

DART MINING NL

ACN 119 904 880

BOARD CHARTER

Adopted by the Board of Directors on: 18 January 2007
Amended: 8 March 2007

INTRODUCTION

The Board of Directors of Dart Mining NL (the Company) acknowledges its accountability to shareholders for creating shareholder value within a framework which protects the rights and interests of shareholders and ensures the Company is properly managed. The Board aims to achieve these objectives through the adoption and monitoring of strategies, plans, policies and performance as follows:

1. Strategy

- a. Providing input into, and approval of, the Company's strategic direction and budgets as developed by management.
- b. Directing, monitoring and assessing the Company's performance against strategic and business plans, and ensuring appropriate resources are available.
- c. Approving and monitoring capital management and major capital expenditure, acquisitions and divestments.

2. Risk management & Reporting

- a. Identifying the principal risks of the Company's business.
- b. Reviewing and ratifying the Company's systems of internal compliance and control, risk management and legal compliance and ensuring the integrity and effectiveness of those systems.
- c. Approving and monitoring internal and external financial and other reporting, including reporting to shareholders, the ASX and other stakeholders.

3. Management

- a. Appointment and removal of the Chief Executive Officer (CEO)
- b. Ratifying the appointment and removal of senior executives
- c. Ensuring that the remuneration and conditions of service of senior executives are appropriate.
- d. Establishing and monitoring executive succession planning.
- e. Delegating authority to the Chief Executive Officer.

4. Performance

- a. Approving criteria for assessing performance of senior executives and monitoring and evaluating the performance of senior executives.
- b. Undertaking an annual performance evaluation of itself that compares the performance of the Board with the requirements of this Charter, sets forth the goals and objectives of the Board for the upcoming year and effecting any improvements to this Charter considered necessary or desirable.
- c. Providing advice and counsel to top management.

5. Corporate governance

- a. Ensuring ethical behaviour and compliance with the Company's own governing documents, including the Company's Code of Conduct.
- b. Evaluating the Company's compliance with corporate governance standards.

6. Board Committees

- a. Establishing Board Committees once they become warranted by the scope of the Company's activities.
- b. Adopting Charters setting out the membership, responsibilities and reporting obligations of each Board Committee and evaluating the performance of the Board Committees.

7. Other

- a. Evaluate Board processes and performances.
- b. Performing such other functions as prescribed by law.

DIRECTORS PRACTICE AND ADHERENCE

In performing the responsibilities set out above, the Board should act at all times in a manner designed to create and continue to build sustainable value for shareholders and in accordance with the duties and obligations imposed on them by the Company's Constitution (Appendix 5) and by law.

The Board of Directors of the Company and its controlled entities has resolved unanimously that the Company will at all times aspire to "best practice" in Corporate Governance. Unless otherwise indicated the following practices specified in this charter have been followed throughout the latest reporting period and will remain in force until amended by resolution of the Board.

The Board subscribes to the Code and Conduct detailed in Appendix 2 and statement of Behaviour Standards - Standards Of Business Conduct as set out in Appendix 4.

THE BOARD OF DIRECTORS

Sir Adrian Cadbury in his book "The Company Chairman" asks the question, "*What are boards for?*" and comments, "*the Board's function is to set the company's aims and objectives, and to ensure that they are achieved. The Board is the top decision making body in the enterprise and is the source of authority for the managers who run its operations. The Board is appointed by the shareholders and is accountable to them for the company's progress. It is therefore the vital link between the owners and the managers of the company*".

The Board of the Company endorses that description of a Board's function and resolves to carry out its functions using the following mechanisms:

1. Composition of the Board

The Board composition is structured to provide a blend of qualifications and skills, along with the experience required for managing a company operating within the exploration and mining industry in Australia. The Chairman plays a crucial role in ensuring that the Board works effectively. The Chairman is a non-executive Director maintaining a separation of the roles of Chairman and Chief Executive Officer. Details of the current Directors are set out in Appendix 1 to this charter. The Board presently comprises five Directors, but may be increased to a maximum of twelve, in accordance with the Company's Constitution, for example when additional expertise is required in specific areas.

