



ANTI-BRIBERY AND CORRUPTION POLICY

CONTENTS

Clause	Heading	Page
1	INTRODUCTION	2
2	PRINCIPLES AND PURPOSE	2
3	POLICY PROHIBITIONS.....	2
4	ANTI-BRIBERY LAWS	4
5	FACILITATION PAYMENTS.....	4
6	POLITICAL INVOLVEMENT.....	5
7	CHARITABLE DONATIONS AND SPONSORSHIPS	5
8	ACCURATE BOOKS AND RECORDS.....	6
9	INTERNAL REPORTING.....	7
10	OTHER RELEVANT RESPONSIBILITIES OF PERSONS.....	7
11	POLICY REVIEW	7
12	DEFINITIONS	7
13	RELATED DOCUMENTS	10
14	APPROVAL AND REVIEW.....	11

1 INTRODUCTION

- 1.1 Pyx Resources Limited ("**Pyx**" or the "**Company**") takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever we operate and to implementing and enforcing effective systems to counter bribery.
- 1.2 Bribery and corruption offences are punishable with regard to individuals, by up to ten years' imprisonment and, if the Company is found to have taken part in corruption, Pyx could face an unlimited fine, be excluded from tendering for public contracts and face considerable damage to its reputation. Pyx, therefore, take its legal responsibilities very seriously.
- 1.3 This Policy provides further guidance.

2 PRINCIPLES AND PURPOSE

- 2.1 Pyx is committed to conducting its business ethically and with honesty and integrity, with a "zero-tolerance" approach to bribery and corruption.
- 2.2 This Policy is consistent with the laws and business practices of Pyx headquartered in Australia but to which the UK Bribery Act also applies. To the extent to which the laws and business practices of any place in which a Pyx Company may do business:
- (a) provide a higher standard of ethical probity than the terms of this Policy, then to the extent to which they do, that higher standard is to be observed and complied with; and
 - (b) provide a lower standard of ethical probity than the terms of this Policy, then the terms of this Policy will apply.
- 2.3 Nothing in this Policy absolves a Pyx Company or a Person from regulatory compliance with any local laws that may apply.

3 POLICY PROHIBITIONS

- 3.1 Subject to paragraph 3.2, Persons must not directly or indirectly (including through a third-party intermediary):
- (a) engage in Bribery;

- (b) engage in Corruption;
- (c) make or receive a Facilitation Payment; or
- (d) make or receive a Gift/Hospitality Benefit.

3.2 The prohibitions in paragraph 3.1 do not limit:

- (a) the making of a Facilitation Payment in very limited circumstances as explained in more detail below;
- (b) the making or receipt of a Gift/Hospitality Benefit within prudential guidelines and practices published from time-to-time by Pyx where the Gift/Hospitality Benefit is part of a legitimate sponsorship arrangement entered into by, and for the benefit of, a Pyx Company on bona fide commercial "arms-length" terms; or
- (c) a Gift/Hospitality Benefit:
 - (i) is made or received in the name of a Pyx Company and not in the name of a Person; and
 - (ii) is not contrary to the ethics and values in Pyx's Code of Conduct; and
 - (iii) is given or received openly and not in secret; and
 - (iv) is of a relatively notional or limited value having regard to the financial and other circumstances of the recipient; and
 - (v) is reasonable, justifiable, appropriate and proportionate in the context of the culture and accepted prudential business practices of both Australia and the place where the Gift/Hospitality Benefit is made or received; and
 - (vi) is not illegal in the place where the Gift/Hospitality Benefit is made or received; and
 - (vii) is not made or received so as to induce an improper or preferential decision or action to be taken; and

- (viii) is transparently accounted for in accordance with prudential guidelines and practices published from time to time by Pyx.

4 ANTI-BRIBERY LAWS

- 4.1 Most countries have local laws which prohibit bribery of public officials in those countries. In addition, many countries including Australia, the United States, the United Kingdom and Canada have anti-bribery laws which criminalise the bribery of foreign public officials. These laws are "extra-territorial" which means they can apply even if the act of bribery takes place in another country. Some countries also extend their anti-bribery laws to cover the bribery of private parties.
- 4.2 All persons worldwide are potentially criminally liable for violating anti-bribery laws. Criminal violations could result in fines for individuals and imprisonment for each violation. Individuals could also be subject to additional criminal fines and penalties under local laws. Pyx could face numerous sanctions, including criminal indictment and fines, disgorgement of profits, debarment from doing business with government entities, and the appointment of a compliance monitor to oversee its business operations.

