary
- a substantial shareholder who has or who had at any time within 6 months prior to the transaction an interest in at least 10% of the voting securities in the company;
- an associate of any of the persons referred to above, or
- a person whose relationship to SER or to a person referred to above is such that, in Australian Securities Exchange (ASX) ASX's opinion, the transaction should be approved by the shareholders in the company.

An asset is a 'substantial asset' if its value, or the value of the consideration is, or in ASX's opinion is, 5 per cent or more of the equity interests in the company.

The ASX may deem shareholder approval is necessary even where the transaction falls below the 5 per cent threshold in certain circumstances.

Subject to a number of exceptions, under ASX Listing Rule 10.11, shareholder approval may be required for an issue of equity securities to a related party.

Procedures for related party transactions

All proposed or potential related party transactions must be disclosed to the Board of SER before they are entered into.

All related party transactions must be undertaken on arm's length terms or otherwise in compliance with Chapter 2E and the ASX Listing Rules.

Consideration of all proposed or potential related party transactions must be undertaken in compliance with section 195 of the Corporations Act, which may preclude a director.

Arrangements concerning related party transactions should generally be negotiated at arm's length by persons who are independent of the related party. This may require an independent committee of the Board to be formed to supervise negotiations.

Both before and during a related party transaction, the Board should be ensured the transaction meets the following criteria:

- It is in the best interests of existing shareholders - the obligation to act in the best interests of shareholders means that the Board is required to ensure that related party transactions are conducted at arm's length and on commercial terms

- Fair value and reasonable – the terms negotiated of the transaction must be at least as good as, or better than it would receive if it were dealing at arm’s length on a commercial basis.
- Properly documented – including records to justify the price and any other terms and conditions upon which the related party transaction is entered into, in particular the rationale for entering into the transaction.
- Independent Report – report as to the reasonableness of the price and other terms and conditions may be appropriate in certain circumstances.
- Appropriate disclosure.

Independent advice should be sought (where appropriate) in relation to whether a related party transaction is permitted by the Chapter 2E or the ASX Listing Rules, requires shareholder approval, is on arm’s length terms or requires disclosure to the market.

Conflicts of Interest

Under the Corporations Act and general law, directors and officers must avoid situations where their interests and the interests of the company conflict. Each director and officer has a duty to avoid conflicts of interest. Interests that give rise to a conflict include, without limitation:

- other directorships
- potentially conflicting duties owed to other entities
- outside investments of the director and officer and their related parties, and
- outside employment or engagements.

This policy intends to provide guidance to directors and officers in complying with their obligations to take all reasonable steps to avoid actual, potential or perceived conflicts of interests.

Declaration of Interests

Directors and officers are required to comply with the company’s Code of Conduct, which amongst other things, imposes obligations in relation to conflicts of interest. In addition to those obligations, directors and officers must comply with the following requirements:

- They must take all reasonable steps to avoid actual, potential or perceived conflicts of interests.
- In accordance with the Corporations Act, directors must disclose any conflicts of interest and, in certain circumstances, abstain from participating in any discussion or voting on matters in which they have a material personal interest.
- In the event that a director or officer becomes aware of any current or potential conflicts of interest, the director must immediately notify the Chair or the Company Secretary.
- Directors may choose to submit standing notices of interest to all board members, or must disclose his or her interest in a matter being considered by the board at that time.
- Directors and officers are expected to be sensitive to actual and perceived conflicts of interest that may arise and give ongoing consideration to this in view of the changing nature of the company’s business
- All related party transactions require proper approval from the board in accordance with the Related Party Transactions section of this policy.
- Director and officers must obtain the company’s consent before disclosing company information to another company or third party.

Procedures to manage conflicts of interest

Generally speaking, directors:

- must disclose to the board any actual or potential conflicts of interest which may exist or might reasonably be thought to exist as soon as they arise
- cannot receive the relevant board or board committee papers if the actual or potential conflict is recognised in advance of the circulation of the papers unless the other directors agree otherwise
- must absent themselves from the room when the board or committee discusses and votes on matters to which the conflict relates unless the other directors resolve that the director in question may stay

- cannot vote on the matter unless the other directors resolve that the director in question can vote
- must, if deemed appropriate by the board of the director, take such other steps as are necessary and reasonable to resolve any conflict of interest within an appropriate period.