2. Criteria for Membership

The Board reviews its composition on an annual basis to ensure the Board has the appropriate mix of expertise and experience and ability to represent the interests of all shareholders. In addition to technical expertise the Board aims to have members with high levels of intellectual ability, experience, soundness of judgement and integrity.

In making appointments to the Board the most frequently used nomination criteria were:

- The ability to exercise sound business judgement
- A position of leadership or prominence in a specified field.
- Absence of conflicts of interest or other legal impediments to serving on the Board.
- Willingness to devote the required time.
- Freedom from scheduling, or other conflicts, which would prevent attendance at Board or Committee meetings.
- Appropriate experience.
- Geographic spread.

3. Nomination of Directors

When a vacancy exists, for whatever reason, or where it is considered that the Board would benefit from the services of a new Director with particular skills, the Board selects a panel of candidates with the appropriate expertise and will make use of consultants if deemed necessary.

All Directors are elected by shareholders at the annual general meetings following their appointment and, thereafter, are subject to re-election at least once every three years. There is no maximum fixed term (assuming re-election) and no compulsory retirement age for non-executive Directors.

4. Chief Executive Officer & Managing Director

The Chief Executive Officer, who may also hold the office of Managing Director, is selected by the Board and is subject to annual performance reviews by the non executive Directors. The Chief Executive Officer recommends policy and strategic directions for Board approval and is responsible for the day-to-day operations of the Company. The Chairman and the Chief Executive Officer meet regularly to discuss business and strategic issues, and to set Board agendas.

5. Performance of Directors

The performance of all Directors is reviewed by the Chairman each year. Directors whose performance is judged to be unsatisfactory may be asked to retire.

6. Frequency of Meeting

The Board shall meet at least six times per year and hold as many additional meetings as required to properly carry out their function and as determined by the operations of the Company. Board meetings are normally scheduled to ensure all Directors can attend. There is a formal schedule of matters specifically reserved for decisions by the Board.

The Board has the power to meet by use of telephone or video conference or circulating resolution if deemed appropriate.

Each year at least two Board meetings are to be held in conjunction with a visit to Company operations to assist Directors in their review of the business.

7. Committees

The Board has not established any standing Committees at this time. An Audit and Compliance Committee will be established during the first half of 2007 following the capital raising. Occasional or special purpose Committees are established as required.

8. Independent Professional Advice

Each Director has the right to seek independent, professional advice at the Company's expense, in furtherance of their duties as Directors. Prior written approval of the Chairman is required and will not be unreasonably withheld.

9. Remuneration

The remuneration for non-executive Directors is determined by the full Board within the maximum amount approved by the shareholders in general meeting from time to time. Retirement benefits for current non-executive Directors are considered on a case-by-case basis upon retirement. No additional fees are payable to non-executive Directors for participation on Board sub-committees except in special circumstances as agreed by the Board. The Chairman undertakes an annual review of Directors fees drawing on suitable external advice to determine if they are appropriate and recommending any changes to the full Board. Full disclosure of all elements of director's remuneration is set out in the annual report, and as may be required from time to time.

10. Accountability

The Board's prime responsibility is to ensure the Company's financial performance is satisfactory to its shareholders and to do so within a framework of practices and procedures appropriate to the Company. Those practices and procedures are not the goals; they are the borders within which the corporation's commercial activities can legitimately be conducted.

Each Director "exercises the degree of care and skill that a reasonable person in a like position in a corporation would exercise in the corporation's circumstances".

11. Statutory Obligations

The members of the Board acknowledge the responsibilities imposed upon them by:

- Corporations Act (including Continuous Disclosure Obligations)
- ASX Listing Rules (including Continuous Disclosure Obligations)
- Mining Act
- Common Law
- Industrial Law
- Environmental Law
- Occupational Health & Safety Law

and that the Company will at all times operate within the law and take appropriate legal advice in advance of action whenever there is uncertainty as to the most appropriate course of action.

12. Directors Duties

The Board keeps in mind that as stewards for the shareholders, they have a duty to communicate to those shareholders the Board strategies that have been decided upon and the progress towards achieving the related goals.

Directors are appointed with the aim of the Company achieving the financial or other goals sought by its investors. In addition, the Company takes into account the interests of its employees, customers, suppliers and the communities in which it operates.