5 FACILITATION PAYMENTS

- 5.1 A Facilitation Payment (or grease payment) is generally accepted to be small payment or payment in kind generally made to a low level Public Official to expedite actions which that official would ordinarily perform as part of their job. Such payments are generally of a minor nature for the sole or dominant purpose of securing or expediting the performance of a routine government action. They often occur in dealings with customs, immigration or tax officials, when obtaining permits, licenses or other government papers and in other circumstances.
- 5.2 Pyx prohibits Facilitation Payments.
- 5.3 However, Pyx recognises that there may be exceptional emergencies where a Person is under threat of violence or personal harm should a Facilitation Payment not be made. Such exceptional emergencies may arise if a payment is required to protect against loss of life, limb or liberty. If a Person makes a payment in such an exceptional emergency, he or she should report this as soon as reasonably practicable to the In-country Accountant/Financial Controller who must notify the CFO and CEO.

6 POLITICAL INVOLVEMENT

6.1 Corporate Political Involvement

Pyx's approach to corporate political participation is simple and applies everywhere we do business. No Person may make any political contribution or contribute to a political party or individuals involved in politics, whether in cash or in kind, anywhere in the world without pre-approval in writing from the CEO or from someone delegated by the CEO in writing to provide such approval.

6.2 Personal Political Involvement

Pyx recognises a Person's right to participate as individuals in the political process, in ways that are appropriate to each country. However, you must be careful to make clear that you do not represent Pyx as you participate in the political process.

7 CHARITABLE DONATIONS AND SPONSORSHIPS

7.1 As part of its corporate citizenship activities, Pyx may give donations to charities or provide sponsorships for sporting or cultural events. Any such donation or sponsorship must be transparent and properly documented.

7.2 Pyx will only provide donations and sponsorships to organisations that serve a legitimate public purpose, and which are themselves subject to high standards of transparency and accountability. Appropriate due diligence must be conducted on the proposed recipient and a full understanding obtained as to its bona fides.

7.3 Charitable donations refer to small or large amounts of financial resources provided voluntarily to a charitable organisation to support a cause or initiative with no expectation of commercial gain in return. Pyx's approach to charitable donations is that these:

- (a) must not be made to gain an unfair business advantage;
- (b) must not be made to individuals; and
- (c) must not be politically connected.

7.4 Prior to a charitable donation being made, You must ensure that:

- (a) a proposal for the use of funds is submitted by the charitable organisation;
- (b) the charity is a legitimate organisation;
- (c) appropriate pre-approval has been obtained from the CEO or from someone delegated by the CEO in writing to provide such approval; and
- (d) copies of all relevant documentation are kept.

7.5 Sponsorships refer to support for an event, initiative or organisation, by providing financial, property and/or other resources, in return for certain rights, benefits or associations that may be exploited. Sponsorships differ from donations, in that they are intended to be mutually beneficial.

7.6 Prior to a sponsorship being made, You must ensure that:

- (a) a proposal for the use of funds is submitted by the organisation/person seeking the sponsorship;
- (b) appropriate pre-approval has been obtained from the CEO or from someone delegated by the CEO in writing to provide such approval; and
- (c) copies of all relevant documentation are kept.

8 ACCURATE BOOKS AND RECORDS

8.1 Pyx business books and records must be maintained in a proper, responsible and honest manner which will allow Pyx to comply with the laws applicable to it.

8.2 Persons must ensure that a record of all payments to foreign government bodies or foreign Public Officials are maintained in such a way that they are easily visible to management and auditors (that is, so that they do not blend into the general population of supplier payments).

9 INTERNAL REPORTING

Pyx's business units that transact international business, especially transactions directly with foreign governments, have primary responsibility for internally reporting bribe solicitations or other requests in violations of the law to a Designated Officer and for appropriately responding to such requests.

10 OTHER RELEVANT RESPONSIBILITIES OF PERSONS

10.1 It is the responsibility of all Persons to:

- (a) comply with and assist in the implementation of this Policy;
- (b) read and understand this Policy;
- (c) raise concerns with a Designated Officer about any instance, circumstance or suspicion, based on reasonable grounds, that may indicate a breach or potential breach of this Policy;
- (d) refuse to take part in any Bribery, Corruption or Facilitation Payment or to receive any Gift/Hospitality Benefit which are prohibited by this Policy.

