



CODE OF CONDUCT POLICY

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The Company considers any contravention of this Code of Conduct Policy a serious matter and reports of any contravention will be investigated by the Company. Disciplinary action, including termination for misconduct, may be taken against any employee or contractor of the Company who contravenes this Code of Conduct Policy.

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Code of Conduct Policy

1. INTRODUCTION

This Code of Conduct has been designed to demonstrate and outline Focus Minerals Ltd's ("Focus", "FML" or "the Company") commitment to appropriate and ethical business practices. Compliance with this Code of Conduct by FML's employees will also assist FML in effectively managing its risks and meeting its legal and compliance obligations as well as enhancing FML's corporate reputation.

This Code of Conduct summarises FML's policies on matters such as confidentiality, conflicts of interest, sound employment practices, compliance with laws and regulations and the protection and proper use of FML assets.

If an employee has doubts about any aspect of this code, he or she must seek clarification from his or her manager or contact the HR Representative.

2. COMPLIANCE WITH THIS CODE OF CONDUCT

As a condition of employment all FML employees are required to comply with this Code of Conduct both in letter and in spirit. Violation of this Code of Conduct by any employee will result in that employee being subject to disciplinary action which may include termination of employment.

Consultants, contractors and partners working with or for FML should also be informed of the existence of this Code of Conduct and of the requirement that they act in accordance with it.

This Code of Conduct applies to all FML sites and offices.

Employees are encouraged to notify Management in good faith of misconduct or breaches of this Code of Conduct. FML's system for reporting breaches and dealing with complaints is described in Reporting of Unlawful and Unethical Behaviour, outlined below.

3. CODE OF CONDUCT POLICY

3.1 Honesty

The Company expects all employees observe the highest standards of honesty, integrity and ethical behaviour in performing their duties and in dealing with the Company's employees, contractors, shareholders, suppliers, auditors, lawyers and other advisors.

3.2 Confidentiality

Employees must not use or disclose information obtained through their employment other than in the proper course of their duties.

Information obtained in the course of employment must not be used to obtain financial reward or other benefit, or to take advantage of another person.

Employees are required to:

- Maintain the confidentiality of all proprietary and commercial information, and information acquired in the course of performing their duties to the Company. These obligations of confidentiality continue after an individual's employment with FML ends. Confidential information includes, but is not limited to, trade secrets, marketing information, customer lists,

research and development, technical information, financial information, business plans, designs, drawings, techniques, processes and intellectual property in any form belonging to FML.

- Refrain from making improper use of, or improperly disclosing, such confidential information to third parties, except as otherwise required by law.
- Include confidentiality provisions in contracts with consultants, contractors, and other parties who provide services to FML. Managers and supervisors in each department are responsible for ensuring that arrangements are in place for protecting sensitive and confidential information.

These obligations of confidentiality continue after employees leave their employment with the Company.

3.3 Conflicts of Interest

Each employee needs to be sensitive to, and mindful of, the potential for conflicts to arise (directly or indirectly) between the interests of the Company on one hand; and any personal (or external business) interests of that employee (or the duties owed to an external company or entity by such person), on the other hand.

Employees should not engage in activities or hold or trade assets that involve, or could appear to involve, a conflict between their personal interests and the interests of FML. Such circumstances could compromise or appear to compromise the employee's ability to make impartial business decisions.

In particular, neither employees nor their immediate family members should have interests or investments in a competitor, customer, partner, co-venturer or supplier of FML that would create a conflict of interest. Conflicts of interest would not usually arise out of merely holding shares in such a company but a conflict would arise if, for example, an employee has shares in a company that is a supplier to FML and the employee is able to influence decision-making regarding the award of contracts to that company or the company is a company in which FML holds shares and the employee is in a position to influence FML decision-making with regard to that investment.

Similarly, employees should not hold positions in, or have relationships with, outside organisations that have business dealings with FML if the employee's position in FML allows them to influence these transactions.