It is not only the Corporations Act and the Australian Stock Exchange Listing Rules, but also the Constitution of the Company (Appendix 5) that sets the parameters of the Director's responsibilities. The Board complies with all of its statutory duties and responsibilities.

13. Ethical Standards

The Board has adopted a Code of Conduct for Directors (Appendix 2) and a policy Behaviour Standards - Standards Of Business Conduct (Appendix 4) setting out parameters for ethical behaviour and business practices for Directors, employees and contractors.

14. Share Trading

Persons in possession of confidential information that may materially affect the Company's share price are not permitted to buy or sell shares. By extension, trading in shares by any Director or employee of the Company within the period between the close of each financial quarter and the release of quarterly, half yearly interim and full year profit results by the Company requires the express written approval of the Chairman before any trading is conducted or the entry into share trading agreements, whether "on market" or "off market".

At all times, trading in securities of the Company by Directors of the Company or by senior employees of the Company and its related bodies corporate may only be conducted with the express written approval of the Chairman of the Board of Directors. The approval of the Chairman must be received before trading commences or before the entry into any agreements relating to the sale or purchase of securities in the Company.

The Board has adopted a Continuous Disclosure And Share Trading Restrictions policy as set out in Appendix 3.

15. Communication

Communications with stakeholders are given a high priority. In addition to statutory documents such as Annual and Quarterly reports, the Board is committed to keeping all stakeholders informed in a timely manner, of all material developments that affect the Company. The Company has a formal policy and comprehensive procedures on continuous disclosure (Appendix 3). Once the Board or Management becomes aware of information concerning the Company that would be likely to have a material effect on the price or value of the company's securities (and which does not fall within the exceptions to

the disclosure requirements contained in the Listing Rules), that information is released to the ASX. The Board has appointed the Company Secretary (or in his absence, Legal Counsel) as the person responsible for communication to ASX. All Company announcements, presentations or other briefings are posted on the company's website after release to the Australian Stock Exchange.

The Board also endorses full and regular communication with and between Directors, the Chief Executive Officer, the Company Secretary, Senior Management, the external Auditors and other Professional Advisers, Shareholders and other significant stakeholders. The Board also ensures the Company Secretary maintains a good, open and frank relationship with the ASX and its designated Company officers to ensure compliance and full disclosure.

Full use is made of annual general meetings to inform shareholders of current developments through appropriate presentations and to provide opportunities for questions.

Appendix 1 : BOARD OF DIRECTORS

| | DART MINING NL |
|-------------------|-------------------------------------|
| Chris Bain | Chairman and Non-Executive Director |
| Bernie Hochwimmer | Executive Director |
| Dean Turnbull | Executive Director |
| Stephen Poke | Non-Executive Director |
| Richard Udovenya | Non-Executive Director |

Appendix 2 : BOARD OF DIRECTORS – CODE OF CONDUCT

1. A Director must act honestly, in good faith and in the best interests of the Company as a whole.
2. A Director has to use due care and diligence in fulfilling the functions of office and exercising the powers attached to that office.
3. A Director must use the powers of office for a proper purpose, in the best interests of the Company as a whole.
4. A Director must recognise that the primary responsibility is to the company's shareholders as a whole but should, where appropriate, have regard for the interests of all stakeholders of the Company.
5. A Director must not make improper use of information acquired as a Director.
6. A Director must not take improper advantage of the position of Director.
7. A Director must not allow personal interests, of the interests of any associated person, to conflict with the interests of the Company.
8. A Director has an obligation to be independent in judgement and actions and to take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Board of Directors.
9. Confidential information received by a Director in the course of the exercise of directional duties remains the property of the Company from which it was obtained and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by the Company, or the person from whom the information is provided, or is required by law.
10. A Director should not engage in conduct likely to bring discredit upon the Company.
11. A Director has an obligation, at all times, to comply with the spirit, as well as the letter, of the law and with the principles of this Code.