11 POLICY REVIEW

This Policy will be the subject of periodic review (and as appropriate recommended revision) by the Board to ensure that the Policy at least meets both regulatory and contemporary industry standards and practices, as well as the delivery of the Policy's principles and purpose.

12 DEFINITIONS

Bribery/Corruption

includes any circumstance where one person (whether directly or indirectly through the intermediation of a third party(s)) in any manner (expressly or impliedly) offers or gives, seeks, accepts or acquiesces in the acceptance of a payment, gift, favour or advantage (financial or otherwise) to or from another:

- (a) to improperly influence the outcome of a dealing or transaction;

- (b) to induce or reward improper conduct; or
- (c) to gain any improper commercial, contractual, regulatory, political or personal advantage.

Bribery can take many forms and need not involve the payment of money. Non-monetary forms of bribery could include providing:

- (a) gifts;
- (b) hospitality;
- (c) lavish entertainment;
- (d) travel;
- (e) support for a favoured cause or political party;
- (f) employment;
- (g) provision for any service; and/or
- (h) education for family members;

CEO	the chief executive officer of Pyx;
CFO	the chief financial officer of Pyx;
Contractor	contractors, consultants and other service providers;
Corruption	a dishonest activity in which a Person or an entity acts contrary to the interests of the entity and abuses his/her position of trust in order to achieve some personal gain or advantage for him or herself or for another person or entity;
Designated Officer	an officer designated by Pyx to receive information from Persons in the terms of this Policy and includes the Company Secretary and any director of the Company;
Director	a director of Pyx;

Employee	includes directors and employees of Pyx whether or not in a full/part time, casual or permanent capacity, and all persons employed by Pyx through any joint venture or alliance project;
Facilitation Payment	refers to where a relatively small payment, reward or benefit is passed (directly or indirectly through the intermediation of a third party(s)) for the purpose of expediting or facilitating the performance or completion of an administrative, bureaucratic or relatively routine function or action, especially but not necessarily by a government or public official or employee, the service for the provision of the function or action is legally required to be delivered in any event;
Fraud	Fraud means a dishonest activity causing actual or potential financial loss to any person or entity, including the theft of moneys or other property by employees or persons external to the entity and where deception is used at the time, immediately before or immediately following the activity. This also includes the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose or the improper use of information or position for personal financial benefit;
Gifts/Hospitality Benefits	includes a benefit arising from the provision of hospitality (including attendance at social and sporting functions, meals and entertainment events) or the conferment of a gift or token of appreciation (whether or not of material financial or other value);
Person	each Director, officer, Employee, agent, contractor and other party acting or purporting to act for or on behalf of a Pyx Company;
Policy	this Anti-Bribery and Corruption Policy, as amended from time-to-time;
Public Official	Includes: (a) an official or employee of a government or government owned enterprise; (b) an official or employee of a government agency or regulatory authority;

- (c) an official or employee of a political party or a political candidate;
- (d) any official or employee of an international public organisation such as the United Nations, World Bank or International Monetary Fund;
- (e) a member of the judiciary or magistracy;
- (f) an individual who holds or performs the duties of an appointment, office or position created by custom or convention, including some members of royal families and some tribal leaders;
- (g) a person who is, or holds themselves out to be, an authorised intermediary of a government official;
- (h) a Relative or associate of such government official; and
- (i) police officers, customs and tax officials, employees of state owned enterprises, political party officials as well as children or other Relatives of a government or political party official;

Pyx or Company

Pyx Resources Limited, ACN 073 099 171;

Pyx Company

Pyx or a subsidiary or related entity of Pyx;

Relative

an immediate family member and includes a spouse, partner, parent, child and sibling whether by blood, marriage or adoption (including in-laws) and includes anyone residing in a person's home (other than tenant or domestic employee);

You

any Person.

13 RELATED DOCUMENTS

13.1 Risk Management Policy.

13.2 Code of Conduct.

13.3 Audit Committee Charter.

13.4 Whistle-blower Policy.

14 APPROVAL AND REVIEW

This document is to be reviewed annually by the Board.