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Canterbury Resources Limited

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# **CORPORATE GOVERNANCE – POLICIES**

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*June 2018*

## CONTENTS

Board Charter.....	5
Responsibilities of the Board .....	5
Board Composition .....	6
Board Committees and Charters .....	6
External Advice .....	6
Directors Interests .....	6
Chairman.....	7
Managing Director .....	7
Company Secretary.....	7
Board and Management .....	8
Audit Committee.....	9
Terms of Reference.....	9
Committee Membership.....	9
Committee Purposes.....	9
Committee Duties and Responsibilities .....	10
Committee Structure and Operations .....	12
Performance Evaluation.....	13
Resources and Authority of the Audit Committee: .....	13
Governance Committee.....	15
Terms of Reference.....	15
Committee Membership.....	15
Committee Objectives .....	15
Guiding Principles .....	15
Reporting Requirements.....	16
Budget Required .....	17
Support.....	17
Authority/Limits of the Committee .....	17
Meetings .....	17
Performance Evaluation.....	17
Nomination Committee .....	18

Corporate Governance	Policies	
Terms of Reference.....		18
Committee Membership.....		18
Committee Purposes.....		18
Resources and Authority of the Committee .....		19
Training and Understanding .....		19
Budget Required .....		19
Support.....		19
Authority/Limits of the Committee .....		19
Meetings .....		19
Performance Evaluation.....		20
Remuneration Committee .....		21
Terms of Reference.....		21
Committee Membership.....		21
Budget Required .....		21
Support.....		22
Authority/Limits of the Committee .....		22
Meetings .....		22
Code of Conduct .....		23
Our People .....		26
Health and safety .....		26
Alcohol, drug and tobacco use.....		26
Equality in employment .....		27
Harassment and bullying .....		27
Personal information and privacy.....		28
Governments and Communities .....		29
Respecting human rights .....		29
Working with governments .....		29
Political contributions and activities.....		29
Corruption fraud and bribery.....		30
Engaging with communities.....		32
Environment.....		32
Third Party Relationships .....		33

Corporate Governance	Policies	
	Conflict of interest .....	33
	Accepting gifts, hospitality and entertainment .....	33
	Competition and antitrust .....	34
	Maintaining supplier relationships .....	34
	Use of business partners.....	35
	Trade controls .....	35
	Using company resources .....	36
	Accuracy of data and information .....	37
	Cyber security .....	37
	Insider trading.....	37
	Communicating externally .....	38
Market Disclosure Policy.....		39
	Introduction and purpose .....	39
	Disclosure principal .....	39
	Exceptions to the disclosure principle .....	39
	Market speculation .....	40
	Disclosure responsibilities and procedures .....	40
	External communications .....	40
	Trading halts.....	40
Risk Management Policy .....		41
	Terms of Reference.....	41
	Committee Membership.....	41
	Introduction and purpose.....	41
	Approach.....	41
	Roles and responsibility .....	42
	Risk profile.....	42
	Assessment of effectiveness.....	43
	Budget Required .....	43
	Support.....	43
	Authority/Limits of the Committee .....	43
	Meetings .....	44
Securities Trading Policy and Guidelines .....		46

Corporate Governance	Policies	
Introduction and purpose .....		46
Securities Trading Policy .....		46
Purpose and Objectives .....		46
Insider Trading Provisions .....		46
Prohibited conduct by a person with “inside information” .....		47
Restrictions on Trading in CBY's Securities .....		48
Disclosure Policy .....		49
ASX Notification of Directors’ Interests .....		49
No limitation of economic risk in securities.....		49
Effect of Compliance with this Policy.....		50
Additional Information.....		50
Forward Review .....		50
Breaches of policy .....		50
Bullying and Harassment Policy .....		51
Bullying and Harassment .....		51
Introduction .....		51
Harassment .....		51
Bullying.....		52
Bullying and Harassment Complaint Procedures.....		52
Diversity and Inclusion Policy.....		54
Summary of Policy .....		54
Introduction .....		54
Policy Objective:.....		54
Role of the Board .....		54
Achieving Diversity.....		55
Ensuring Equal Opportunity.....		55
Training .....		55
Career Advancement .....		55
Work Environment.....		56
Reporting Responsibility .....		56
Compliance with this Policy .....		56
Shareholder Communications Strategy .....		57

## BOARD CHARTER

The Board of Directors of Canterbury Resources Limited recognises its overriding responsibility to act honestly, diligently, in good faith and in accordance with the law in guiding and monitoring the Company on behalf of Shareholders by whom they are elected and to whom they are accountable.

### RESPONSIBILITIES OF THE BOARD

The monitoring and ultimate control of the business of the Company is vested in the Board. The Board's primary responsibility is to oversee the Company's business activities and management for the benefit of the Company's shareholders. The specific responsibilities of the Board include:

- a) nomination and appointment of directors, assessment of board performance, executive and director succession planning and director remuneration;
- b) appointment, evaluation, rewarding and if necessary the removal of the Managing Director, and Chief Financial Officer (or equivalent) and the Company Secretary;
- c) corporate governance matters including establishing the frequency and agendas of board meetings;
- d) in conjunction with management, development of corporate objectives, strategy and operations plans and approving and appropriately monitoring plans, new investments, major capital and operating expenditures, capital management, acquisitions, divestitures and major funding activities;
- e) management of capital, including share issues and declaration of dividends;
- f) establishing appropriate levels of delegation to the Managing Director to allow him/her to manage the business efficiently;
- g) monitoring actual performance against planned performance expectations and reviewing operating information at a requisite level, to understand at all times the financial and operating conditions of the Company;
- h) monitoring the performance of senior management including the implementation of strategy, and ensuring appropriate resources are available;
- i) via management, an appreciation of areas of significant business risk and ensuring that the Company is appropriately positioned to manage those risks;
- j) overseeing the management of safety, occupational health and environmental matters;
- k) satisfying itself that the financial statements of the Company fairly and accurately set out the financial position and financial performance of the Company for the period under review;
- l) satisfying itself that there are appropriate reporting systems and controls in place to assure the Board that proper operational, financial, compliance, and internal control processes are in place and functioning appropriately;
- m) to ensure that appropriate internal and external audit arrangements are in place and operating effectively;

- n) having a framework in place to help ensure that the Company acts legally and responsibly on all matters consistent with the code of conduct and company policy; and
- o) reporting to shareholders.

## **BOARD COMPOSITION**

Board composition is to be reviewed regularly to ensure an appropriate and diverse mix of skills and expertise across its membership to ensure the Board fulfils its responsibilities as well as assisting the Company in achieving its objectives and delivering value to Shareholders.

The Board recognises that Board renewal is critical to performance and the impact of Board tenure on succession planning. In accordance with the Constitution of the Company, Directors (other than the Managing Director) must offer themselves for re-election by shareholders at least every 3 years.

When a new member is to be appointed to the Board, consideration is given to seeking a candidate that has relevant experience, time availability to devote to the position of Director and appropriate skills and expertise that will increase or enhance board diversity and effectiveness. Following such an appointment that Director will stand for re-election by Shareholders at the next annual general meeting.

## **BOARD COMMITTEES AND CHARTERS**

Whilst at all times the Board retains full responsibility for guiding and monitoring the Company, in discharging its stewardship it may consider the use of committees. To this end the Board has established: Audit; Governance; Nomination; Remuneration; and Risk committees

Due to the size of the Company and the current scale of its activities, the Board has not established any further committees.

## **EXTERNAL ADVICE**

Each director has the right to seek independent professional advice on matters relating to his position as a director of the Company at the Company's expense, subject to the prior approval of the Chairman, which shall not be unreasonably withheld.

## **DIRECTORS INTERESTS**

Directors must disclose their interests. The independence of the Directors should be regularly assessed by the Board in light of the interests disclosed by them.

Directors are expected to bring their independent views and judgement to the Board and must immediately declare to the Board any potential or active conflict of interest.

In the event of a conflict of interest or where a potential conflict of interest may arise, involved directors will, unless the remaining directors resolve otherwise, withdraw from deliberations concerning the matter.

## **CHAIRMAN**

It is recommended the roles of Chairman and Managing Director not be combined and where practical the position of Chairman should be held by an independent Nonexecutive Director.

The Chairman is responsible for leadership of the Board, ensuring its effective operation including the facilitation of effective contribution of all Directors, setting the agenda and conducting the Board and Shareholder meetings.

## **MANAGING DIRECTOR**

The responsibility for the day-to-day operation and administration of the Company is delegated by the Board to the Managing Director. The Board ensures that the Managing Director and the management team is appropriately qualified and experienced to discharge their responsibilities and has in place procedures to assess the performance of the Managing Director and executive directors.

The Managing Director is accountable to the Board for all authority delegated to the position.

## **COMPANY SECRETARY**

The decision to appoint or remove a Company Secretary is made and approved by the Board.

The Company Secretary is responsible for:

- a) Advising the Board and its Committee's on governance matters;
- b) Monitoring that Board and Committee policy and procedures are followed;
- c) Coordinating timely completion and dispatch of Board and Committee papers;
- d) Ensuring the business at Board and Committee meetings is adequately captured in the minutes;  
and
- e) Assisting with the organisation and facilitation of induction and professional development of Directors.

Each Director is able to communicate directly with the Company Secretary and vice versa.

## **BOARD AND MANAGEMENT**

Whilst there is a clear division between the responsibilities of the Board and management, the Board is responsible for ensuring that management's objectives and activities are aligned with the expectations and risks identified by the Board. The Board has a number of mechanisms in place to ensure this is achieved including:

- a) Board approval and monitoring of a strategic plan;
- b) approval of annual and semi-annual budgets and monitoring actual performance against budget; and
- c) procedures are in place to incorporate presentations to each Board meeting by financial, operations, exploration and marketing management.

This policy is reviewed annually.

## AUDIT COMMITTEE

### TERMS OF REFERENCE

#### COMMITTEE MEMBERSHIP

The Audit Committee of Canterbury Resources Limited ('Canterbury') shall be comprised of at least three members, each of whom Canterbury Board of Directors (the 'Board') has determined has no material relationship with Canterbury and each of whom is otherwise independent. The Board shall also determine that each member is financially literate, and that at least one member of the Audit Committee must have recent financial reporting, accounting, auditing or related financial management expertise, as the Board determines, and at least one member should have an understanding of the businesses in which Canterbury operates. A quorum at any meeting of the committee will be any two of the three Canterbury members.

The Chairman of Canterbury may not be the Chairman of the Committee.

Members will be proposed by Canterbury's Governance Committee and approved by the Board. The Board will appoint the Chairman who shall be a member of the Board. Membership shall be reviewed every three years, or earlier if circumstances dictate.

#### COMMITTEE PURPOSES

The purposes of the Audit Committee are to:

- assist Board oversight of (i) the integrity of Canterbury's financial statements, (ii) Canterbury's compliance with legal and regulatory requirements, (iii) the independent auditors' qualifications and independence, and (iv) the performance of the independent auditors and Canterbury's internal audit function (if any); and
- prepare the report required to be prepared by the Audit Committee pursuant to Canterbury's rules for inclusion in Canterbury's annual report.

The function of the Audit Committee is oversight. The management of Canterbury is responsible for the preparation, presentation and integrity of Canterbury's financial statements. Management is responsible for maintaining appropriate accounting and financial reporting policies and internal controls and procedures that provide for compliance with accounting standards and applicable laws and regulations. The independent auditors are responsible for planning and carrying out a proper audit of Canterbury's consolidated annual financial statements, and other procedures. In fulfilling their responsibilities hereunder, it is recognised that members of the Audit Committee are not fulltime employees of Canterbury and are not, and do not represent themselves to be, performing the functions of auditors or management. As such, it is not the duty or responsibility of the Audit Committee or its members to

conduct “field work” or other types of auditing or accounting reviews or procedures or to set auditor independence standards.