**(From Appendix 1 to the Constitution of the
Australian Institute of Company Directors)**

Appendix 3: CONTINUOUS DISCLOSURE AND SHARE TRADING RESTRICTIONS

OBLIGATION TO DISCLOSE INFORMATION

- 1.1 Dart Mining NL (Dart) listed on the Australian Stock Exchange (ASX) on 10 May 2007.
- 1.2 The Company is subject to the general principle that information which may affect the price or value of its securities or influence decisions taken by investors to buy or sell its securities must be disclosed publicly in a timely manner.
- 1.3 The ASX Listing Rules and the Corporations Act prescribe the regime under which the Company must immediately notify the ASX of price sensitive information. Price sensitive information is:
“any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities”.
- 1.4 The Corporations Act provides that information will be expected to have a material effect” on the price or value of an entity’s securities if:
“the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, or buy or sell, the first mentioned securities”

PURPOSE OF THIS POLICY

- 2.1 The purpose of this policy is to establish a procedure within the Company that facilitates and enhances compliance with its continuous disclosure obligations.
- 2.2 The policy is intended to:
 - assist the Company to fulfil its reporting obligations for continuous disclosure;
 - enable the Company to provide investors with information in the manner expected of listed companies to enable investors to make an informed assessment of the value to the company's shares;
 - enable the Company to balance, in a disciplined way and consistently with its legal obligations, the information needs of investors, with the company's needs to achieve business goals and protect confidential or commercially sensitive information;
 - define the parameters of both formal and informal disclosure such that the Company manages investor expectations and minimises the potential for positive or negative surprises.
- 2.3 Additionally the policy aims to enhance the Company’s credibility amongst investors by applying a disciplined approach to disclosure such that it maintains consistent disclosure levels "in good times and bad" and ensures information for investors is easy to understand and accurate at all times.

ISSUES IN RELATION TO DECIDING ON DISCLOSURE

- 3.1 The continuous disclosure regime involves a high degree of judgment on the part of management of the Company to determine what has to be disclosed to the market and when disclosure must be made. While there are exceptions to the general obligation requiring immediate disclosure of information, judgement is needed to determine of the exceptions apply in any particular circumstance.
- 3.2 The Board of Directors of the Company has determined that a conservative approach to disclosure is to be taken and that the Company will be consistent in terms of the nature of the

disclosures made by it. To enable this to be achieved in a manner consistent with the Company's legitimate commercial interests, it is important that all decisions on the nature and timing of disclosure to the market are made in a controlled fashion in accordance with this policy or as the Board may otherwise determine.

3.3 The procedures outlined in this policy must be followed to so that the Chairman, Chief Executive Officer (CEO), Company Secretary, and members of the Board (as appropriate) can be provided with sufficient information in a timely fashion to enable them to make decisions as to whether disclosure is required and, if so, the nature and timing of that disclosure.

4 Procedures to be followed:

4.1 All individuals reporting directly to the Chief Executive Officer and individuals reporting directly to them are to be made aware in writing of the detail of this policy and the importance of compliance.

4.2 All individuals referred to in 4.1 are to make their immediate subordinates aware of the requirements of this policy and the need for them to ensure management is aware of any information which may need to be disclosed to the market through the ASX. Examples of matters that may require disclosure are:

- significant exploration success;
- entry into major contracts;
- sale or purchase of a major or significant asset;
- industrial disputes or other personnel disruptions;
- profit and loss forecast changes;
- significant changes in business outlook;
- significant litigation commenced or settled;
- an event or matter which might give rise to a substantial insurance claim;
- significant breaches of legislation, particularly trade practices, occupational health and safety and environmental.

4.3 The Company Secretary is to be informed immediately any potentially material information becomes available.

4.4 If deemed price sensitive, the Company Secretary will make a disclosure recommendation to the Chairman who will decide whether the information provided requires disclosure. If he considers it appropriate the Chairman may consult with other available Directors in making his decision. If disclosure is required, the Company Secretary will make the necessary disclosure to the ASX consulting as required and coordinate any media activity.

4.5 The Company Secretary must keep a record of all information disclosed to the ASX.

4.6 Material information will be disclosed in the manner required under the ASX Listing Rules and the Corporations Law. This means the Company will make a formal announcement to the Australian Stock Exchange and then only release the information to news services and major media outlets immediately after the ASX has acknowledged receipt. In addition, any announcements will also be posted to the Company web site so that as many shareholders and potential investors as possible will have access to the information.

4.7 All press releases to be issued by the Company must be released to the ASX by the Company Secretary prior to release to the press.