APPENDIX K

Whistleblower Policy

1. Purpose

- 1.1 Strategic Energy Resources Limited (**SER** or **Company**) is committed to the highest standards of conduct and ethical behaviour in all of our business activities, and to promoting and supporting a culture of honest and ethical behaviour, corporate compliance and good corporate governance.
- 1.2 This Whistleblower Policy (**Policy**) encourages '**Eligible Whistleblowers**' to disclose improper conduct confidentially, anonymously, and on reasonable grounds without the fear of reprisal or detrimental action.
- 1.3 The Policy details the rights of Eligible Whistleblowers, setting out a summary of the protections that are available to Eligible Whistleblowers who make disclosures under the Whistleblower protection provisions provided in the Corporations Act 2001 (Cth) and the Taxation Administration Act 1953 (Cth) (**Whistleblower Laws**).
- 1.4 Under the Whistleblower Laws, an Eligible Whistleblower will be entitled to certain legal protections if they report a '**Disclosable Matter**' to an '**Eligible Recipient**', the Australian Securities and Investments Commission (**ASIC**), Australian Prudential Regulation Authority (**APRA**), or the Australian Tax Office (**ATO**).
- 1.5 The Policy defines the meaning of some of those terms below.
- 1.6 The Policy should be read in conjunction with the Company's Code of Conduct.
- 1.7 The Policy is made available to the Company's stakeholders through its website.
-

2. Application

- 2.1. This Policy applies to all of the Company's people, who include but may not be limited to:
- (a) all Company officers and employees (former and current);
 - (b) all Company suppliers and contractors (former and current);
 - (c) all Eligible Whistleblowers as defined under this Policy and the Whistleblower Laws; or
 - (d) all Eligible Recipients as defined under this Policy and the Whistleblower Laws.
-

3. Eligible Whistleblower

- 3.1. Under the Whistleblower Laws, an 'Eligible Whistleblower' includes an individual who is, or has been, any of the following:
- (a) a current or former officer or employee, including current and former employees who were employed on a permanent, part-time, fixed term, or temporary basis;
 - (b) current or former suppliers of services or goods to the entity (whether paid or unpaid) including their employees;

- (c) an associate of the entity; or
 - (d) a relative, dependent or spouse of any of the above individuals.
-

4. What is a Disclosable Matter?

- 4.1. Under the Whistleblower Laws a '**Disclosable Matter**' is where there is a disclosure of information by an Eligible Whistleblower, where the Eligible Whistleblower has reasonable grounds to suspect that the information:
- (a) concerns misconduct (including fraud, negligence, default, breach of trust, and breach of duty), or an improper state of affairs or circumstances, in relation to the Company or a related entity;
 - (b) concerns misconduct, or an improper state of affairs or circumstances, in relation to the tax affairs of the Company or an associate of the Company; or
 - (c) indicates that an officer or employee of the Company or a related entity, has engaged in conduct that:
 - i. constitutes an offence against, or a contravention of, a provision of specified legislation including the Corporations Act 2001 (Cth);
 - ii. constitutes an offence against any other law of the Commonwealth that is punishable by imprisonment for a period of 12 months or more;
 - iii. represents a danger to the public or the financial system; or
 - iv. will warrant a 'Public Interest Disclosure' or an 'Emergency Disclosure' (see definitions below).
- 4.2. Misconduct or an 'improper state of affairs or circumstances' that may amount to examples of Disclosable Matters may include, but are not limited to:
- (a) dishonest, fraudulent or corrupt activity, including bribery;
 - (b) illegal conduct (such as theft, drug sale or use, violence, harassment or intimidation, criminal damage to property or other breaches of state or federal law);
 - (c) unethical conduct or any conduct which is in breach of the Company's policies (such as dishonestly altering company records or data, adopting questionable accounting practices or wilfully breaching the Company's Code of Conduct or other policies or procedures);
 - (d) conduct which is potentially damaging to the Company, a Company employee or a third party, such as unsafe work practices, environmental damage, health risks or abuse of the Company property or resources;
 - (e) conduct which amounts to an abuse of authority;
 - (f) conduct which may cause financial loss to the Company or damage its reputation or be otherwise detrimental to the Company's interests;
 - (g) conduct that involves harassment, discrimination, victimisation or bullying;
 - (h) conduct that involves any other kind of serious impropriety;
 - (i) auditing non-disclosure or manipulation of any audit processes;
 - (j) information that indicates a significant risk to public safety even if it does not involve a breach of a particular law;
 - (k) information that indicates a significant risk to the stability of, or confidence in, the financial system, even if it does not involve a breach of a particular law; or
 - (l) any deliberate concealment relating to the above.