Should the Audit Committee so require, the independent auditors shall submit to the Audit Committee annually a formal written statement (the “Auditors’ Statement”) describing: the auditors’ internal quality-control procedures; any material issues raised by the most recent internal quality-control review or peer review of the auditors, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the auditors, and any steps taken to deal with any such issues; and, to assess the auditors’ independence, all relationships between the independent auditors and Canterbury.

### **COMMITTEE DUTIES AND RESPONSIBILITIES**

To carry out its purposes, the Audit Committee shall have the following duties and responsibilities:

#### ***With respect to the independent auditors,***

- to be directly responsible for the appointment, compensation, retention and oversight of the work of the independent auditors (including the resolution of disagreements between management and the independent auditors regarding financial reporting), who shall report directly to the Audit Committee;
- to be directly responsible for the appointment, compensation, retention and oversight of the work of any registered public accounting firm, other than the independent auditors, engaged for the purpose of preparing or issuing an audit report or to perform audit, review or attestation services, which firm shall report directly to the Audit Committee;
- to pre-approve, or to adopt appropriate procedures to pre-approve, all audit and non-audit services to be provided by the independent auditors;
- to ensure that the independent auditors prepare and deliver annually an Auditors’ Statement (it being understood that the independent auditors are responsible for the accuracy and completeness of this Statement), and to discuss with the independent auditors any relationships or services disclosed in this Statement that may impact the quality of audit services or the objectivity and independence of Canterbury’s independent auditors;
- to obtain from the independent auditors in connection with any audit a timely report relating to Canterbury’s annual audited financial statements describing all critical accounting policies and practices used, all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditors, and any material written communications between the independent auditors and management, such as any “management” letter or schedule of unadjusted differences;
- to take into account the opinions of management and Canterbury’s director of internal audit (if any) in assessing the independent auditors’ qualifications, performance and independence;

***To meet with management, the independent auditors and, if appropriate, the director of internal audit:***

- to discuss the scope of the annual audit;
- to discuss the annual audited financial statements and if requested, the quarterly financial statements;
- to discuss any significant matters arising from any audit, including any audit problems or difficulties, whether raised by management, director of internal audit or the independent auditors, relating to Canterbury's financial statements;
- to discuss any difficulties the independent auditors encountered in the course of the audit, including any restrictions on their activities or access to requested information and any significant disagreements with management;
- to discuss any "management" or "internal control" letter issued, or proposed to be issued, by the independent auditors to Canterbury;
- to review the form of opinion the independent auditors propose to render to the Board of Directors; and
- to discuss, as appropriate: (a) any major issues regarding accounting principles and financial statement presentations, including any significant changes in Canterbury's selection or application of accounting principles, and major issues as to the adequacy of Canterbury's internal controls and any special audit steps adopted in light of material control deficiencies; (b) analyses prepared by management and/or the independent auditors setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements; and (c) the effect of regulatory and accounting initiatives, as well as off balance sheet structures, on the financial statements of Canterbury;
- to inquire of Canterbury's chief executive officer and chief financial officer (if any) as to the existence of any significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect Canterbury's ability to record, process, summarize and report financial information and any fraud, whether or not material, that involves management or other employees who have a significant role in Canterbury's internal control over financial reporting;
- to discuss guidelines and policies governing the process by which senior management of Canterbury and the relevant departments of Canterbury assess and manage Canterbury's exposure to risk, and to discuss Canterbury's major financial risk exposures and the steps management has taken to monitor and control such exposures;
- to obtain from the independent auditors assurance that the audit was conducted in a manner consistent with the relevant accounting and audit regulations as amended, which sets forth certain procedures to be followed in any audit of financial statements required under those regulations;
- to discuss with senior management of Canterbury any significant legal, compliance or regulatory matters that may have a material effect on the financial statements or Canterbury's business, financial statements or compliance policies, including material notices to or inquiries received from governmental agencies;

- to discuss the type and presentation of information to be included in financial statement press releases;
- to establish procedures for the receipt, retention and treatment of complaints received by Canterbury regarding accounting, internal accounting controls or auditing matters, and for the confidential, anonymous submission by Canterbury employees of concerns regarding questionable accounting or auditing matters;
- to review and discuss any reports concerning material violations submitted to it by Canterbury attorneys or outside counsel;
- to establish hiring policies for employees or former employees of the independent auditors; and
- to review and update at least annually the Terms of Reference and changes required should be recommended to the Board for approval.

***With respect to reporting and recommendations:***

- to prepare any report or other disclosures, including any recommendation of the Audit Committee, required by the rules of Canterbury's country of incorporation to be included in Canterbury's annual proxy statement;
- to prepare and issue the evaluation required under "Performance Evaluation" below;
- to report its activities to the full Board on a regular basis and to make such recommendations with respect to the above and other matters as the Audit Committee may deem necessary or appropriate; and
- to report to the Board on the Committee's review of risk management and internal control systems.

**COMMITTEE STRUCTURE AND OPERATIONS**

If the Board has not done so the Audit Committee shall designate one member of the Committee as its chairperson. The Audit Committee shall meet at least once every six months, or more frequently if circumstances dictate, to discuss with management the annual audited financial statements and other financial statements, as applicable. The Audit Committee should meet separately periodically with management, the director of internal audit (if any) and the independent auditors to discuss any matters that the Audit Committee or any of these persons or firms believe should be discussed privately. The Audit Committee may request any officer or employee of Canterbury or Canterbury's outside counsel or independent auditors to attend a meeting of the Audit Committee or to meet with any members of, or consultants to, the Audit Committee. Members of the Audit Committee may participate in a meeting of the Audit Committee by means of conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other.

**PERFORMANCE EVALUATION**

The Audit Committee shall prepare and review with the Board an annual performance evaluation of the Audit Committee, which evaluation shall compare the performance of the Audit Committee with the requirements of this charter. The performance evaluation shall also recommend to the Board any improvements to the Audit Committee's charter deemed necessary or desirable by the Audit Committee. The performance evaluation by the Audit Committee shall be conducted in such manner as the Audit Committee deems appropriate. The report to the Board may take the form of an oral report by the chairperson of the Audit Committee or any other member of the Audit Committee designated by the Audit Committee to make this report.

**RESOURCES AND AUTHORITY OF THE AUDIT COMMITTEE:**

The Audit Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees and other retention terms of special or independent counsel, accountants or other experts and advisors, as it deems necessary or appropriate, without seeking approval of the Board or management unless the amount is material.

Canterbury shall provide for appropriate funding, as determined by the Audit Committee, in its capacity as a Committee of the Board, for payment of:

- Compensation to the independent auditors and any other public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for Canterbury;
- Compensation of any advisers employed by the Audit Committee; and
- Ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

**Training and Understanding**

Members of the Committee will participate in a program of induction, training and awareness-raising for its members with the objective of enabling the members of the Committee to keep abreast of current thinking and leading practices in the core areas where the Committee focuses its work:

- Integrity of financial statements;
- Appointment, reward and performance of the external auditor, and the integrity of the audit process;
- Effectiveness of the systems of internal control and risk management;
- Performance and leadership of the internal audit function; and
- Any other item of decision or conduct described in the Managing Director's responsibilities and authorities.

**Limitation of Audit Committee's Role**

While the Board Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Board Audit Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. It is the external auditor's responsibility to plan and conduct the audit. It is management's responsibility to determine the Company's financial statements and disclosures are complete and in accordance with generally accepted accounting principles and applicable rules and regulations.

## GOVERNANCE COMMITTEE

Canterbury Resources Limited's Governance Committee is a committee as constituted by the Board of Canterbury Resources Limited ('Canterbury' or 'the Company').

As the Governance Committee is a Committee constituted by the Board of Canterbury and therefore, has no defined duration or timeline

## TERMS OF REFERENCE

### COMMITTEE MEMBERSHIP

The Governance Committee of Canterbury Resources Limited ('Canterbury') shall be comprised of at least four members, each of whom is a director of Canterbury. A quorum at any meeting of the committee will be any three of the four members.

Members will be proposed by Canterbury's Board. The Board will appoint the Chairman who shall be a member of the Board. Membership shall be reviewed annually, or earlier if circumstances dictate.

### COMMITTEE OBJECTIVES

The objectives of the Governance Committee are to:

- provide advice and assistance to the Board on general governance matters, thereby enabling the Board to maintain a robust, democratic organisation and maximize the potential of the Company;
- ensure that there is a robust and effective process for evaluating the performance of the Board, Board Committees and individual directors;
- ensure that the Board fulfils its legal, technical and functional responsibilities;
- plan Board education to improve Board knowledge of Governance, enhance the quality of Board discussion on governance matters and facilitate effective Board decision making;
- ensure the Board is well-informed on governance best-practices;
- regularly review the Constitution and Policies and recommend enhancements;
- draft for Board discussion any new policies as directed by the Board of Directors;
- ensure consistent language and phraseology is used in Board and Committee material; and
- update the Board Policy Manual after new and amended policies are approved by the Board of Directors.

### GUIDING PRINCIPLES

A good governance structure must:

- be efficient and effective;

## Corporate Governance

## Policies

- ensure accountability;
- respect tradition while embracing progress;
- ensure Board engagement and sustainability;
- minimize risks on the organisation and its people;
- describe clear lines of authorities and responsibilities;
- empower those delivering the operational outcomes;
- encompass today's best business practices; and
- avoid non-conformance with the constitution.

Canterbury's governance structure should help to ensure:

- a democratic organisation;
- strong foundations are in place which can support the company's growth;
- solid and transparent finances;
- good ethics and legal awareness;
- good succession planning;
- a dynamic election process which attracts quality people;
- the right person does the right job;
- a professional and efficient staff are empowered by the Board; and
- Canterbury's Board remains responsible for the sound operation of the organisation.

## **REPORTING REQUIREMENTS**

- Regular reporting to the Board of Directors;
- Annually, prepare a work-plan for the coming year based on Canterbury's Board priorities;
- Prepare and present reports with suggestions to the Board, including options available and associated impacts;
- Provide an annual report to the shareholders in advance of the AGM and schedule appropriate time to consider and discuss the Committee's final report during the AGM (if required); and
- Other reporting requirements as directed by Canterbury's Board, which may include:
  - Annual assessment of the Board's performance, including strengths, weaknesses and skills of the Board as a whole;
  - Recommending a plan for Board development based on the strategic plan and the annual Board assessment;
  - Ongoing recruitment of Board members who can augment the Board's strengths and build on its weaknesses;

- Mentoring new Board members in order to develop their skills as Board members;
- Drafting governance policies and budgets for Board development

**BUDGET REQUIRED**

Members of the Committee will be reimbursed for previously approved expenses incurred in the course of the Committee's work.

The Committee will develop a budget to cover anticipated costs for the Board's approval.

**SUPPORT**

The Managing Director will make available to the Committee necessary staff resources to complete its mandate, as prescribed through Board policy and direction. Other resources as assigned to the Committee by Canterbury's Board.

**AUTHORITY/LIMITS OF THE COMMITTEE**

In accordance with the Canterbury Constitution, the Canterbury Governance Committee is responsible to the Canterbury Board of Directors. Canterbury's Governance Committee's authority is defined by the Board, through policy and direction and may include:

- Reviewing the Company's governance matters and making recommendations to the Board;
- Taking any actions to enable the Governance Committee to fulfil its responsibilities;
- Seeking independent advice to perform its duties where necessary within the budget authorised by the Board.