5. Non Disclosure of Potentially Material Information

- 5.1 Exceptions to the Company's disclosure obligations apply to confidential information which, although price sensitive, a reasonable person would not expect the Company to disclose and which:
- if disclosed, would result in a breach of a law;
 - relates to an incomplete proposal or negotiation;
 - comprises matters of supposition or is insufficiently definite to warrant disclosure;
 - is generated by the Company for internal management purposes; or
 - is a trade secret.
- 5.2 Whether these requirements are satisfied in a particular case is a matter of judgement. To enable the Company to comply with its obligations and maintain a consistent practice in its market disclosure, the Company Secretary must be informed even where an individual may believe that the information falls into one of these categories. In those circumstances, the Company Secretary should also be provided with all information which may be required to enable a decision to be made as to whether disclosure is required or appropriate.
- 5.3 If price sensitive information is divulged inadvertently (for example during an investors' "road show" or analysts' meeting or), that information must generally be formally disclosed to the ASX immediately after the meeting unless special circumstances apply. If this occurs, the Company Secretary must be informed immediately so that appropriate steps can be taken to determine the appropriate course of action.
- 5.4 Unusual trading activity in Company shares may suggest to the market and to the regulators that information is no longer confidential or that those who possess it are insider trading. This latter situation may be in breach of the law, but not necessarily in breach of confidentiality obligations owed to the Company. It is therefore also proposed that where appropriate confidentiality agreements used by the Company restrict the use, as well as the disclosure, of confidential information.

6 Insider Trading

- 6.1 Insider trading is the trading of securities by a person who is in possession of information that is not generally available to the market and if it were generally available it might have a material effect on the price or value of those securities. Insider trading can result in both civil and criminal penalties, including imprisonment, for the person or persons involved.
- 6.2 The Company has sought to minimise potential for insider trading by Company officers by restricting the period during which the Directors and executive officers can trade shares or convert options.
- (a) Any person, regardless of whether that person is a Director, executive or employee of the Company if in possession of confidential or price sensitive information that may affect the Company's share price are prohibited from trading in shares or options while that information is not generally available.
 - (b) Trading in shares by any Director or employee of the Company within the period between the close of each financial quarter and the release of quarterly, half yearly interim and full year profit results by the Company requires the express written approval of the Chairman before any trading is conducted or the entry into share trading agreements, whether "on market" or "off market".
 - (c) At all times, trading in Company shares or options by:
 - (i) Senior employees of the Company may only be conducted with the express written approval of the Chairman of the Company.
 - (ii) Directors of the Company may only be conducted with the express written approval of the Chairman of the Board of Directors.

The approval of the Chairman must be received before trading commences or before the entry into any agreements relating to the sale or purchase of Company securities.

7 Selective and Differential Disclosure

7.1 The Company will not practice selective or differential disclosure. That is, the Company will not disclose information to selected individuals or groups, such as brokers, analysts or journalists, or in selected situations which it would not be prepared to make available for general use at the same time.

7.2 The Company will not disclose information verbally which it would not be prepared to disclose by formal release to the ASX.

8 Equity and Access

8.1 The Company will respond to legitimate requests for information in the same manner, irrespective of whether the request comes from a small investor, a large investor, an analyst or the media. All requests for information from any shareholder, potential investor, journalist or analyst should be directed to the Company Secretary.

9. One-on-One Meetings

9.1 Only people authorised by resolution of the Board, the Chairman or the Chief Executive Officer may hold one-on-one meetings with journalists, analysts or brokers.

9.2 In any one-on-one meetings, the Company will only discuss information that is in the public domain or information which may not be in the public domain but which is not price sensitive.

9.3 One-on-one meetings can be held between the end of an accounting period and the formal announcement of the results provided there is no discussion of the results of the relevant accounting period.

10. Responding to Market Rumours

10.1 Any request to clarify or comment on a market rumour must be referred to the Company Secretary.

10.2 As a general policy, if the Company is not the source of a market rumour, the Company will not comment on market rumours or speculation unless specifically required to comply with its obligations under the ASX Listing Rules.

10.3 If the Company is the source of a market rumour, the Company will clarify the Company's position formally via the ASX if required under the ASX listing Rules.