- 4.3. A Disclosable Matter may include conduct that may not involve a contravention of a particular law.
- 4.4. An individual who makes a disclosure may still qualify for protection even if their disclosure turns out to be incorrect, in so far that the disclosure was made in good faith and / or have reasonable grounds.
-

5. What is not Considered a Disclosable Matter?

- 5.1. A disclosure will not qualify for protection under the Whistleblower Laws if the information disclosed concerns a 'Personal Work- Related Grievance' of the Eligible Whistleblower.
- 5.2. A 'Personal Work-Related Grievance' is a grievance about any matter in relation to the Eligible Whistleblower's employment, or former employment, having (or tending to have) implications for the Eligible Whistleblower personally.
- 5.3. However, the grievance will not be a Personal Work-Related Grievance if it has significant implications for the Company and concerns conduct or alleged conduct referred within the definition of a Disclosable Matter.
- 5.4. Examples of Personal Work-Related Grievances include:
- (a) interpersonal conflict between the Eligible Whistleblower and another employee;
 - (b) decisions relating to the engagement, transfer or promotion of the Eligible Whistleblower;
 - (c) decisions relating to the terms and conditions of engagement of the Eligible Whistleblower;
 - or
 - (d) decisions to suspend or terminate the engagement of the Eligible Whistleblower, or otherwise to discipline the Eligible Whistleblower.
- 5.5. A Personal Work-Related Grievance may still qualify for protection if:
- (a) it includes information about misconduct, or information about misconduct which includes or is accompanied by a Personal Work-Related Grievance (mixed report);
 - (b) the Company has breached employment or other laws punishable by imprisonment for a period of 12 months or more, engaged in conduct that represents a danger to the public, or the disclosure relates to information that suggests misconduct beyond the Eligible Whistleblower's personal circumstances;
 - (c) the Eligible Whistleblower suffers from or is threatened with detriment for making a disclosure; or
 - (d) the Eligible Whistleblower seeks legal advice or legal representation about the operation of the Whistleblower protections under the Corporations Act.
-

6. Who can I make a report to?

- 6.1. Disclosures of information that may amount to a Disclosable Matter under this Policy and the Whistleblower Laws can be made to an '**Eligible Recipient**'.
- 6.2. A discloser of information must make a disclosure directly to any of the following Eligible Recipients to qualify for protection as an Eligible Whistleblower under the Whistleblower Laws:

- (a) the Whistleblower Protection Officer (as listed below);
 - (b) an officer or senior manager of the Company;
 - (c) an internal or external auditor, including a member of an audit team conducting an audit, or an actuary of the Company or a related entity; or
 - (d) a legal practitioner.
- 6.3. **NOTE:** Disclosures of information to a legal practitioner for the purposes of obtaining legal advice or legal representation in relation to the operation of the whistleblower provisions in the Corporations Act 2001 (Cth) are protected (even in the event that the legal practitioner concludes that the disclosure of information does not relate to a Disclosable Matter).
- 6.4. Disclosures of information may also be made to ASIC, APRA, or the ATO.
- 6.5. The Company recommends that Eligible Whistleblowers who may wish to make a disclosure of information that may amount to a Disclosable Matter, but want to obtain additional information first, contact the Whistleblower Protection Officer for further information.
- 6.6. As per the above, an Eligible Whistleblower may make a disclosure directly to any of the above Eligible Recipients. A disclosure of information can be made by contacting the following Whistleblower Protection Officer:
- | | | |
|-------------------------------------|------------------------------|---|
| Melanie Leydin
Company Secretary | Phone:
Email:
Address: | +61 (3) 9692 7222
mleydin@leydinfreyer.com.au
Level 4, 100 Albert Road,
South Melbourne, Victoria 3205 |
| Stuart Rechner
Chairman | Phone:
Email:
Address: | +61 (3) 9692 7222
geo@strategicenergy.com.au
Level 4, 100 Albert Road,
South Melbourne, Victoria 3205 |
- 6.7. A report may be submitted anonymously if the Eligible Whistleblower does not wish to disclose his or her identity to the Whistleblower Protection Officer and all disclosures of information will be treated confidentially.
- 6.8. There is no requirement for an Eligible Whistleblower to identify himself or herself to be eligible to receive the protections outlined under the Whistleblower Laws.