**MEETINGS**

- At least twice a year at dates, times and location determined by the Chair.

**PERFORMANCE EVALUATION**

The Governance Committee shall prepare and review with the Board an annual performance evaluation of the Governance Committee, which evaluation shall compare the performance of the Governance Committee with the requirements of this charter. The performance evaluation shall also recommend to the Board any improvements to the Governance Committee's charter deemed necessary or desirable by the Governance Committee. The performance evaluation by the Governance Committee shall be conducted in such manner as the Governance Committee deems appropriate. The report to the Board may take the form of an oral report by the chairperson of the Governance Committee or any other member of the Governance Committee designated by the Governance Committee to make this report.

## **NOMINATION COMMITTEE**

Canterbury Resources Limited's Nomination Committee is a committee as constituted by the Board of Canterbury Resources Limited ('Canterbury' or 'the Company').

As the Nomination Committee is a Committee constituted by the Board of Canterbury and therefore, has no defined duration or timeline.

### **TERMS OF REFERENCE**

#### **COMMITTEE MEMBERSHIP**

The Nomination Committee of Canterbury Resources Limited ('Canterbury') shall be comprised of at least four members, each of whom is a director of Canterbury. A quorum at any meeting of the committee will be any three of the four members.

Members will be proposed by Canterbury's Board. The Board will appoint the Chairman who shall be a member of the Board. Membership shall be reviewed annually, or earlier if circumstances dictate.

#### **COMMITTEE PURPOSES**

The purpose of the Nomination Committee is to provide recommendations to assist the Board with respect to: ensuring the filling of any vacancies on the Board with the best possible candidate through the use of executive search firms and/or by direct approach; considering the appointment of additional Directors to provide the expertise to achieve the strategic and economic goals of Canterbury.

The Nomination Committee is to make recommendations to the full Board of Directors on the following matters:

- The composition of the Board – this is reviewed by the Committee on an on-going basis to ensure it is comprised of members who provide the required breadth and depth of experience and knowledge to achieve the objectives of the Board;
- To ensure the filling of any vacancies on the Board with the best possible candidate through the use of executive search firms and/or by direct approach; and
- To consider the appointment of additional Directors to provide the expertise to achieve the strategic and economic goals of the Canterbury Group.

Additionally, it is the role of Nomination Committee to ensure that an effective induction process is implemented for new Board appointees and key executives.

It is the Company's practice that every new Director receives a Letter of Appointment accompanied by: a Director's Deed of Indemnity; information on Canterbury's policies and charters; and an induction meeting. The Board considers training to develop skills and experience of individual Board members in conjunction with its review of the Skills Matrix.

Canterbury has an informal annual review process for evaluating the performance of the its senior executives.

The Nomination Committee will adopt a formal process for evaluating the Board members and the company's senior executives. The Board will assess the results of this process on an annual basis as part of the process for periodically evaluating the performance of its members and senior executives.

## **RESOURCES AND AUTHORITY OF THE COMMITTEE**

### **TRAINING AND UNDERSTANDING**

In order to ensure the Board is able to discharge its responsibilities properly, the Nomination Committee has a process whereby Directors are able to obtain independent professional advice, to develop and maintain their skills and knowledge to perform their role as Directors when necessary at the expense of Canterbury

### **BUDGET REQUIRED**

Members of the Committee will be reimbursed for previously approved expenses incurred in the course of the Committee's work.

The Committee will develop a budget to cover anticipated costs for the Board's approval.

### **SUPPORT**

The Managing Director will make available to the Committee necessary staff resources to complete its mandate, as prescribed through Board policy and direction. Other resources as assigned to the Committee by Canterbury's Board.

### **AUTHORITY/LIMITS OF THE COMMITTEE**

In accordance with the Canterbury Constitution, the Nomination Committee is responsible to the Canterbury Board of Directors. Canterbury's Nomination Committee's authority is defined by the Board, through policy and direction and may include:

- Reviewing the Company's nomination matters and making recommendations to the Board;
- Taking any actions to enable the Nomination Committee to fulfil its responsibilities;
- Seeking independent advice to perform its duties where necessary within the budget authorised by the Board.

### **MEETINGS**

- At least twice a year at dates, times and location determined by the Chair.

**PERFORMANCE EVALUATION**

The Nomination Committee shall prepare and review with the Board an annual performance evaluation of the Nomination Committee, which evaluation shall compare the performance of the Nomination Committee with the requirements of this charter. The performance evaluation shall also recommend to the Board any improvements to the Nomination Committee's charter deemed necessary or desirable by the Nomination Committee. The performance evaluation by the Nomination Committee shall be conducted in such manner as the Nomination Committee deems appropriate. The report to the Board may take the form of an oral report by the chairperson of the Nomination Committee or any other member of the Nomination Committee designated by the Nomination Committee to make this report.

## REMUNERATION COMMITTEE

Canterbury Resources Limited's Remuneration Committee is a committee as constituted by the Board of Canterbury Resources Limited ('Canterbury' or 'the Company').

As the Remuneration Committee is a Committee constituted by the Board of Canterbury and therefore, has no defined duration or timeline.

### TERMS OF REFERENCE

#### COMMITTEE MEMBERSHIP

The Remuneration Committee of Canterbury Resources Limited ('Canterbury') shall be comprised of at least three members, each of whom is a director of Canterbury. A quorum at any meeting of the committee will be any two of the three members.

Members will be proposed by Canterbury's Board. The Board will appoint the Chairman who shall be a member of the Board. Membership shall be reviewed annually, or earlier if circumstances dictate.

#### COMMITTEE PURPOSES

The purpose of the Remuneration Committee is to provide recommendations to assist the Board with respect to ensuring that remuneration policies and practices are consistent with the strategic goals of the Canterbury and are relevant to the achievement of those goals; reviewing on an annual basis the remuneration of executive Directors, including establishing the overall benefits and incentives; reviewing in consultation with the Managing Director, remuneration packages of executives reporting directly to the Managing Director; reviewing non-executive Director's remuneration and benefits; and being responsible for reviewing general incentive schemes and superannuation plans.

The Committee is able to obtain independent advice, as necessary, on the appropriateness of remuneration. Such independent advice would provide the Committee with various barometers which the Committee may take into account with the Managing Director in the determination of the appropriateness of remuneration levels within the Canterbury Group.

#### BUDGET REQUIRED

Members of the Committee will be reimbursed for previously approved expenses incurred in the course of the Committee's work.

The Committee will develop a budget to cover anticipated costs for the Board's approval.

**SUPPORT**

The Managing Director will make available to the Committee necessary staff resources to complete its mandate, as prescribed through Board policy and direction. Other resources as assigned to the Committee by Canterbury's Board.

**AUTHORITY/LIMITS OF THE COMMITTEE**

In accordance with the Canterbury Constitution, the Remuneration Committee is responsible to the Canterbury Board of Directors. Canterbury's Remuneration Committee's authority is defined by the Board, through policy and direction and may include:

- Reviewing the Company's remuneration matters and making recommendations to the Board;
- Taking any actions to enable the Remuneration Committee to fulfil its responsibilities;
- Seeking independent advice to perform its duties where necessary within the budget authorised by the Board.

**Meetings**

- At least twice a year at dates, times and location determined by the Chair.

The Remuneration Committee shall prepare and review with the Board an annual performance evaluation of the Remuneration Committee, which evaluation shall compare the performance of the Remuneration Committee with the requirements of this charter. The performance evaluation shall also recommend to the Board any improvements to the Remuneration Committee's charter deemed necessary or desirable by the Remuneration Committee. The performance evaluation by the Remuneration Committee shall be conducted in such manner as the Remuneration Committee deems appropriate. The report to the Board may take the form of an oral report by the chairperson of the Remuneration Committee or any other member of the Remuneration Committee designated by the Remuneration Committee to make this report.

## CODE OF CONDUCT

### *A message from the Chairman*

I am proud to work as part of a team that sets and upholds high ethical standards; a team that thinks not just about what we do, but how we do it.

The principles set out in this Code are reflected throughout our organisation, in how we deal with others, and in our policies and guidelines, which provide a greater level of detail around many of the matters raised in this Code.

Our Code of Conduct outlines how to act when working for, or on behalf of, Canterbury Resources Limited. It is a powerful document that brings to life our values and will help maintain trust and build strong relationships with our shareholders, governments, suppliers, business partners, customers.

Staying true to the Code supports a culture where we show real respect for one another, do what is right and do what we say we will do.

As you go about your daily activities, please remember your shared responsibility to consistently apply the Code of Conduct.

Also speak up and step up if you see a potential breach or if there is an opportunity for us to improve how we behave.

Every one of us should follow our Code, and I look forward to your continued support in upholding Canterbury Resources Limited's reputation and ensuring our long-term success.

The Code establishes a standard of conduct with which you are expected to comply. It applies equally to board directors, employees, contractors and consultants. It is endorsed and supported by the Board of the Canterbury Resources Limited.

### ***About the Code***

The Code represents Canterbury Resources Limited's commitment to uphold ethical business practices and meet or exceed applicable legal requirements.

### ***Using the Code***

Regardless of role, location or level of decisions made, personnel will find clear guidance on expected behaviour within the Code. The Managing Director is responsible to the Board of Canterbury for the ethics and culture of Canterbury.

### ***What happens when a conduct concern is raised***

All queries about the interpretations and application of the Code will be treated seriously, respectfully and assessed in a timely manner.

If you raise a concern with your supervisor, manager or the Managing Director, the course of action will depend on the nature and severity of the issue. If you are concerned about Canterbury's involvement, you can request that the matter is referred to the Managing Director directly. If you raise a concern you will be asked the nature of the issue, who is involved, and what steps you have taken so far to address the issue. Your confidentiality will be respected. In many cases, advice, support and guidance will enable you to resolve the issue yourself. If this isn't possible or it requires referral, mediation or investigation, you will be advised on the next steps, expected timeframes and the process for receiving feedback.

### ***Our expectations of you***

When you raise a concern, provide as much information as possible. Be as open and honest as you can as this will assist in a thorough and effective response. You may choose to remain anonymous when raising a concern. It is preferable to provide your name and contact details in case further information, assessment or investigation is required. Obligations of those responding to concerns employees who are responding to a concern are obliged to:

- treat all concerns seriously and, where possible, with confidence;
- respond to issues raised in a prompt and professional way;
- provide accurate information and advice consistent with the Code, standards and procedures, or seek the advice of experts with the right knowledge and objectivity;
- know where to go for further support or advice;
- report all concerns to the Managing Director.

### ***Breaches of the Code***

Failing to comply with the Code is viewed as a serious matter that must be addressed and may lead to disciplinary action, including dismissal, and/or legal action.

All personnel are held accountable for their own behaviour and for the business conduct behaviour of their employees.

Our supervisors and managers are held accountable for their own behaviour and for the business conduct behaviour of their employees. If a breach has occurred, the nature of any disciplinary or corrective action will be determined in consultation with appropriate experts, including the Managing Director. Corrective actions depend on the seriousness of the breach and other relevant circumstances.

Examples of disciplinary action include:

- discussions with supervisors or managers about desired behaviours;
- a verbal or written warning;
- suspension; and
- dismissal.

An example of legal action may be the requirement to recover Canterbury assets. Breaches which constitute criminal conduct may also result in criminal prosecution. If the breach includes a violation of the law, the matter may be referred to the appropriate law enforcement authorities.