11. Duty to Correct/Update Information

11.1 If the Company discovers that a statement it has made is materially incorrect, or subsequent information renders it incorrect, the Company will issue an announcement via the ASX to correct the statement.

11.2 The Company will maintain the accuracy of non-material information that is generally made available to the market. This includes forward-looking statements. Accuracy will be maintained on a regular cycle consistent with the regularity with which the information is distributed e.g. annually, half yearly, quarterly.

12. Enabling Comparisons

- 12.1 If there are any changes in accounting policies, segmental reporting disclosures or the manner in which statistics or performance indicators are compiled or published, the new manner of disclosure will be presented so that investors can readily draw valid comparisons with historical information previously provided in a different format. These changes will be disclosed in the Company's accounts and/or as may be appropriate in the circumstances.

13. Media

All media enquiries should be referred to the Company Secretary who will make any necessary arrangements for contacts with the Company's representatives.

14. Updating the Policy

This policy will be reviewed regularly and revised if circumstances warrant or more often as required by changes to Listing Rules or other legally binding disclosure requirements.

15. The Law

- 15.1 ASX Listing Rule 3.1 provides:

"Once an entity is or becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities, the entity must immediately tell ASX that information. This rule does not apply to particular information while each of the following applies.

3.1.1 *A reasonable person would not expect the information to be disclosed.*

3.1.2 *The information is confidential.*

3.1.3 *One or more of the following conditions applies.*

- (a) It would be a breach of a law to disclose the information.*
- (b) The information concerns an incomplete proposal or negotiation.*
- (c) The information comprises matters of supposition or is insufficiently definite to warrant disclosure.*
- (d) The information is generated for the internal management purposes of the entity.*
- (e) The information is a trade secret."*

The definition of "aware" in the Listing Rules, and which applies to Listing Rule 3.1 is:

"an entity becomes aware of information if a Director or executive Director has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as a Director or executive Director of the entity".

- 15.2 In addition to the requirements of section 777(2) of the Corporations Act which binds listed companies to comply with the ASX Listing Rules, section 1001A of the Corporations Act specifically covers continuous disclosure:

"1001A (1) (Application)

This section applies to a listed disclosing entity if provisions of the listing rules of a securities exchange:

- (a) apply to the entity; and*
- (b) require the entity to notify the securities exchange of information about specified events or matters as they arise for the purpose of the securities exchange making that information available to a stock market conducted by the securities exchange.*

1001A (2) (**Contravention or failure to notify**)

The disclosing entity must not contravene those provisions by intentionally, recklessly or negligently failing to notify the securities exchange of information:

- (a) *that is not generally available; and*
- (b) *that a reasonable person would expect, if it were generally available, to have a material effect on the price or value of the securities of the entity.*

1001A (3) (**Offence**)

A contravention of subsection (2) is only an offence if the failure concerned is intentional or reckless."

The key issue following from these provisions is that if any failure to disclose information is an intentional or reckless omission then the contravention is a criminal offence, potentially by the individuals involved as well as the Company.

15.3 For the purposes of section 1001A of the Corporations Act, section 1001C(2) states that

"Information is generally available if:

- (a) *it consists of readily observable matter; or*
- (b) *without limiting the generality of paragraph (a) both the following subparagraphs apply:*
 - (i) *it has been made known in a manner that would, or would be likely to, bring it to the attention of persons who commonly invest in securities of a kind whose price or value might be affected by the information; and*
 - (ii) *since it was made known, a reasonable period for it to be disseminated among such persons has elapsed."*

15.4 Section 1001C(3) of the Corporations Act, states that

"Information is also generally available if it consists of deductions, conclusions or inferences made or drawn from either or both of the following:

- (a) *information referred to in paragraph 2(a);*
- (b) *information made known as mentioned in subparagraph 2(b)(i).*

15.5 Section 1001D of the Corporations Act defines "material effect on price or value": Section 1001D provides that

"For the purposes of section 1001A a reasonable person would be taken to expect information to have a material effect on the price or value of securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, or buy or sell, the first mentioned securities."

15.6 Under other statutory and general law requirements, the Company and individuals involved may also be liable for damages in certain circumstances if disclosure to the market is misleading or deceptive.