7. What is a Public Interest Disclosure or an Emergency Disclosure?

- 7.1 “Public Interest Disclosure” means a disclosure of information to a journalist or a parliamentarian, where:
- (a) at least 90 days have passed since the discloser made the disclosure to ASIC, APRA or another Commonwealth body prescribed by regulation;

- (b) the disclosure does not have reasonable grounds to believe that action is being, or has been taken, in relation to their disclosure;
 - (c) the disclosure has reasonable grounds to believe that making a further disclosure of the information is in the public interest; and
 - (d) before making the public interest disclosure, the discloser has given written notice to the body referred to under 7.1(a) and that includes sufficient information to identify the previous disclosure and states that the discloser intends to make a public interest disclosure.
- 7.2 ‘Emergency Disclosure’ is the disclosure of information to a journalist or parliamentarian where:
- (a) the discloser has previously made a disclosure of the information to ASIC, APRA or another Commonwealth body prescribed by regulation;
 - (b) the discloser has reasonable grounds to believe that the information concerns a substantial and imminent danger to the health or safety of one or more persons or to the natural environment;
 - (c) before making the emergency disclosure, the discloser has given written notice to the body referred to under section 7.2(a) of this policy and that said notice includes sufficient information to identify the previous disclosure and states that the discloser intends to make an emergency disclosure; and
 - (d) the extent of the information disclosed in the emergency disclosure is not greater than is necessary to inform the journalist or parliamentarian of the substantial and imminent danger.
- 7.3 An Eligible Whistleblower should consider contacting an independent legal adviser before making a Public Interest Disclosure or an Emergency Disclosure.
- 7.4 A disclosure of information will remain a Disclosable Matter where the Eligible Whistleblower makes a Public Interest Disclosure or an Emergency Disclosure.
-

8. Investigation of Reportable Conduct

- 8.1. The Company will investigate all matters reported under this Policy as soon as possible after the matter has been reported. The Whistleblower Protection Officer may appoint a person to assist in the investigation of a matter raised. Where appropriate, the Company will provide feedback to the whistleblower regarding the investigation’s progress and/or outcome (subject to considerations of the privacy of those against whom allegations are made).
 - 8.2. The investigation will be conducted in an objective and fair manner, and otherwise as is reasonable and appropriate having regard to the nature of the Reportable Conduct and the circumstances.
-

9. Protection of Whistleblowers

- 9.1. Where an Eligible Whistleblower makes a disclosure of information on reasonable grounds, the Company will act to protect them from any victimisation, adverse reaction or intimidation and ensure they will not be disadvantaged in their employment or engagement with the Company as a result of his or her disclosure.

9.2. Eligible Whistleblowers also have specific protections under the Whistleblower Laws, which are outlined below.

A. Identity Protection (Confidentiality)

9.2.1. A person cannot disclose the identity of an Eligible Whistleblower or information that is likely to lead to the identification of the Eligible Whistleblower, unless:

- (a) it discloses such information to ASIC, APRA or a member of the Australian Federal Police;
- (b) it discloses such information to a Commonwealth authority, or a State or Territory authority, for the purpose of assisting the authority in the performance of its functions or duties;
- (c) it discloses such information to a legal practitioner for the purpose of obtaining legal advice or legal representation in relation to the operation of the Whistleblower Laws;
- (d) the disclosure of that information is made with the consent of the discloser; or
- (e) it discloses information, but not including the identity of the Eligible Whistleblower, for the purposes of investigating the conduct disclosed (see below).

9.2.2. The Company requires that where an officer or employee of the Company receives a Disclosable Matter, that person must not disclose the identity of the Eligible Whistleblower or information that is likely to lead to the identification of the Eligible Whistleblower unless one of the above exceptions applies or it is for the purposes of an investigation (see below).

9.2.3. It is unlawful for any person to identify an Eligible Whistleblower or disclose information that is likely to lead to the identification of the Eligible Whistleblower, outside the exceptions listed above.

9.2.4. The Company will endeavour to protect the confidentiality of Eligible Whistleblower's identity by adopting the following measures:

- (a) all personal information or reference to the Eligible Whistleblower witnessing an event will be redacted;
- (b) the Eligible Whistleblower will be referred to in a gender-neutral context;
- (c) where possible, the Eligible Whistleblower will be contacted to help identify certain aspects of their disclosure that could inadvertently identify them;
- (d) disclosures will be handled and investigated by qualified Company staff or external advisors;
- (e) all paper and electronic documents and other materials relating to disclosures will be stored securely;
- (f) access to all information relating to a disclosure will be limited to those directly involved in managing and investigating the disclosure;
- (g) only a restricted number of people who are directly involved in handling and investigating a disclosure will be made aware of a discloser's identity (subject to the discloser's consent) or information that is likely to lead to the identification of the discloser;
- (h) communications and documents relating to the investigation of a disclosure will be sent to an email address or to a printer that can be accessed by other staff; and
- (i) each person who is involved in handling and investigating a disclosure will be reminded about the confidentiality requirements, including that an unauthorised disclosure of a discloser's identity may be a criminal offence.