### ***Our expectations of you***

Always abide by the Code, raise concerns promptly and fully cooperate with business conduct investigations. In addition to failing to comply with the Code directly, misconduct which may result in disciplinary action includes:

- requesting others to breach the Code;
- failing to raise promptly any known or suspected breaches;
- failing to cooperate in investigations of possible breaches;
- retaliating against another person for reporting a business conduct concern; and
- failing to demonstrate leadership and diligence to ensure compliance with the Code and the law.

## **OUR PEOPLE**

### **HEALTH AND SAFETY**

Every person takes responsibility for preventing workplace-related injuries and illnesses.

Canterbury is committed to achieving leading industry practice in health and safety. In all cases, Canterbury aims to meet or exceed applicable legal and other requirements as Canterbury believes all accidents and occupational illnesses and injuries are preventable.

Safe operations depend on technically sound plant and equipment and on every person taking responsibility for preventing workplace-related injuries and illnesses. We will only be successful when every employee and contractor goes home safe and well every day and lives a life free from illness caused by workplace exposures. Canterbury is committed to achieving leading industry practice in health and safety. In all cases, we aim to meet or exceed applicable legal and other requirements as we believe all accidents and occupational illnesses and injuries are preventable.

### ***Our expectations of you***

Across the organisation, health and safety practices are governed by standards and procedures that apply to all employees. For a safe workplace we can all enjoy, please be aware of all relevant standards and procedures and adhere to them. Managers are accountable for the implementation of these standards and procedures and for ensuring that supporting systems are in place. You must understand and follow health and safety requirements, and promptly report any circumstances that represent a threat to your safety or the safety of others.

### **ALCOHOL, DRUG AND TOBACCO USE**

Canterbury puts health and safety first. The use of drugs or alcohol jeopardizes a safe workplace. Therefore, all Canterbury workplaces must be free from the use of alcohol and illegal drugs and the misuse of other substances. Due to the nature of Canterbury's activities, the workplace is mostly defined as the site where field work is carried out. Where a Canterbury member presents himself or herself as representing Canterbury at public functions or exercises their duties outside of field work, such Canterbury member must at all times be fit to perform their work safely.

We are committed to providing our employees with a safe and healthy work environment and therefore expect all employees, contractors and visitors to any of our workplaces to be able to function at an acceptable level of performance and not to be affected by alcohol, legal or illegal drugs. Alcohol must not be offered or consumed at any Canterbury workplace without prior approval. Approval is required to provide alcohol at an event in a designated area on-site. We also prohibit smoking in our offices. At some workplaces, if the local regulations provide for it, smoking may be permitted in designated smoking areas. The possession or use of illegal substances at Canterbury workplaces, functions or in conjunction with Canterbury business is strictly prohibited. Alcohol and drug dependency is recognised by Canterbury as a

treatable illness. An employee with a dependency on drugs or alcohol must be treated in the same way as an employee with any other illness.

### ***Our expectations of you***

Always follow the Code. If you consume alcohol at an authorised designated area, or off-site during a workday, you must not return to work until the next work day, or until you are fully fit for work. To prevent passive smoking and prevent smoke entering work areas, a designated smoking area must be clearly defined, sealed off from adjacent areas and adequately ventilated. You should only smoke in these areas. All people in a Canterbury site should be alcohol and drug free. If you have a drug or alcohol dependency you are expected to seek help and undertake appropriate rehabilitation treatment. If you are taking any prescribed medication or drugs which may affect your ability to perform your work or to operate machinery/vehicles, you must notify Canterbury management as soon as possible. You may be required to provide a medical certificate stating your fitness to work and any restrictions.

## **EQUALITY IN EMPLOYMENT**

Canterbury is committed to developing and maintaining a diverse and inclusive workplace where every employee is treated fairly and with respect, has the opportunity to realise their full potential and contribute to Canterbury's success.

Employment, development opportunities and promotion at Canterbury are offered and provided on merit. All employees and applicants for employment will be treated and evaluated according to their job-related skills, qualifications and capabilities. Decisions based on attributes unrelated to job performance, such as race, gender, sexuality or family responsibilities, constitute unlawful discrimination and are prohibited. Where local laws may conflict with Canterbury standards, local managers are required to provide clear instructions to employees regarding acceptable behaviours and the application of laws, to the higher standard. Canterbury will seek to meet both its standards and legal obligations. Where this is not possible, the law will take precedence.

### ***Our expectations of you***

Together, you and your supervisor or manager are responsible for ensuring that you:

- know what is required of you in your job;
- have open, constructive performance discussions;
- are supported to develop your work-related capabilities; and
- are treated fairly, with respect and dignity and without discrimination.

## **HARASSMENT AND BULLYING**

Canterbury does not tolerate any form of harassment or bullying in any of its workplaces. Canterbury supports a culture where it treats people fairly, respectfully and with dignity.

Harassment is an action, conduct or behaviour that is viewed as unwelcome, humiliating, intimidating or offensive by the recipient. Bullying is repeated verbal, physical, social or psychological abuse by a person or group of people at work. Harassment and bullying are illegal in many countries and may lead to penalties for individuals and for Canterbury. Workplace harassment and bullying should not be confused with constructive feedback or coaching on work performance or work-related behaviour of an individual or group for development.

### ***Our expectations of you***

You must never engage in actions or behaviours that involve harassment or bullying. You are expected to be inclusive, collaborative and supportive. It is important that you consider the implications of your behaviours, and support your colleagues to speak up and raise concerns. Canterbury is governed and abides by each country's laws and regulations regarding the fair and proper treatment of others. Always be aware of cultural considerations and demonstrate respect, particularly when travelling to different operations or countries.

If you are the victim of bullying or harassment, you are encouraged to raise the issue with a manager or senior member of Canterbury, who will assist.

## **PERSONAL INFORMATION AND PRIVACY**

Canterbury respects personal information and privacy and expects its employees to respect the personal information and privacy of others.

Canterbury will only collect, use, disclose and retain personal information that is necessary to meet business requirements, as permitted by law in places where it operates. Personal information means any information which could identify an individual, either from that information alone or in combination with other information which is reasonably likely to come into the possession of Canterbury. Personal information will be collected in a lawful and fair manner and in a way which is not unreasonably intrusive. Canterbury will not use or disclose such information in a manner that is incompatible with the purpose for which it was collected, except as permitted by law. To the extent permitted by law, Canterbury reserves the right to monitor or audit employee use of its information systems, and access electronic communications or information stored on systems, devices or equipment for maintenance, business needs or to meet a legal or policy requirement.

### ***Our expectations of you***

It is important you understand Canterbury's standards and procedures on personal information and privacy. If you have any doubts about the handling of personal information, consult the Managing Director. Information on our computers and within emails may be accessed for legal or other reasons. Always treat the personal information and privacy of others with respect.

## GOVERNMENTS AND COMMUNITIES

### RESPECTING HUMAN RIGHTS

Canterbury supports human rights consistent with the United Nations Universal Declaration on Human Rights. Canterbury seeks to build mutually beneficial relationships and opportunities for inclusion and to respect the rights of its employees, individuals contracted by Canterbury, members of host communities and other stakeholders directly impacted by Canterbury's operations.

### WORKING WITH GOVERNMENTS

Canterbury respects the authority of governments wherever it conducts its operations. Canterbury will maintain honest relationships with governments and their agencies, officials and personnel.

#### *Our expectations of you*

If you provide information to governments on behalf of Canterbury, you must ensure that all information is accurate and appropriate for the purpose. Errors or omissions may damage Canterbury's reputation and could be illegal. If you are required to make representations on behalf of Canterbury on government matters and with government officials, you must comply with all applicable laws and regulations, and advise the Managing Director.

### POLITICAL CONTRIBUTIONS AND ACTIVITIES

Canterbury's approach to corporate participation in political activities is straightforward and applies globally: Canterbury will not make political contributions in cash or in-kind anywhere in the world.

Canterbury does not contribute funds to any political party, politician, elected official or candidate for public office in any country. It is acceptable for Canterbury to express our views to governments on subjects that affect Canterbury's interests and operations. This must be done in a way that demonstrates high standards of ethics and complies with the law. Activities that require registration and approval in advance include:

- paying for tables at functions or events sponsored by or associated with any political party, politician or political candidate; and
- being involved with any event organised by or on behalf of a political party for which a fee is paid.

Examples of prohibited political activities or contributions include:

- sponsorship or hosting of functions or events organised by or associated with a political party, politician, elected official or candidate for public office with the purpose of raising funds;
- free or discounted use of Canterbury's premises or equipment as an in-kind donation to a political party; and

- paying wages or salaries (including on-costs) of a Canterbury employee working for a party or candidate during normal working hours (but not if the employee takes paid leave to work for the party or candidate).

### ***Our expectations of you***

You may participate as an individual in political processes provided it is understood, and made clear, that in doing so you are not representing Canterbury. You may also be involved in events or activities organised by a political party, politician, elected official or candidate for public office provided that:

- your involvement is for business briefing purposes only; and
- the activity is formally registered with and approved in advance by the Managing Director.

We recognise employees' rights and respect their choices to participate as individuals in the political process. You will need to apply for leave if you are running for office or carrying out the duties of public office during normal working hours. Such participation, including contributions of time and money, must be conducted entirely on your own account and your political opinions must not be presented as being those of Canterbury.

### **CORRUPTION FRAUD AND BRIBERY**

Compliance with anti-corruption laws is essential to protect Canterbury's reputation and to preserve its social licence to operate.

In keeping with local and international anti-corruption laws, Canterbury prohibits authorising, offering, giving or promising anything of value directly or indirectly (via a third party) to a government official to influence official action, or to anyone, in the private or public sector, to encourage them to perform their work disloyally or otherwise improperly. Likewise, Canterbury prohibits any Canterbury person from offering, paying, soliciting, receiving or accepting any bribes, kickbacks, or other prohibited payments or activities.

Corruption misallocates resources, undermines the integrity of government and community decision-making and wastes opportunities that arise from resource development. Corruption is also a criminal offence under laws that apply to Canterbury worldwide. These laws also prohibit bribery of individuals in a position of trust, such as employees or officers of our suppliers and customers or some community leaders.

A government official is the officer, employee or representative of a government whether national, federal, provincial, regional, customary or local.

In keeping with local and international anti-corruption laws, Canterbury prohibits authorising, offering, giving or promising anything of value directly or indirectly (via a third party) to a government official to influence official action, or to anyone to encourage them to perform their work disloyally or otherwise improperly. We must also take care that third parties acting on behalf of Canterbury do not violate anti-corruption laws, since this may result in criminal liability for Canterbury. Anti-corruption laws also require

that all transactions are recorded accurately and in reasonable detail in Canterbury's books and records. Transactions which are recorded inaccurately or in a way that conceals the true nature of the transaction are impossible to monitor and may give rise to suspicion that the transaction is improper.

Facilitation payments are prohibited by Canterbury in line with the anti-corruption laws of most countries. Requests for facilitation payments must be reported to the Managing Director immediately. The health and safety of our employees is our highest priority. If a payment has to be made because of a direct or associated imminent threat to the health or safety of any Canterbury employee, agency contractor or officer, or any accompanying person, it must be reported to the Managing Director immediately. A breach of anti-corruption laws is a serious offence, which can result in fines for both Canterbury and employees and the imprisonment of employees. Even the appearance of a breach of these laws can have a serious reputational impact on Canterbury. A breach of our anti-corruption requirements is also a serious offence, which can result in disciplinary action, including dismissal.

### ***Our expectations of you***

Ensure you read and understand our anti-corruption requirements and their importance. Our policies and procedures require pre-approval before:

- offering certain things of value to an external person;
- engaging a supplier who will interact with other on our behalf;
- offering to undertake a community donation or project; or
- offering to provide sponsorship of an event.

When offering or providing anything of value to an external person, all of the following criteria must be met:

- It must be offered or provided only for a legitimate business purpose.
- It must not be offered or provided to influence or reward action taken by a government official or to anyone to perform work duties disloyally or otherwise improperly, or reward that person for doing so, taking into consideration any other things of value given to the recipient in the previous six months.
- It must be of an appropriate value and nature considering local custom and law, the position of the recipient and the circumstances.
- It must not be capable of causing embarrassment to Canterbury if publicised. Any proposed thing of value must also be legal under local laws.

You have a responsibility to preventing fraud and corruption by acting ethically, complying with controls, policies and procedures and reporting to a member of the Audit Committee any suspected incidences of fraudulent or corrupt behaviour.

**ENGAGING WITH COMMUNITIES**

The ability to build relationships and work collaboratively and transparently with communities is critical to the long-term success of Canterbury. Canterbury aims to be valued and respected by the communities in which it operates.

Canterbury builds relationships with its communities by engaging regularly, openly and honestly with people affected by its operations and by taking their views and concerns into account in its decision making.

We build relationships with by engaging regularly, openly and honestly with people affected by our operations and by taking their views and concerns into account in our decision-making. We understand that our business can impact local communities both positively and negatively, either through our own activities or as a result of our business relationships with other parties. We seek to work with relevant stakeholders to identify and address concerns and expectations and to maximise potential opportunities from Canterbury. We respect human rights, which means identifying and understanding any potential or actual adverse impacts of our operations and planning to eliminate or reduce them.

In all cases, particular care must be taken with project implementation to avoid a situation where undue influence could be alleged. If you are unsure, guidance can be sought from the Managing Director. In all cases, development projects and donations should be approved in accordance with applicable Canterbury standards and operate according to documented, approved and transparent procedures.

***Our expectations of you***

If you are responsible for development projects or donations, you need to read and understand the Code. This includes the conduct of appropriate due diligence before engaging any partner or agency to implement a program. This will ensure the organisation is reputable, aligned with the Code and has appropriate governance processes. When accepting an international assignment, or if your job involves business dealings with other countries, you should always be aware of and understand the norms, laws and customs of those countries. As ambassadors for Canterbury, you must ensure that your behaviour always reflects positively on your own reputation and Canterbury. Advice should always be sought from relevant persons on questions about particular actions, words, customs and local practices.

**ENVIRONMENT**

Canterbury is to be environmentally responsible. We aim at achieving excellence in the standard of environmental performance in all our business activities and we continuously strive to improve our overall environmental performance. This includes identifying opportunities for the efficient use of energy and water, minimising waste, contributing to the conservation of biodiversity and applying sound practice to land use planning and rehabilitation.

We will work with government, traditional owners and local residents to identify and address relevant environmental issues associated with our activities. As a minimum standard, we will comply with all relevant environmental laws and regulations in the country where the operation is located.

***Our expectations of you***

You must understand the potential environmental impacts of the tasks you perform and look at ways you can avoid and minimise these impacts. Where actual or potential environmental incidents occur you must report these, irrespective of severity. If you have a suggestion as to how Canterbury can contribute to enduring environmental benefits discuss them with the Managing Director.

## **THIRD PARTY RELATIONSHIPS**

### **CONFLICT OF INTEREST**

***Our expectations of you***

You may not be involved, employed or engaged in any activity which may be or is likely to create a conflict of interest.

You must not take personal advantage of opportunities that you discover through your work for Canterbury.

If you are a full-time employee of Canterbury, you are expected to devote the whole of your time and attention during working hours to our business. If you work part-time for Canterbury, you must disclose and discuss with the Managing Director any business interest or ventures which might have an impact on the activities of Canterbury in order to establish the likely impact of these activities on both yourself and Canterbury.

### **ACCEPTING GIFTS, HOSPITALITY AND ENTERTAINMENT**

Any payment, gift, benefit or entertainment which could be perceived as a reward or encouragement for preferential treatment will be considered improper. See above the risk of corruption, bribery.

***Our expectations of you***

You must not seek, offer or accept any payments, gifts, benefits or entertainment beyond that which is considered as normal and legitimate business practice.

You must not accept any gifts or offers of entainment where they are expected or likely to improperly influence decisions related to Canterbury.

**COMPETITION AND ANTITRUST**

Canterbury is committed to full compliance with competition laws.

Most countries in which Canterbury operates have developed competition laws, also known as antitrust or anti-monopoly laws. These laws are designed to prohibit a range of practices that restrain trade or restrict free and fair competition, such as price fixing, market sharing, bid rigging or abuses of a dominant position. Canterbury is committed to full compliance with competition laws; active engagement and cooperation with competition authorities; and the enforcement of competition laws against those third parties who act in an anti-competitive manner towards Canterbury.

***Our expectations of you***

In all dealings with Canterbury's competitors (including competing joint venture partners), customers, suppliers and business partners, you are required to conduct yourself in a manner that does not breach competition laws. Breach of competition laws can result in serious consequences for Canterbury and our employees, including fines and imprisonment. Canterbury regards any breach of competition laws as serious misconduct, which may lead to disciplinary action and ultimately termination of your employment. In all dealings with stakeholders, in both formal and informal settings, you should be mindful of the perception and effect of these dealings. Where Canterbury is the victim of anti-competitive behaviour, this can lead to unnecessary additional costs for Canterbury (for example, through paying higher prices to suppliers who have engaged in bid-rigging) and reduced productivity (for example, where supplies of a product used by Canterbury are being collectively limited by our suppliers). If you suspect anti-competitive behaviour by a Canterbury employee, contractor or third party, you must report it immediately to a member of the Audit Committee.

**MAINTAINING SUPPLIER RELATIONSHIPS**

Canterbury aims to have effective, streamlined processes with suppliers, and encourage suppliers to adopt standards similar to those of Canterbury.

Relationships with suppliers providing Canterbury with goods or services can make a significant contribution to the success of Canterbury. Through their actions, suppliers can directly impact the financial performance of Canterbury, as well impacting our reputation. Canterbury takes great care in operating a fair and equitable procurement process. Our selection process aims to clearly inform potential suppliers of our expectations and standards and the requirements applicable to them.

***Our expectations of you***

Always seek suppliers who share Canterbury's commitment to:

- lawful business practices conducted according to a high standard of business conduct;
- management practices that respect the rights of all employees and the local community;
- minimising the impact on the environment; and

- providing a safe and healthy workplace.

If there is any doubt or concern in relation to the supplier or potential supplier's integrity or ability to perform the contract, you should ensure that these issues are addressed immediately. All procurement decisions should be based on the best value received, taking into account the merits of price, quality, performance, history and suitability to meet Canterbury's standards. Always provide suppliers with access to the current edition of the Code.

### **USE OF BUSINESS PARTNERS**

Canterbury will always exercise care when selecting a business partner and encourage them to uphold Canterbury's standards and contribute positively to Canterbury's reputation.

Business partners is the term used to define joint venture partners or co-investors, or third parties who interact with others on behalf of Canterbury.

This includes agents, brokers, intermediaries, advisers, consultants, representatives, travel agents, freight forwarders, customs or visa agents, tax advisers, law firms, lobbyists and accountants. Any improper conduct by business partners could damage Canterbury's reputation and potentially expose Canterbury and individual employees to criminal or civil liability or other penalties.

In operations that Canterbury controls or operates, Canterbury will apply its standards and procedures directly. Where Canterbury does not control an operation or joint venture, Canterbury will seek to influence that operation or joint venture to cause it to adopt similar standards and procedures.

### ***Our expectations of you***

You must exercise care when selecting a business partner. Do not engage any business partner if there is a risk they will violate anti-corruption laws when acting on Canterbury's behalf. You must always obtain pre-approval as required under this Code. As part of that process, you need to provide all required background information truthfully and to the best of your knowledge and ensure you conduct the specific due diligence mandated by our procedures. You should be satisfied that the business partner is reputable, competent and qualified to perform the work for which they are being hired and that the compensation sought is reasonable. If you engage a business partner you need to take steps to ensure that the performance of the business partner is monitored and assessed. This will require, at a minimum, carefully checking invoices and raising queries with the business partner about any unclear or excessive charges.

### **TRADE CONTROLS**

Canterbury complies with all applicable national and international laws, regulations and restrictions relating to the international trade in goods, materials, technology, software and services, including trade sanctions and export controls.

Trade sanctions are laws that restrict trade with particular countries and/or individuals.

These trade control laws are in place to implement the foreign policy and national security objectives of countries in which Canterbury operates. Any involvement by Canterbury in a transaction that breaches these laws may constitute a criminal offence by Canterbury or our employees, undermine the stated objectives of our host countries and cause significant embarrassment and damage to Canterbury's reputation.

### ***Our expectations of you***

In order to comply with trade sanctions laws, Canterbury screens all of our vendors and customers against government lists of sanctioned parties. If you are involved in international trading you should always comply with Canterbury's screening requirements. Sanctions are subject to frequent change. Always check with the Managing Director if you are uncertain whether a transaction would breach existing laws, regulations or restrictions. Before exporting equipment over country borders always check with the Managing Director if you are uncertain whether any equipment may be subject to export control laws.

## **USING COMPANY RESOURCES**

**Protecting Canterbury assets** Employees of Canterbury have an obligation to protect Canterbury's assets and use them for their intended purpose.

Canterbury assets exist in various forms and include physical and non-physical property, such as facilities, equipment, inventory information technology, funds, intellectual property and company information and data.

Sensitive and proprietary information must be treated as an asset and protected from unauthorised use or disclosure. This may include:

- strategic and marketing plans;
- information used in trading activities;
- operational data, such as production and maintenance data, master data and data related to our equipment, sensors and process control systems; and
- research and other technical data.

You should not share any of this kind of information unless authorised to do so. If you are not sure what you can share, ask your supervisor or the Managing Director. Canterbury assets should always be used for the purpose and in the manner intended, with all appropriate and accurate records kept. Appropriate precautions should be taken to prevent theft, misappropriation, damage or misuse of any Canterbury assets. This includes not allowing physical assets to be destroyed, disposed of, sold, loaned or donated without appropriate approvals. Non-physical assets should also not be provided externally without appropriate approvals.

### ***Our expectations of you***

You are responsible for appropriately using and safeguarding Canterbury assets, both physical and non-physical. You are also expected to respect both the non-physical and physical assets of others, and never knowingly damage or misappropriate those assets.

### **ACCURACY OF DATA AND INFORMATION**

Canterbury should always demonstrate accuracy of its data and information concerning Canterbury or its business activities. This may include financial, operational, project, health, safety, environmental, time keeping or other information and in all formats.

Our employees, contractors and business partners performing work for Canterbury need to comply with all applicable financial, regulatory and other applicable reporting requirements, laws and regulations in each jurisdiction in which we operate, as well as our own Canterbury requirements. All financial transactions must be evidenced by appropriate source documents, verified for their validity and accuracy, properly authorised and accurately and completely recorded in the relevant accounts and records as required by law and our Canterbury requirements. This applies to all financial information, including purchase orders, receiving documents, invoices, travel and expense records, journal entries and tax filings. Once created, data must be appropriately retained, protected and disposed of according to Canterbury records and document management requirements and applicable laws and regulations.

#### ***Our expectations of you***

All data created and maintained by our employees, contractors and business partners must accurately reflect the underlying transactions and events. There is never a justification for falsifying records or misrepresenting facts or engaging in any other fraudulent behaviour. Falsifying, concealing, altering, destroying or otherwise tampering with information, or creating misleading information will not be tolerated by Canterbury. If you are responsible for reporting information, whether financial or non-financial, you have a responsibility to ensure that adequate internal controls exist to achieve truthful, accurate, complete, consistent, timely and understandable reports.

### **CYBER SECURITY**

Canterbury is committed to personal and corporate security by increasing employees' cyber security awareness and taking measures to protect its information systems and data.

Computer hardware, software and data stored on Canterbury's information technology, as well as Canterbury data stored on personal devices, are ultimately the property of Canterbury. The safeguarding of this information technology and data is the responsibility of all Canterbury employees.

### **INSIDER TRADING**

Insider trading is illegal, can lead to criminal prosecution and can also lead to civil penalties and compensation orders.

Where, in the course of work, Canterbury personnel learn confidential information about Canterbury or its subsidiaries or other companies – for example, a competitor, joint venture partner, customer or supplier –they must keep such information confidential and must not use this information for an individual’s financial or other personal benefit before it is made public.

### ***Our expectations of you***

You must make yourself aware of the Canterbury’s Securities Trading Policy including periods when trading or otherwise dealing in Canterbury shares by yourself or any connected third parties is not permitted. Any questions should be directed to the Managing Director or a member of the Audit Committee.

### **COMMUNICATING EXTERNALLY**

Canterbury public disclosures must only be made by authorised spokespersons. Any public written or verbal communication that can be attributed to Canterbury or to one of its employees may amount to a public disclosure.

Such communication includes:

- regulatory filings, such as annual reports, news releases;
- interviews, speeches, articles and reports; and
- information contained on Canterbury website and other communications channels including social media.

### ***Our expectations of you***

It is important that you feel equipped to speak positively about Canterbury when asked in both formal and informal settings. It is natural to express pride in Canterbury’s heritage and its broader social contribution. However, in today’s networked world, care must be taken to ensure that you are not speaking on behalf of Canterbury unless authorised to do so by the Managing Director, in line with public disclosure guidance and our media standards. As a general rule, all external communication materials must be approved by the Managing Director. If you associate yourself with, or are likely to be associated with, Canterbury when you communicate externally, the Code applies, including provisions relating to harassment, privacy, our information technology, insider trading, intellectual property and this section on communicating externally. Apply the same principles of media to social media, and only respond on behalf of Canterbury if you are authorised to do so. You should also behave in line with all applicable legal requirements including spam laws and the terms of any social media services.

## MARKET DISCLOSURE POLICY

### INTRODUCTION AND PURPOSE

This policy is designed to ensure that:

- There is full and timely disclosure of Canterbury Resources Limited's ('Canterbury') activities to shareholders and the market, in accordance with Canterbury's legal and regulatory obligations; and
- All stakeholders (including shareholders, the market and other interested parties) have an equal opportunity to receive and obtain externally available information issued by Canterbury.

The policy reflects Canterbury's obligation to comply with the disclosure requirements of the Listing Rules of the Australian Stock Exchange Limited ('ASX') as well as relevant corporations and securities legislation.

The policy is reviewed regularly to ensure that the policy reflects and legislative or regulatory requirements or "best practice" developments.

### DISCLOSURE PRINCIPAL

Canterbury will immediately notify the market of any price-sensitive information concerning Canterbury in accordance with legislative and regulatory disclosure requirements.

Information will be price-sensitive if a reasonable person would expect that information to have a material effect on the price or value of Canterbury's securities.

A reasonable person would be taken to expect information to have a material effect on the price of Canterbury's securities, if the information would, or would be likely to, influence investors in deciding whether to buy, hold or sell Company securities.

Price-sensitive information will be disclosed, in the first instance, to the ASX. Disclosures to the market will then be placed on the Canterbury website.

### EXCEPTIONS TO THE DISCLOSURE PRINCIPLE

In accordance with applicable listing rule requirements, Canterbury is not required to disclose price-sensitive information concerning Canterbury if:

- 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 applies:

- It would be a breach of the laws to disclose the information;
- The information concerns an incomplete proposal or negotiation;
- The information comprises matters of supposition or is insufficiently definite to warrant disclosure;
- The information is generated for the internal management purposes of Canterbury; or
- The information is a trade secret.

### **MARKET SPECULATION**

The policy provides that, in general, Canterbury will not respond to market speculation and rumours unless required to do so by law or by a listing rule of the ASX.

### **DISCLOSURE RESPONSIBILITIES AND PROCEDURES**

Canterbury has designated the Managing Director and Company Secretary as 'Disclosure Officers'. Disclosure Officers have responsibility for reviewing proposed disclosures and making decisions (in consultation with the Board of Directors) in relation to what information can or should be disclosed to the market.

All Canterbury's Directors and employees are required to inform a Disclosure Officer of any potentially price-sensitive information concerning Canterbury as soon as they become aware of it. Directors and employees may speak to a Disclosure Officer if they are in doubt as to whether information is potentially price-sensitive.

### **EXTERNAL COMMUNICATIONS**

Under the policy, only those Company Directors or employees who have been authorised by the Managing Director or the Board of Directors can speak on behalf of Canterbury to the media, analysts and investors.

Canterbury will not disclose price-sensitive information to any investor or analyst before formally disclosing the information to the market.

### **TRADING HALTS**

Canterbury may request a trading halt from the ASX in order to prevent trading in Canterbury's securities by an inefficient and uninformed market.

## **RISK MANAGEMENT POLICY**

Canterbury Resources Limited's Risk Management Committee is a committee as constituted by the Board of Canterbury Resources Limited ('Canterbury' or 'the Company').

As the Risk Management Committee is a Committee constituted by the Board of Canterbury and therefore, has no defined duration or timeline.

### **TERMS OF REFERENCE**

#### **COMMITTEE MEMBERSHIP**

The Risk Management Committee of Canterbury Resources Limited ('Canterbury') shall be comprised of at least four members, each of whom is a director of Canterbury. A quorum at any meeting of the committee will be any three of the four members.

Members will be proposed by Canterbury's Board. The Board will appoint the Chairman who shall be a member of the Board. Membership shall be reviewed annually, or earlier if circumstances dictate.

#### **INTRODUCTION AND PURPOSE**

Canterbury Resources Limited and its subsidiaries, (the 'Canterbury Group') is committed to the consistent, proactive and effective monitoring and management of risk throughout each of its business divisions and the Canterbury Group as a whole.

Risk management is fundamental to the enhancement of shareholder value and the implementation of the business and financial objectives of the Canterbury Group.

#### **APPROACH**

The approach of the Canterbury Group to risk management and compliance and control is based on:

- Ensuring that each of its business divisions and the Canterbury Group as a whole:
  - Identify actual and potential risks which would have a material impact on the Canterbury Group;
  - Assess their impact on business and financial objectives of the Canterbury Group; and
  - Implement effective and appropriate strategies and actions to address risk issues; and
- Clearly identifying responsibility and accountability for financial, operational and risk management and compliance and control issues; and
- The continued review and assessment of the Canterbury Group's approach to risk management.

The Board has determined that the Canterbury Group's risk management methodology and assessment of risk should consider the materiality of all risks from a Canterbury Group perspective. This assessment requires identification of:

- The likelihood of an event occurring; and
- The potential consequences for the Canterbury Group and their magnitude.

This assessment, combined with a qualitative and quantitative approach to the analysis of the potential consequences, provides the basis for the Canterbury Group's approach to risk and the developing of effective and appropriate strategies and actions to address these risks.

The independent review process and the reporting lines (referred to in the attached chart) ensure that where significant risks arise they are identified and addressed in a timely and effective manner at the appropriate level within the Canterbury Group.

#### **ROLES AND RESPONSIBILITY**

Ultimate responsibility for the effectiveness, oversight and implementation of the Canterbury Group's approach to risk management and compliance and control resides with the Board. The Board has structured the implementation and oversight of the Canterbury Group's approach to risk management and compliance and control on two key principles:

- Focus on Company risk management needs – Company management is responsible for the day to day identification and assessment of risks applicable to the Company and the implementation of risk management and compliance and controls policies and procedures appropriate for the Company;
- Independent review of risk management – the assessment of the risk management and compliance and control practices of the Company and the Canterbury Group as a whole is conducted by persons independent of the Company (including the External Auditors, and the Audit Committee).

The roles and responsibilities of the persons involved in the Canterbury Group's risk management are set out in the attached Chart.

#### **RISK PROFILE**

The Canterbury Group is a mining exploration company with assets in several states within Australia as well as Papua New Guinea and Vanuatu.

The Canterbury Group is therefore subject to diverse types of risk including:

## Corporate Governance

## Policies

- Legal and regulatory compliance;
- Government policy;
- Commodity prices; and
- Trading conditions.

The nature of the business and operations of the Canterbury Group;

- Means that any single risk apparent to the company must be considered in the context of Canterbury Group materiality; and
- Is a key reason for the Board's commitment to a company based responsibility for the implementation of risk management policy and the primary identification of risk management issues.

### **ASSESSMENT OF EFFECTIVENESS**

The Canterbury Group's approach to risk management and compliance and control is assessed on a continual basis with the Board considering risk management issues regularly through the report of the Managing Director.

The External Auditors, in consultation with the Audit Committee of the Board, reviews risk management issues applicable to the Canterbury Group.

### **BUDGET REQUIRED**

Members of the Committee will be reimbursed for previously approved expenses incurred in the course of the Committee's work.

The Committee will develop a budget to cover anticipated costs for the Board's approval.

### **SUPPORT**

The Managing Director will make available to the Committee necessary staff resources to complete its mandate, as prescribed through Board policy and direction. Other resources as assigned to the Committee by Canterbury's Board.

### **AUTHORITY/LIMITS OF THE COMMITTEE**

In accordance with the Canterbury Constitution, the Risk Management Committee is responsible to the Canterbury Board of Directors. Canterbury's Risk Management Committee's authority is defined by the Board, through policy and direction and may include:

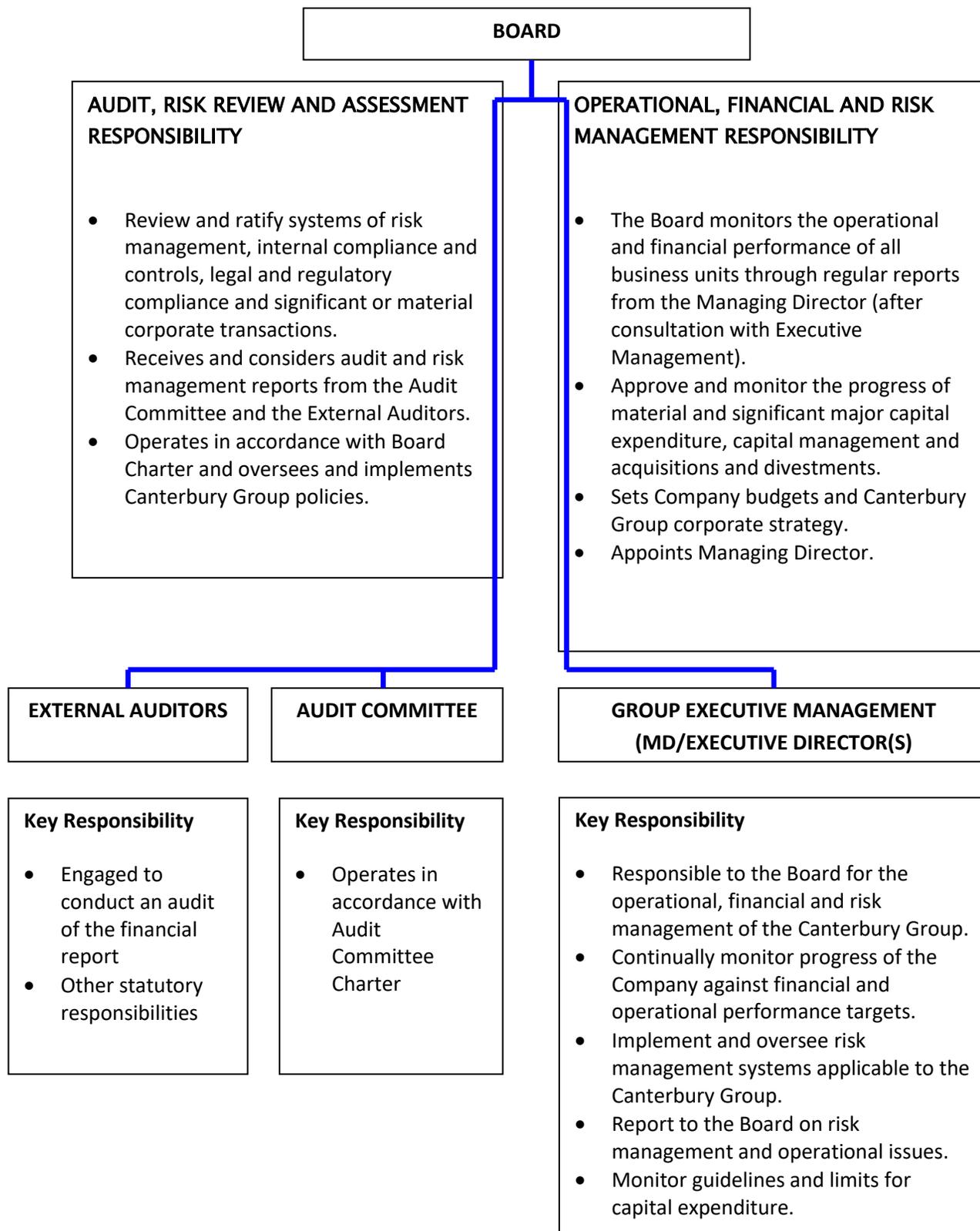
- Reviewing the Company's risk management matters and making recommendations to the Board;
- Taking any actions to enable the Risk Management Committee to fulfil its responsibilities;
- Seeking independent advice to perform its duties where necessary within the budget authorised by the Board.

### Meetings

- At least twice a year at dates, times and location determined by the Chair.

The Risk Management Committee shall prepare and review with the Board an annual performance evaluation of the Risk Management Committee, which evaluation shall compare the performance of the Risk Management Committee with the requirements of this charter. The performance evaluation shall also recommend to the Board any improvements to the Risk Management Committee's charter deemed necessary or desirable by the Risk Management Committee. The performance evaluation by the Risk Management Committee shall be conducted in such manner as the Risk Management Committee deems appropriate. The report to the Board may take the form of an oral report by the chairperson of the Risk Management Committee or any other member of the Risk Management Committee designated by the Risk Management Committee to make this report.

**Audit and Risk Management  
ROLES AND RESPONSIBILITIES CHART**



## SECURITIES TRADING POLICY AND GUIDELINES

### INTRODUCTION AND PURPOSE

This document details the policy covering restrictions on dealing in the Canterbury Resources Limited's ('Canterbury') securities. The requirements imposed by the policy are separate from, and in addition to, the legal prohibitions in the Corporations Act 2001 (Cth) on insider trading.

If you do not understand any part of this policy or the summary of the law, or how it applies to you, you should raise the matter with the Company Secretary or the Managing Director before dealing with any securities covered by this policy.

### SECURITIES TRADING POLICY

#### PURPOSE AND OBJECTIVES

This policy deals with the sale and purchase of securities in Canterbury Resources Limited (**CBY or the Company**) by those persons having authority and responsibility for planning, directing and controlling the activities of CBY, directly or indirectly, including any Director (whether executive or otherwise) of CBY (hereinafter singularly or jointly referred to as **Key Management Personnel**).

The Company has determined that its Key Management Personnel are its Directors and senior management reporting directly to the Company's Chief Executive Officer / Managing Director (or equivalent) (**CEO/MD**).

Key Management Personnel are encouraged to be long-term holders of the Company's securities. However, it is important that care is taken in the timing of any purchase or sale of such securities.

The primary purpose of this Policy is to assist Key Management Personnel to avoid conduct known as "insider trading". The Policy provides a basic explanation of what constitutes insider trading and steps to prevent it, including:

- a description of what conduct may constitute insider trading;
- a description of the safest times for Key Management Personnel to buy or sell securities in CBY in order to minimise the risk of insider trading; and
- the steps for Key Management Personnel to take when buying or selling securities in CBY.

#### INSIDER TRADING PROVISIONS

The Corporations Act 2001 contains the provisions relating to insider trading. Under these provisions, a person is prohibited from dealing in securities where:

- the person possesses information that is not generally available which would, if it were generally available, have a “material effect” on the share price of the relevant entity (i.e. the information is “inside information”); and
- the person knows, or ought reasonably to have known, that the information is not generally available and that if it were it might have a material effect on the share price of the relevant entity.

The prohibition does not apply to the exercise of options to subscribe for shares in CBY made by a participant in CBY’s Employee Option Plan or to the exercise of other options on issue from time to time.

To illustrate the prohibition described above, the following are possible examples of price sensitive information which, if made available to the market, may be likely to materially affect the price of CBY’s securities (and therefore be “inside information” if it were not generally available):

- merger or takeover discussions;
- a change in CBY’s financial forecast or expectation;
- significant discoveries, exploration results, or changes in reserve/resource estimates from mining tenements in which the Company has an interest;
- the proposed commencement of mineral production or a material change in production forecasts;
- a proposed material business or asset acquisition, sale or option;
- a proposed material joint venture or farm-in or farm-out arrangement in relation to a mining tenement;
- proposed material legal proceedings to be initiated by or against the Company or the settlement of such proceedings;
- regulatory action or investigations undertaken by a government authority such as ASIC or Australian Securities Exchange (**ASX**);
- a proposal to undertake a new issue of shares or a change in financing arrangements; and
- key changes in Board or management of the Company.

Buying or selling securities of joint venture partners or other companies with which CBY may be dealing is also prohibited where an individual possesses inside information which also relates to the other company. For example, where an individual is aware that CBY is about to sign a major agreement with another company, they should not trade in securities in either CBY or the other company.

#### **PROHIBITED CONDUCT BY A PERSON WITH “INSIDE INFORMATION”**

There are a number of insider trading offences that officers and employees may expose themselves and others to, including spouses and dependent relatives.

A person who possesses “inside information” about a particular security, which is not generally available, must not:

- apply for, purchase or sell (or agree to subscribe for, purchase or sell) those securities;
- procure another person to apply for, purchase or sell those securities; or
- directly or indirectly communicate the information to a third party if the person knows, or ought reasonably to know, that the third party would or would be likely to buy or sell the securities (or procure another person to do so).

A person does not need to be a director or employee of CBY to be guilty of insider trading in relation to CBY securities. The prohibition extends to dealings by individuals through nominees, agents or other associates, such as family members, family trusts, family companies and friends.

## **RESTRICTIONS ON TRADING IN CBY'S SECURITIES**

### ***General Rule***

Key Management Personnel should not buy or sell securities in CBY when they are in possession of inside information.

### ***Restrictions on Dealing in CBY's Securities***

In response to Listing Rule 12.12 of the ASX, the Board of Directors of CBY (**Board**) has set the following blackout periods (**Closed Periods**) when Key Management Personnel must not, except in exceptional circumstances deal in securities of CBY:

- In the two (2) weeks prior to, and twenty-four (24) hours after the release of the Company's Annual Financial Report and Half-Year Financial Report; and
- Any other period imposed by the Board from time to time (**Additional Period**).
- Key Management Personnel must not disclose to anyone that an Additional Period is in effect.
- The Company may at its discretion vary this rule in relation to a particular Closed Period by general announcement to all Key Management Personnel either before or during the Closed Period. However, if any Key Management Personnel of the Company is in possession of price sensitive information which is not generally available to the market, then he or she must not deal in the Company's securities at any time.

### ***Employee Incentive Schemes***

The issue of shares or the grant of options under employee incentive schemes is not deemed to be trading in CBY's securities. The subsequent sale of shares is, however, trading which is subject to this policy.

### ***Excluded Trading***

Any securities trading which is not subject to this policy is permitted, unless it breaches the statutory prohibitions summarised above. Such excluded trading includes where the trading:

- results in no change in beneficial interest in the securities;
- occurs via investments in a scheme or other arrangement where the investment
- decisions are exercised by a third party;
- occurs when the Key Management Personnel has no control or influence with respect to trading decisions; or
- occurs under an offer to all or most of the security holders of CBY.

The Company will be guided by any Guidance Note issued by the ASX from time to time. Key Management Personnel should contact CBY's Company Secretary or the CEO/MD if they have any questions in relation to excluded trading.

#### **DISCLOSURE POLICY**

Any Key Management Personnel wishing to buy or sell CBY's securities **MUST** advise the Chairman (in the case of directors), or another non-executive director (in the case of the Chairman), or the CEO/MD or Company Secretary (in the case of employees or family members and other nominees of employees) of their intention to do so **BEFORE** buying or selling the securities.

This notification obligation operates at all times (even during the periods specified in Section 4.2 above).

Key Management Personnel must not buy or sell CBY's securities until written approval has been given by the Chairman, CEO/MD or Company Secretary. Approval for trading during a Closed Period may only be given by the Chairman or CEO/MD and will only be given in cases of financial hardship or other exceptional circumstances, to be determined at the sole discretion of the Chairman or CEO/MD, after considering the particular circumstances and whether there is any price sensitive information that has not made available to the market.

In addition, the Key Management Personnel must confirm to the Chairman, CEO/MD or Company Secretary when the Key Management Personnel has bought or sold CBY securities the subject of the approval in the preceding paragraph.

#### **ASX NOTIFICATION OF DIRECTORS' INTERESTS**

CBY is required, under the Listing Rules to disclose to ASX details of directors' interests in securities of CBY and in contracts relevant to securities of CBY, changes in these interests, and whether the change occurred in a blackout period. The Company has made arrangements with each director to ensure that the director promptly discloses to the Company Secretary all the information required by the ASX.

#### **NO LIMITATION OF ECONOMIC RISK IN SECURITIES**

Key Management Personnel must not engage in transactions or arrangements in risk limiting products which operate to limit the economic risk of:

- unvested entitlements to CBY's securities, including hedging arrangements in relation to unvested options or performance rights; or
- vested CBY securities that are subject to a holding lock or other disposal restriction.

**EFFECT OF COMPLIANCE WITH THIS POLICY**

Compliance with this policy for trading in CBY's securities does not absolve that individual from complying with the law, which must be the overriding consideration when trading in CBY's securities.

**ADDITIONAL INFORMATION**

If Key Management Personnel have any questions arising from this policy, they should contact CBY's Company Secretary or the CEO/MD.

**FORWARD REVIEW**

The Board has approved this Policy. The Board may approve updates and amendments to this Policy from time to time as and when appropriate.

**BREACHES OF POLICY**

Strict compliance with this policy is a condition of employment. Breaches of this policy will be subject to disciplinary action, which may include termination of employment.

## **BULLYING AND HARASSMENT POLICY**

### **BULLYING AND HARASSMENT**

#### **INTRODUCTION**

Canterbury is committed to the provision of a fair, healthy and safe workplace in which everyone is treated with dignity and respect and in which no individual or group feels bullied, threatened or intimidated.

Bullying or harassment in any form is unacceptable behaviour and will not be permitted or condoned.

The Company recognises that bullying and harassment can exist in the workplace, as well as outside, and that this can seriously affect a person's working lives by detracting from a productive working environment and can impact on the health, confidence, morale and performance of those affected by it, including anyone who witnesses or has knowledge of the unwanted or unacceptable behaviour.

If any aspect of this policy is unclear, please speak to your supervisor or a member of the Board. It is important that everyone understands our equal opportunity policy and that discrimination or sexual harassment is prohibited.

#### **HARASSMENT**

The intention of these procedures is to inform employees of the type of behaviour that is unacceptable and to provide procedural guidance.

The Company recognises that it has a duty to implement this policy and all Directors, contractors and employees are expected to comply with it.

Harassment is any unwanted physical, verbal or non-verbal conduct based on grounds of age, disability, gender identity, marriage and civil partnership, pregnancy or maternity, race, religion or belief, sex or sexual orientation which affects the dignity of anyone at work or creates an intimidating, hostile, degrading, humiliating or offensive environment.

A single incident of unwanted or offensive behaviour can amount to harassment.

Harassment can take many forms and individuals may not always realise that their behaviour constitutes harassment.

Harassment can occur in the workplace and outside of the workplace at events connected to the workplace, such as social functions or business trips, or on social media.

Examples of harassment include: a) insensitive jokes and pranks; b) lewd or abusive comments about appearance; c) deliberate exclusion from conversations; d) displaying abusive or offensive writing or material; e) unwelcome touching; and f) abusive, threatening or insulting words or behaviour.

These examples are not exhaustive and disciplinary action at the appropriate level will be taken against employees committing any form of harassment. Appropriate action in relation to an employee will include disciplinary action in accordance with the Company's disciplinary and disciplinary termination procedure. For others, appropriate action may include termination of their engagement with the Company.

## **BULLYING**

Bullying is repeated, offensive, abusive, intimidating, insulting or unreasonable behaviour directed towards an individual or a group, which makes the recipient(s) feel threatened, humiliated or vulnerable. Note that single incidents of bullying will not be tolerated.

Bullying can occur in the workplace and outside of the workplace at events connected to the workplace, such as social functions or business trips, or on social media.

Bullying can be a form of harassment and can cause an individual to suffer negative physical and mental effects.

Bullying can take the form of physical, verbal and non-verbal conduct. As with harassment, there are many examples of bullying, which can include: a) abusive, insulting or offensive language or comments; b) unjustified criticism or complaints; c) physical or emotional threats; d) deliberate exclusion from workplace activities; e) the spreading of misinformation or malicious rumours; and f) the denial of access to information, supervision or resources such that it has a detrimental impact on the individual or group.

These examples are not exhaustive and disciplinary action at the appropriate level will be taken against Directors, contractors or employees committing any form of bullying. Appropriate action in relation to an employee will include disciplinary action in accordance with the Company's disciplinary and disciplinary termination procedure. For other workers, appropriate action may include termination of their engagement with the Company.

## **BULLYING AND HARASSMENT COMPLAINT PROCEDURES**

### ***Informal complaint***

The Company recognises that complaints of bullying, harassment, and particularly of sexual harassment, can sometimes be of a sensitive or intimate nature and that it may not be appropriate for you to raise the issue through our normal grievance procedure. In these circumstances you are encouraged to raise such issues with a senior colleague of your choice (whether or not that person has a direct supervisory responsibility for you) as a confidential helper.

If you are the victim of minor bullying or harassment you should make it clear to the alleged bully or harasser on an informal basis that their behaviour is unwelcome and ask the individual to stop. If you feel unable to do this verbally then you should hand a written request to the individual, and your confidential helper can assist you in this.

***Formal complaint***

Where the informal approach fails or if the bullying or harassment is more serious, you should bring the matter to the attention of management as a formal written complaint and again your confidential helper can assist you in this. If possible, you should keep notes of the bullying or harassment so that the written complaint can include: a) the name of the alleged bully or harasser; b) the nature of the alleged incident of bullying or harassment; c) the dates and times when the alleged incident of bullying or harassment occurred; d) the names of any witnesses; and e) any action already taken by you to stop the alleged bullying or harassment.

On receipt of a formal complaint we will take action to separate you from the alleged bully or harasser to enable an uninterrupted investigation to take place. This may involve a temporary transfer of the alleged bully or harasser to another work area or suspension of employees (with contractual pay) until the matter has been resolved.

The person dealing with the complaint will invite you to attend a meeting, at a reasonable time and location, to discuss the matter and carry out a thorough investigation. You have the right to be accompanied at such a meeting by your confidential helper or another work colleague of your choice and you must take all reasonable steps to attend. Those involved in the investigation will be expected to act in confidence and any breach of confidence will be a disciplinary matter.

On conclusion of the investigation which will normally be within ten working days of the meeting with you, a report of the findings and of the investigator's decision will be sent, in writing, to you and to the alleged bully or harasser.

***General Notes***

If the report concludes that the allegation is well founded, appropriate action will be taken against the bully or harasser.

If you bring a complaint of bullying or harassment you will not be victimised for having brought the complaint. However, if the report concludes that the complaint is both untrue and has been brought with malicious intent, appropriate action will be taken against you. Appropriate action in relation to an employee will include disciplinary action in accordance with the Company's disciplinary and disciplinary termination procedure. For other workers, appropriate action may include termination of their engagement with the Company.

## **DIVERSITY AND INCLUSION POLICY**

### **SUMMARY OF POLICY**

The Board of Canterbury has adopted a Diversity and Inclusion Policy which describes Canterbury's commitment to ensuring a diverse mix of skills and talent exists amongst its directors, officers and employees, to enhance Company performance. The Diversity and Inclusion Policy addresses equal opportunities in the hiring, training and career advancement of directors, officers and employees.

The Diversity and Inclusion Policy outlines the process by which the Board has set measurable objectives to achieve the aims of its Diversity Policy, with particular focus on gender diversity within Canterbury.

The Board is responsible for monitoring Canterbury's performance in meeting the Diversity Policy requirements, including the achievement of diversity objectives.

### **INTRODUCTION**

Diversity in the workplace mirrors the diversity of the broader community, encompassing age, gender, ethnicity, cultural and other personal factors. Canterbury respects the diversity of all employees, consultants and contractors and cultivates an environment of fairness, respect and equal opportunity. Canterbury believes that the pursuit of diversity in the workplace increases the pool of talent available, enhances individual work-life balance, encourages personal achievement, improves co-operation and assists in the optimisation of organisational performance.

### **POLICY OBJECTIVE:**

To provide a fair and equitable workplace, free from discrimination related to age, gender, ethnic, cultural or other personal factors, in which diversity enhances Company performance and Shareholder value.

### **ROLE OF THE BOARD**

It is the responsibility of the Board to foster an environment where:

- Individual differences are respected;
- Access to employment, rewards and training opportunities is based on performance, skill and merit; and
- Inappropriate attitudes, behaviours and stereotypes are confronted and eliminated.

## **ACHIEVING DIVERSITY**

Canterbury encourages diversity at all levels of the organisation as a means of facilitating an appropriate mix of skills and talent to conduct its business. Active management of diversity in the workplace involves recognising and valuing the unique contribution people can make because of their individual backgrounds, different skills, experiences and perspectives.

In order to monitor Canterbury's performance, the Board has objectives in relation to all aspects of diversity. These objectives include procedural / structural objectives; initiatives, and programmes and targets in respect of:

- the diversity of persons employed by (or who are consultants to) Canterbury;
- the diversity of persons on the Board;
- the nature of the roles in which persons are employed, including on full time, part time or contracted bases, and in leadership, management, professional speciality or supporting roles; and
- the participation of persons at different remuneration bands, each by reference to gender, age, ethnicity and cultural background.

Subject to the size and operations of Canterbury, the Board is committed to the long-term goal of improving gender representation across all levels of the organisation. The Board assesses annually both the objectives and progress in achieving gender diversity.

The Board has objectives for achieving gender diversity that are appropriate for the size of Canterbury, which are disclosed in Canterbury's Annual Reports.

## **ENSURING EQUAL OPPORTUNITY**

Canterbury will provide equal opportunities in respect to employment and employment conditions.

The Board will ensure appropriate selection criteria, based on diverse skills, experience and perspectives are used when recruiting new staff and Directors. Job specifications, advertisements, application forms and contracts will not contain any direct or inferred discrimination.

### **TRAINING**

All internal and external training opportunities will be based on merit and Company and individual needs.

The Board will consider senior management training and executive mentoring programmes to develop skills and experience to prepare employees for senior management and Board positions.

### **CAREER ADVANCEMENT**

All decisions associated with career advancement, including promotions, transfers, and other assignments, will meet Canterbury's needs and be determined on skill and merit.

**WORK ENVIRONMENT**

Canterbury will ensure that all officers, employees, consultants and contractors have access to a work environment that is free from harassment and unwanted conduct in relation to personal circumstances or characteristics.

Directors, managers and supervisors will ensure that complainants or reports of sexual, racial or other harassment are treated seriously, confidentially and sympathetically by Canterbury.

**REPORTING RESPONSIBILITY**

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

The Board will proactively monitor Company performance in meeting the standards and policies outlined in this Policy. This will include an annual review of the diversity objectives set by the Board, and its progress in achieving them. The Board will consider setting key performance indicators for the Board, the Managing Director and senior executives that are linked to the achievement of the diversity objectives set by the Board.

**COMPLIANCE WITH THIS POLICY**

Any breach of compliance with this Diversity Policy is to be reported directly to the Managing Director, Chairman or to the Report and Investigation Officer, as appropriate. Anyone breaching this Diversity Policy may be subject to disciplinary action, including termination.

## SHAREHOLDER COMMUNICATIONS STRATEGY

The Board of Canterbury aims to ensure that the shareholders are informed of all major developments affecting the Company's state of affairs.

Information is communicated to shareholders through:

- the Annual Report which is distributed to shareholders if they have elected to receive a printed version and is otherwise available for viewing and downloading on the Company's website;
- the half-yearly report which will be placed on the Company's website;
- the quarterly reports which will be placed on the Company's website;
- disclosures and announcements made to the Australian Securities Exchange (ASX) copies of which will be placed on the Company's website;
- notices and explanatory memoranda of Annual General Meetings (AGM) and General Meetings (GM) copies of which will be placed on the Company's website;
- the Chair's address and the Managing Director's address made at AGMs and GMs, copies of which will be placed on the Company's website;
- the Company's website on which the Company posts all announcements which it makes to the ASX; and
- the auditor's lead engagement partner being present at the AGM to answer questions from shareholders about the conduct of the audit and the preparation and content of the auditor's report.

Shareholders can register with the Company to receive email notifications of when an announcement is made by the Company to the ASX, including the release of the annual, half yearly and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is immediately posted.

Shareholders who are unable to attend the AGM or a GM may submit questions and comments before the meeting to the Company or to the auditor (in the case of the AGM).

Shareholders queries should be referred to the Company Secretary in the first instance.