Appendix 4: BEHAVIOUR STANDARDS - STANDARDS OF BUSINESS CONDUCT

PURPOSE

The purpose of this procedure is to set down the expectations and standards which the Company sets in its business dealings and conduct of business both internally and externally.

SCOPE

This policy applies to all employees of the Company and independent contractors where this policy is appended to their contract. For independent contractors a Confidentiality Agreement which reflects this policy shall also be signed prior to commencement.

POLICY

The business affairs of the Company shall at all times be conducted in accordance with the law and high ethical standards. It is the responsibility of all employees to ensure that they act in accordance with this principle.

PROCEDURE

a) **Compliance with Law**

Company policy requires that the letter and also, where it is clear, the spirit of all laws in force affecting the business conduct of the Company, Directors and employees be complied with. Where there is any doubt, advice should be sought.

b) **Office Security**

To prevent the loss or unwarranted release of valuable or sensitive information, employees shall ensure that such material is not open to general viewing and is kept secure in record storage areas when not in use. Sensitive documents shall be secured and properly archived when outdated. Sensitive material should not be removed from the office without prior approvals. All Personal Records are to be kept secured.

c) **Inside Information and share trading**

The use of information which is not public and which concerns activities or plans of the Company (**inside information**) for personal gain by Directors and employees of the Company is specifically prohibited. In addition, using inside information for personal gain is generally also prohibited by legislation and can lead to penalties including imprisonment. This is the case, for example, in regard to dealings in any Company securities by any person in possession of non-public price sensitive information concerning the Company.

Persons in possession of confidential information that may affect the Company's share price are not permitted to buy or sell shares. By extension, trading in shares by any Director or employee of the Company may only be conducted in accordance with the Company policy titled "Continuous Trading and Share Trading Restrictions".

d) **Proprietary Information**

As a result of exploration research and development of the operations, there is a considerable body of valuable information which is regarded as confidential. This sensitive information may be of a technical or commercial nature, it is important to the Company's short and long term interests, and to comply with obligations to joint venturers, that all such information remains confidential. Approval would normally be granted where, for example, an employee wished to publish a paper containing research results and either the contents were not regarded as confidential or legal protection had been sought.

In the course of employment an employee may develop or participate in the development of new processes or procedures which will be used by the Company, or an employee may have access to such results. Intellectual property rights in all such work and the information thereby

generated is and remains the property of the Company both during and subsequent to the period of employment unless otherwise agreed in writing by the Chairman.

e) Computer Security

Computer based data and information is a vital Company resource. As such, you must at all times be aware that you are responsible for adequately protecting the data from accidental or unauthorised access, disclosure, modification or deletion.

External software that has not been verified and authorised must not be used on computer resources attached or electronically linked to the Company computer network.

f) Privacy

Requests from outside organisations, eg. banks, finance firms and life assurance offices, for information relating to employment records, credit and personal references, current salaries, addresses, etc, will only be acceded to with the individual's consent.

g) Conflicts of Interest

Directors and employees should not engage in activities or hold property which would involve a material conflict of interest and which might thus inhibit or appear to inhibit impartial business judgement.

h) Improper Payments

Any payment made to a third party, such as an agent or a consultant, in connection with the obtaining of any order or benefit for the Company shall be no more than an amount which by normal commercial standards would be properly and openly payable for the services rendered by the third party. Any payment in the nature of a bribe or "kick-back" is contrary to policy and is prohibited.

i) Gifts and Gratuities

Employees shall not give or receive monetary or other gifts, personal favours or gratuities in connection with the business of the Company, except, in appropriate cases, items of nominal value and reasonable and authorised business related expenditure for entertainment.

j) Accounts and Records

All transactions of the Company shall be properly entered in the corporate records and accounts and no false, misleading or artificial entries shall be made for any reasons.

k) Confidentiality Agreements

All independent contractors to the Company will be required to sign a Confidentiality Agreement. Employees of the Company may also be required to sign a Confidentiality Agreement.

l) Visiting Other Installations

This policy applies at all locations within Australia and outside Australia. During visits to other plants, installations, companies, etc, the Company's employees should familiarise themselves with the Company expectations and Standards of Business Conduct.

Appendix 5: CONSTITUTION