9.2.5. If an Eligible Whistleblower is concerned about a breach of confidentiality, the Company

encourages the Eligible Whistleblower to lodge a complaint with the Company by contacting a Whistleblower Protection Officer.

9.2.6. Eligible Whistleblowers may also lodge a complaint with a regulator such as ASIC, APRA or the ATO, for external investigation.

B. Protection from Detrimental Acts or Omissions

9.2.7. A person cannot engage in conduct that causes detriment to an Eligible Whistleblower (or another person), in relation to a Disclosable Matter if:

- (a) the person believes or suspects that the Eligible Whistleblower (or another person) made, may have made, proposes to make, or could make a disclosure that qualifies for protection; and
- (b) the belief or suspicion is the reason, or part of the reason, for the detrimental conduct.

9.2.8. A person cannot make a threat to cause detriment to an Eligible Whistleblower (or another person) in relation to a Disclosable Matter. A threat may be expressed or implied, conditional or unconditional.

9.2.9. An Eligible Whistleblower (or another person) who has been threatened in relation to a Disclosable Matter does not have to actually fear that the threat will be carried out.

9.2.10. Examples of conduct that is considered detrimental and that are prohibited under the law include, but are not limited to:

- (a) dismissal of an employee;
- (b) injury of an employee in his or her employment;
- (c) alteration of an employee's position or duties to his or her disadvantage;
- (d) discrimination between an employee and other employees of the same employer;
- (e) harassment or intimidation of a person;
- (f) harm or injury to a person, including psychological harm;
- (g) damage to a person's property;
- (h) damage to a person's reputation;
- (i) damage to a person's business or financial position; or
- (j) any other damage to a person.

9.2.11. Examples of conduct that is not to be considered detrimental include:

- (a) administrative action that is reasonable for the purpose of protecting an Eligible Whistleblower from detriment (e.g. moving an Eligible Whistleblower who has made a disclosure about their immediate work area to another office to prevent them from detriment);
- (b) managing an Eligible Whistleblower's unsatisfactory work performance, if the action is in line with the Company's performance management framework.

9.2.12. The Company will endeavour to adopt the following measures and mechanism to protect Eligible Whistleblowers from detriment (where applicable):

- (a) processes for assessing the risk of detriment against an Eligible Whistleblower and other persons (e.g. other staff who might be suspected to have made a disclosure), which will commence as soon as possible after receiving a disclosure;
- (b) strategies to help an Eligible Whistleblower minimise and manage stress, time or

- performance impacts, or other challenges resulting from the disclosure or its investigation;
- (c) processes for ensuring that management are aware of their responsibilities to maintain the confidentiality of a disclosure, address the risks of isolation or harassment, manage conflicts, and ensure fairness when managing the performance of, or taking other management action relating to, an Eligible Whistleblower;
- (d) procedures on how an Eligible Whistleblower can lodge a complaint if they have suffered detriment, and the actions the Company may take in response to such complaints (e.g. the complaint could be investigated as a separate matter by an officer who is not involved in dealing with disclosures and the investigation findings will be provided to the Board); and
- (e) interventions for protecting an Eligible Whistleblower if detriment has already occurred – e.g. the Company could investigate and address the detrimental conduct, such as by taking disciplinary action, or the Company could allow the Eligible Whistleblower to take extended leave.

9.2.13. Where an Eligible Whistleblower believes they have suffered detriment, the Company encourages that person to seek independent legal advice or contact a regulatory body such as ASIC, APRA or the ATO.

9.2.14. Under the Whistleblower Laws, the Company has a responsibility to protect Eligible Whistleblowers from detriment. The Whistleblower Laws also make it a criminal offence for an individual to threaten an Eligible Whistleblower or cause an Eligible Whistleblower to suffer detriment, and the individual may be required to pay a civil penalty and/or compensation to the Eligible Whistleblower.