Other than in exceptional circumstances, no employee should be in a position of influence regarding the employment conditions (e.g. work assignment, compensation, etc.) or performance assessment of a family member.

FML's employees should not take additional employment with outside organisations or operate their own business other than in exceptional circumstances and with the prior approval of their departmental manager.

Employees are prohibited from holding directorships in publicly listed companies without the prior approval of the Chief Executive Officer or in case of the CEO, of the Chairman.

Employees must advise their manager of situations that could involve an actual or perceived conflict of interest and remove themselves from any discussion or activity involving the conflict. It is the manager's responsibility to ensure that the matter is properly reviewed, including whether it is appropriate for the employee to resume any discussions or activities that involve the conflict.

3.4 Privacy

FML is committed to recognising and respecting the privacy of its employees (refer to *Privacy Policy*). FML will only use an employee's personal information for the purposes for which it has been gathered unless the disclosure of that information is necessary to prevent a serious threat to health or safety or is required by

law or to enforce the law. This practice is in compliance with the *Privacy Act 1998* and the *Freedom of Information Act (WA) 1992*.

3.5 Employment Practices

FML is committed to a working environment where there is mutual trust and respect and where everyone feels responsible for the company's performance and reputation.

FML is also committed to proper Occupational, Health and Safety standards. It recognises the dignity of each worker, and the right to a workplace free of harassment and abuse.

Decisions on hiring, salary, benefits, advancement, termination or retirement will be based solely on the employee's ability to do the job. FML appreciates and respects the true value of diversity that each individual brings to the workplace.

3.6 Corporate Opportunities

Business opportunities may arise as a result of an employee's access to FML property or information or because of the employee's position within FML. Third parties may approach employees because of the employee's position within FML or because of an expectation that FML has the resources and commercial interest to pursue a business opportunity. Alternatively, an employee may identify a business opportunity in the course of, or as a consequence of, their position within FML.

Employees must not improperly use their position with the Company, or FML funds, property, equipment, or other resources for personal benefit (or for a relative or other associate), or to compete with or harm the Company.

In addition, employees are responsible for safeguarding those FML resources which are under their control.

3.7 Fair Dealing and Business Relationships

The Company expects employees to deal fairly (and to encourage fellow employees to deal fairly) with shareholders, suppliers, competitors and employees of the Company.

Employees must not take unfair advantage of any shareholder, supplier, competitor, auditor, lawyer or advisor of the Company through illegal conduct, manipulation, undue influence, concealment, abuse of privileged or confidential information, misrepresentation of material facts, or any other unfair-dealing practice.

Employees are expected to record accurately the performance and financial position of the Company and to communicate business goals and achievements in a fair and honest manner.

3.8 Protection and Proper Use of the Company's Assets

The Company expects employees to use all reasonable endeavours to protect the assets of the Company and to ensure their efficient and legitimate use. Any suspected incidents of fraud or theft should be reported immediately for investigation. At all times employees should use FML funds sensibly and effectively. Expenditures must be reported accurately and in a timely way. Submission of a fraudulent expense report is regarded as serious misconduct.

An accurate and auditable record of all financial transactions relating to FML must be maintained in accordance with generally accepted accounting principles. No entry should be made in FML's records that

distorts or disguises the true nature of any transaction. Non-financial records (e.g. personnel files, environmental documentation, safety statistics etc.) must also be accurately and rigorously maintained.

Unauthorised removal of FML equipment, supplies, commercially sensitive data, or other resources is regarded as theft. Similarly, FML resources must not be sold, lent or donated without management approval.

Employees should also take appropriate precautions to prevent theft, damage or misuse of FML resources.

Employees should not destroy or dispose of FML resources, including physical assets and data, without management approval unless the items are of nominal value and can no longer be used (e.g. office supplies or trivial emails). Intentional damage to FML resources is prohibited.