9.2.15. Where an Eligible Whistleblower is subject to, or concerned about, any victimisation or detriment as referred to the above, the Eligible Whistleblower should draw this negative treatment to the attention of the Whistleblower Protection Officer and the Whistleblower Protection Officer will take action they deem appropriate in the circumstances.

C. Compensation and Remedies

9.2.16. An Eligible Whistleblower (or any other employee or person) can seek compensation and other remedies through the courts if:

- (a) they suffer loss, damage or injury because of a disclosure of information; and
- (b) the Company failed to take reasonable precautions and exercise due diligence to prevent the detrimental conduct.

9.2.17. The Company encourages all Eligible Whistleblowers to seek independent legal advice in relation to compensation and other remedies.

D. Civil, Criminal and Administrative Liability Protection

9.2.18. An Eligible Whistleblower is protected from any of the following in relation to his or her disclosure, but this does not necessarily mean that he or she will be granted immunity for any misconduct they have engaged in that is revealed in their disclosure:

- (a) Civil liability (e.g. any legal action against the discloser for breach of an employment contract, duty of confidentiality or another contractual obligation);

- (b) Criminal liability (e.g. attempted prosecution of the discloser for unlawfully releasing information, or other use of the disclosure against the discloser in a prosecution (other than for making a false disclosure)); and
- (c) Administrative liability (e.g. disciplinary action for making the disclosure).

9.2.19. The protections provided under Part 9 of this Policy do not grant immunity for any misconduct an Eligible Whistleblower has engaged in that is revealed in their disclosure of information.

10. How will Disclosures be investigated by the Company

A. Handling a disclosure of information

- 10.1. The Company will consider all disclosures of information relating to improper conduct made under this Policy as soon as possible upon receipt of the disclosure of information by the Eligible Recipient.
- 10.2. The Whistleblower Protection Officer is responsible for determining the management of an investigation into a disclosure of information, and may consider:
 - (a) the nature and scope required for the investigation;
 - (b) the person(s) within and/or outside the Company that should lead the investigation;
 - (c) the nature of any technical, financial or legal advice that may be required to support the investigation; and
 - (d) the timeframe for the investigation.

B. Investigation of a Disclosure of Information

- 10.3. The Company will conduct the investigation of a disclosure in a timely and efficient manner, noting that the length of time of any such investigation will take may vary depending on the nature of the disclosure of information.
- 10.4. The Company will conduct the investigation of a disclosure of information in a thorough, objective and impartial manner.
- 10.5. The Company and the Eligible Recipient receiving a disclosure of information may need to disclose information related to the disclosure to undertake an investigation into the disclosure of information. However, unless the Eligible Whistleblower gives consent otherwise, the Company will conduct the investigation of a disclosure in a confidential manner, that is, the Company cannot disclose information that is likely to lead to the identification of the Eligible Whistleblower as part of its investigation process, unless:
 - (a) the information does not include the Eligible Whistleblower's identity;
 - (b) the Company removes information relating to the Eligible Whistleblower or other information that is likely to lead to the identification of the Eligible Whistleblower (e.g. the Eligible Whistleblower's name, position title and other identifying details); and
 - (c) it is reasonably necessary for investigating the issues raised in the disclosure of information.
- 10.6. Where possible, Eligible Whistleblowers will be provided with regular updates during the various

stages of the investigation.

C. Outcome of Investigation and Reporting

- 10.7. The method for documenting and reporting the findings will depend on the nature of the disclosure, however the Company intends for the report to provide a summary of the facts of the suspected reportable conduct and of the investigation. It will also provide recommendations about whether any accusation made is substantiated or unsubstantiated, whether the matter should be referred to the police, other disciplinary actions that may be required and, if warranted, suggested actions to recover stolen funds or property, and internal control implications.
- 10.8. Whilst the Company intends to provide the Eligible Whistleblower a summary of the outcome of the investigation, there may be circumstances where it may not be appropriate to do so.

D. Fair treatment of Individuals Mentioned in a Disclosure

- 10.9. The Company will ensure the fair treatment of its employees and other persons who are mentioned in a disclosure that qualifies for protection, including those who are the subject of a disclosure.
- 10.10. The Company will ensure the fair treatment of its employees and other persons by ensuring:
- (a) disclosures are handled confidentially, when it is practical and appropriate in the circumstances;
 - (b) each disclosure is assessed and will be considered for investigation;
 - (c) the objective of an investigation is to determine whether there is enough evidence to substantiate or refute the matters reported;
 - (d) when an investigation needs to be undertaken, the process will be objective, fair and independent;
 - (e) an employee who is the subject of a disclosure will be advised about the subject matter of the disclosure as and when required by principles of natural justice and procedural fairness and prior to any actions being taken—for example, if the disclosure will be the subject of an investigation; and
 - (f) an employee who is the subject of a disclosure may contact any support services offered by the Company.

11. Duties in relation to Reportable Conduct

- 11.1. It is expected that employees or contractors of the Company who become aware of known, or potential cases of Reportable Conduct will make a report under this Policy or under other applicable policies.

12. Roles and Responsibilities under the Policy

A. Whistleblower Protection Officer

- 12.1. The Whistleblower Protection Officer is responsible for the administration of this Policy. The

responsibilities also include to:

- (a) receive all disclosures from Eligible Whistleblowers, management or the independent whistleblower service and acknowledge receipt with the complainant (if possible);
- (b) appropriately investigate all disclosures in accordance with the Policy and the Whistleblower Laws;
- (c) ensure that the Company and its officers and employees comply with their obligations under the Whistleblower Laws;
- (d) not victimise or cause a person to suffer detriment where any person makes or proposes to make a disclosure under this Policy;
- (e) ensure the principles of natural justice are applied to the respondent(s) of any disclosure and investigation;
- (f) report all disclosures to the appropriate person as detailed above provided that they and the Whistleblower Protection Officer ensure they comply with their obligations under the Whistleblower Laws in relation to confidentiality of an Eligible Whistleblower's identity;
- (g) agree appropriate investigation processes and oversee the conduct of an investigation;
- (h) provide an Investigation report to the Board or as directed by the Chairman;
- (i) review this Policy in conjunction with the Board.

B. All Officers and Employees

12.2. All Officers and employees must:

- (a) when making a disclosure under this Policy ensure they have reasonable grounds on which to base the allegation(s); and
- (b) not victimise or cause a person to suffer detriment where a person makes or proposes to make a disclosure under this Policy.

C. All Officers and Senior Managers

12.3. Officers, managers and senior management must:

- (a) ensure the appropriate consideration and confidentiality is applied to all disclosures under this Policy;
- (b) promptly advise the Whistleblower Protection Officer of any disclosure. If they receive a Disclosable Matter, ensure that they comply with their obligations under the Whistleblower Laws in relation to confidentiality of an Eligible Whistleblower's identity; and
- (c) not victimise or cause a person to suffer detriment where a person makes or proposes to make a disclosure under this Policy.

D. The Board

12.4. The Board is responsible for:

- (a) receiving any notification and reports of disclosures as designated under this Policy;
- (b) determining an appropriate response to the outcome of any investigation including issues involving accounting and auditing matters;
- (c) taking appropriate corrective action when applicable;
- (d) undertaking periodic reviews of this Policy;
- (e) ensuring that the Company and the Company officers and employees comply with their obligations under the Whistleblower Laws; and

- (f) complying with its obligations under the Whistleblower Laws in relation to the confidentiality of an Eligible Whistleblower's identity.
-

13. Policy Review

- 13.1. This Policy cannot be amended without approval from the Company's Board. This Policy will be reviewed from time to time to ensure that it remains effective and meets best practice standards and the needs of the Company.
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14. Further assistance

- 14.1. Any questions regarding this Policy should be referred to the Whistleblower Protection Officer in the first instance.
-

15. Approved and adopted

- 15.1. This Policy was approved and adopted by the Board to be effective from 31 December 2019.

APPENDIX L

Anti-Bribery And Corruption Policy

1. Introduction

- 1.1 Strategic Energy Resources Limited (**Company** or **SER**) and its subsidiary companies is committed to conducting its operations and business activities with integrity and preventing bribery or corruption by any of its directors, officers, employees or any other party acting on its behalf. SER is committed to complying with all laws that apply to it, including anti-bribery and corruption laws.
- 1.2 The purpose of the Anti-Bribery and Corruption Policy (**Policy**) is to:
- (a) supplement SER's Code of Conduct by setting out the conduct expected by the Company to minimise the risk of bribery or corruption occurring in connection with its operations and activities; and
 - (b) provide guidance on how to deal with instances of bribery or corruption.
-

2. Application of this Policy

- 2.1 This Policy applies to SER and its directors, officers, employees, secondees, consultants, contractors and to any agents, advisor, third party or other individual who is, from time-to-time engaged by or paid to represent the Company and its subsidiaries in the conduct of its ordinary business.
- 2.2 This policy applies globally to all SER's operations. The principles of this Policy will apply whether or not the country in which SER is operating has specific anti-bribery and anti-corruption laws. If this Policy differs from local law, SER's representatives will comply with whichever is most stringent.
-