3.9 Compliance with Laws, Regulations, Practices & Procedures

The Company requires employees to comply with:

- Both the letter and the spirit of all laws, rules and regulations that apply to the Company in the conduct of its business and affairs; and
- All directions issued by the Company in its protocols, Policies and Procedures, including (but not limited to) this Code of Conduct.

3.10 Reporting of Unlawful and Unethical Behaviour

The Company is committed to promoting and maintaining a culture of compliance with standards, requirements and expectations set out in this Code of Conduct. To fulfill this commitment, the Company needs to be able to ensure that:

- Violations of those standards, requirements and expectations are detected and reported; and
- Appropriate action is taken in response to any such violations.

Accordingly, the Company expects each employee to report, promptly and in good faith, any violations by any employee of the Company of the standards, requirements or expectations set out in this Code of Conduct (or any unethical, unlawful, fraudulent or corrupt behaviour) of which he or she becomes aware or has reasonable grounds to suspect.

The Company recognises that the identity of the person or persons to whom any such violations should be reported, might vary depending on the particular circumstances. Subject to this, as a general rule, the following applies:

- Senior Managers are encouraged to report to their immediate supervisor or the Chief Executive Officer;
- Other employees are encouraged to report to their immediate supervisor or the Chief Executive Officer; and
- All employees, including part-time, temporary, contract workers and consultants, are encouraged to report any serious matters that they believe could have a significant adverse impact on the Company.

Where an employee (or the Reporting Person) reports, in good faith, an actual or suspected violation of this Code of Conduct:

- The Company will, to the extent practicable, keep the Reporting Person's identity confidential; and no disciplinary or other adverse action will be taken (or tolerated) against the Reporting Person as a consequence of reporting that violation.

- FML will not cause detriment to a person, or threaten to cause detriment to a person, who discloses information in good faith which relates to a possible contravention of corporations legislation.

3.11 Giving and Accepting Business Courtesies

Political Donations

- FML's business principles provide that FML does not make donations to political parties or their representatives. Accordingly, FML does not donate funds to any political party, politician or candidate for public office.
- FML does however recognise that there may be times when the Company may benefit from managers attending party-political functions where there is an attendance fee. Approval should be sought from the CEO.

Gifts

- FML employees must not give, seek or accept in connection with the operations of FML, any gift which goes beyond common courtesies associated with general commercial practice. Gifts should never be offered or accepted in circumstances where the outcome of a transaction may be influenced by the gift, or give rise to the perception that the transaction may be influenced by the gift.
- This is to ensure that the offer or acceptance of a gift cannot create an obligation or be construed or used by others to allege favouritism, discrimination, collusion or similarly unacceptable practices by FML.
- Any gift, entertainment or other personal favour or assistance given or received must be declared to the employee's manager. Any such action may be viewed as a bribe if it is not declared.

4. PUBLIC STATEMENTS

The Company's relationships with the media and the investment community are conducted exclusively by the Chairman or Chief Executive Officer, or as delegated by them.

5. EFFECT OF THIS CODE

This Code of Conduct is to be read in conjunction with an employee's letter of employment or contract of employment and is not intended to limit, in any way, any terms of that letter or contract. All FML employees are required to comply with this Code of Conduct and all applicable laws.

A breach of this Code of Conduct may result in disciplinary action against an employee up to and including dismissal or other legal action. Breaches require immediate attention and employees have a duty to report known or suspected breaches of the code.

Similar disciplinary action will be taken against any employee who directly approves or has knowledge of such action.

Any FML employee who deals with agents, contractors or consultants who represent FML must make them aware of this Code of Conduct and that FML expects them to conduct their business in accordance with this Code of Conduct. All new or replacement contracts with agents, contractors or consultants must include a clause requiring the agent, contractor or consultant to comply with this Code of Conduct.

6. AMENDMENT

FML reserves the right to amend this policy from time to time. FML will publish updates as they occur.