3. Prohibition on bribery and corruption

- 3.1 Bribery and corruption in any form are prohibited.
- 3.2 Bribery involves the offering, giving, soliciting or accepting of a benefit (monetary or otherwise) to any person where the benefit is:
- (a) not legitimately due;
 - (b) offered or given to that person with the intention of influencing them in the exercise of their duties or functions; and
 - (c) offered or given with the intention of obtaining business or a business advantage that is not legitimately due to SER.
- 3.3 For the avoidance of any doubt:
- (a) this prohibition on bribery applies irrespective of whether the person sought to be influenced works in the public or private sector;
 - (b) the prohibition applies throughout the world;
 - (c) it is irrelevant whether a bribe is accepted or ultimately provided. Merely offering a bribe is a contravention of this Policy and usually is sufficient for an offence to be committed;
 - (d) this prohibition is not subject to any local customs or business practices; and

- (e) bribery and corruption includes facilitation payments to Public Officials and the giving or receiving of secret commissions.
-

Gifts and entertainment

- 3.4 SER does not permit the exchange of gifts or involvement in hospitality activities that is beyond general commercial practice or that occurs in circumstances that could be considered to give rise to undue influence.
 - 3.5 A declaration must be made in the Gifts and Entertainment Register where the offer or acceptance of gifts (including personal favours) or hospitality is over AUD500. The entry must:
 - (a) include the value (or approximate value) of the gift or hospitality and whether the gift or invitation to participate in hospitality was accepted or declined; and
 - (b) must be accurate and must not distort or disguise the true nature of the entry.
 - 3.6 The Gifts and Entertainment Register will be reviewed by the Company Secretary every six months.
-

4. Donations

Political donations

- 4.1 SER Personnel must not, on behalf of the Company, make a political donation to any political party, politician or candidate for public office in any country 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 SER's accounts.
- 4.2 Attendance at political gatherings, meetings and functions 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.

Charitable donations and social programs

- 4.3 Apart from political donations, SER may make charitable donations and contribute to social programs (e.g. community education and health programs) as permitted by local laws and practices. No charitable donation or social programs may be offered or made on behalf of SER without the prior approval of the Chairman.
 - 4.4 Care must be taken to ensure that charitable donations and social programs are applied for a legitimate and appropriate purpose.
-

5. Engaging with third parties

- 5.1 Before engaging with a third party, employees must conduct a risk assessment of whether the prospective third party is exposed to corruption risks or otherwise exposes SER to corruption risks.
- 5.2 In situations where a corruption risk is identified, SER employees must ensure:
 - (a) The third party understands SER does not tolerate bribery or corruption in any form;
 - (b) The third party is aware of this policy and understands it applies to them; and
 - (c) Where appropriate/necessary, reference to this policy is included in any contract/agreement with third parties.

6. Consequences on non-compliance

- 6.1 Bribery and the other types of improper payments prohibited by this Policy are prohibited under the laws of the countries in which commercial dealings on behalf of the Company take place.
- 6.2 Under relevant laws, for companies, possible consequences of contravention include the imposition of substantial fines, exclusion from tendering for government or private contracts and reputational damage. For individuals, possible consequences include criminal and civil liability with associated significant fines and/or lengthy terms of imprisonment.
- 6.3 Further, any breach of this Policy by SER Personnel or third parties acting on the Company's behalf is a serious matter that will be investigated and addressed by the Company. It may result in disciplinary action, including immediate termination of employment or engagement with SER.

7. Reporting procedures and queries

- 7.1 All employees and associates of SER are encouraged to report any violations of this Policy, including to the Chairperson or Company Secretary.
- 7.2 The Whistleblower Policy applies to all such reports.

8. Review of this Policy

- 8.1 The Company will review this Policy annually or as often as he or she considers necessary.
- 8.2 Any amendment to this Policy must be approved by the Board.

9. Approved and Adopted

This Policy was approved and adopted by the Board on 21 October 2019.

Appendix

Employee acknowledgement

I acknowledge that I have read and understood the *Anti-bribery and Corruption Policy* of Strategic Energy Resources Limited and understand that I am obliged to observe the requirements of this Policy and to communicate this Policy and its obligations to the entities and staff under my control or supervision.

Your Name:

Signature:

Date: