

WHISTLEBLOWER POLICY

LEFROY EXPLORATION LIMITED

ARBN 052 123 930



1. Introduction

Lefroy Exploration Limited (ARBN 052 123 930) (**Company**) is committed to conducting all business activities fairly, honestly with integrity, and in compliance with all applicable laws, rules and regulations. Its board of directors (**Board**), management and employees are dedicated to high ethical standards and recognise and support the Company's commitment to compliance with these standards.

The Company has adopted this Whistleblower Policy to:

- (a) encourage and support people to feel confident to speak up safely and securely if they become aware of wrong-doing or illegal or improper conduct within the Company;
- (b) provide information and guidance on how to report such conduct, how reports will be handled and investigated in a timely manner and the support and protections available if a report is made;
- (c) set out the responsibilities of the Company and its management in upholding the Company's commitment to reporting any illegal, unethical or improper conduct; and
- (d) promote ethical behaviour and a culture of speaking up to deter wrong-doing.

This Whistleblower Policy complies with the ASX Corporate Governance Principles and Recommendations – 4th Edition as well as industry standards and the Company's legal and regulatory obligations.

This Whistleblower Policy applies globally. To the extent that laws and regulations in any country are more rigorous or restrictive than this Whistleblower Policy, those laws and regulations should be followed by any subsidiary operating in that country. Where a country has specific whistleblower laws which are less rigorous than this Whistleblower Policy, this Whistleblower Policy prevails. The Company may, from time to time, provide country-specific directions for subsidiaries operating in countries outside of Australia.

2. When will you be entitled to whistleblower protection?

You will receive the whistleblower protections if:

- (a) you are listed as a person who can make a report under this policy; and
- (b) you report known or reasonably suspected reportable conduct under this policy to a person who can receive a report under this policy.

Disclosures that are not made in accordance with this policy or do not relate to reportable conduct will not qualify for the whistleblower protections.

3. Who can make a report under this policy?

You can make a report under this policy if you:

- (a) are a current or former employee or officer (including a director or company secretary) of any member of the Group;
- (b) supply (or previously supplied) goods or services to the Group (whether paid or unpaid), or are an employee of such a supplier; or
- (c) are a spouse, relative or dependent of the individuals listed above.

4. What is reportable under this policy?

Reportable Matters involve any actual or suspected misconduct or an improper situation in relation to the Company or a related body corporate or an officer or employee of the Company.

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You must have reasonable grounds for reporting such conduct but you should speak up even if you are unsure if something is a Reportable Matter.

Reportable Matters may or may not include a breach of law or information that indicates a danger to the public or to the financial system.

Examples of Reportable Matters include, but are not limited to, conduct which:

- (a) is dishonest, fraudulent, corrupt or involves bribery or any other activity in breach of the Company's Anti-Bribery and Anti-Corruption Policy;
- (b) is illegal (such as theft, dealing in or use of illicit drugs, violence or threatened violence and criminal damage to property) or involves criminal conduct or other breaches of law or regulatory requirements;
- (c) is unethical or breaches any of the Company's policies, charters or Code of Conduct;
- (d) is potentially harmful or damaging to the Company, an employee or person, such as unsafe work practices, environmental damage or substantial wasting of Company resources;
- (e) may cause financial loss or damage in any way to the Company's reputation or be otherwise detrimental to the Company's interest;
- (f) involves actual or threatened harassment, discrimination, victimisation or bullying, or any other type of detrimental action (other than disclosures that solely relate to personal work-related grievances); or
- (g) amounts to an abuse of authority.

Reportable Matters do not generally include personal work-related grievances.

Personal work-related grievances are those that relate to current or former employment and have, or tend to have, implications for the Discloser personally but do not have any other significant implications for the Company (or any other entity) or do not relate to conduct or alleged conduct, about a Reportable Matter.

Personnel can discuss personal work-related grievances with the Company Secretary. Alternatively, Personnel may wish to seek legal advice about their rights and protections under employment law and ways to resolve personal work-related grievances.

However, in some cases, these grievances may qualify for legal protection (See Annexure 1).

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5. Making a Report

5.1 Who to report to?

The Company encourages reports of Reportable Matters to be made to any of the Group's protected disclosure officers listed Below:

- | | |
|----------------------------------|---|
| i. to the Chairman of the Board; | E. whistleblower@lefroyex.com |
| ii. any member of the Board; or | P: +61 8 9321 0984 |
| iii. the Company Secretary; | A: Level 3, 7 Rheola Street, West Perth WA
6005 |

The Company recognises that there may be issues of sensitivity whereby a Discloser does not feel comfortable to make a report to an internal recipient. In such cases, the Discloser may feel more comfortable making an anonymous disclosure to an external recipient.

Nothing in this Whistleblower Policy (including anonymous reporting) should be taken in any way as restricting someone from reporting any matter or providing any information to a regulator (such as ASIC, the APRA, Commissioner), the Company's auditor or a member of the audit team, a lawyer (to obtain advice or representation) or any other person in accordance with any relevant law, regulation or other requirement. Information in relation to whistleblowing is available from such regulators and can generally be downloaded on their website.

(a) Anonymous reports

The Company also appreciates that speaking up can be difficult. Reports can also be made anonymously or using a pseudonym and still be protected. A Discloser can refuse to answer questions that could reveal their identity. While reports can be made anonymously, it may affect the ability to investigate the matter properly and to communicate with the Discloser about the report. Anonymous Disclosers should therefore attempt to maintain two-way communication as far as possible.

Anonymous reports can be made to whistleblower@lefroyex.com by sending an anonymous email using a temporary or disposable email address available from the internet.

(b) Information to include in the report

As much information should be included in the report as possible including details of the Reportable Matter, people involved, dates, locations and whether more evidence may exist. Refer Whistleblower Report form on page 8.

Disclosers will be expected to have reasonable grounds to believe the information being disclosed is true (which will be based on the objective reasonableness of the reasons for the Discloser's suspicions) but the Discloser will not be penalised and may still qualify for protection if the information turns out to be incorrect should they have such reasonable grounds. However, any deliberate false reporting will not qualify for protection under this Whistleblower Policy and will be treated as a serious matter and may be subject to disciplinary action.

(c) Questions

Personnel who are unsure about how this Whistleblower Policy works, what is covered by the Whistleblower Policy or how a disclosure may be handled are encouraged to speak with any of the protected disclosure officers listed above.

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5.2 Investigating a report

(a) Who will investigate?

All matters reported under this policy will be investigated as soon as practicable after the matter has been reported.

A protected disclosure officer may, with your consent, appoint a person to assist in the investigation of a report. Where appropriate, the Group will provide feedback to you regarding the investigation's progress and/or outcome (subject to considerations of the privacy of those against whom allegations are made).

Unless there are confidentiality or other reasons not to do so, employees who are the subject of a report of wrongdoing will be informed of the matters raised in the report at an appropriate time, and will be given a chance to respond to any allegations made against them. They will also be advised of the outcome of any investigation.

(b) How will the investigation be conducted?

The investigation will be conducted in an objective and fair manner, and otherwise as is reasonable and appropriate having regard to the nature of the reportable conduct and the circumstances.

While the particular investigation process and enquiries adopted will be determined by the nature and substance of the report, in general, as soon as practicable upon receipt of the report, if the report is not anonymous, a protected disclosure officer or investigator will contact you to discuss the investigation process including who may be contacted and such other matters as are relevant to the investigation.

Where a report is submitted anonymously, the Group will conduct the investigation and its enquiries based on the information provided to it.

5.3 Support and Protections

(a) Identity protection (confidentiality) for Disclosers

The identity of and information likely to lead to the identification of a Discloser will be kept confidential, however a disclosure can be made:

- i. if the Discloser consents;
- ii. to ASIC, APRA, the Commissioner or a member of the AFP;
- iii. to a lawyer for the purpose of obtaining legal advice or representation; or
- iv. if the disclosure is allowed or required by law.

During the course of an investigation, the Company will take reasonable steps to reduce the risk of disclosing information that could identify the Discloser (including redacting all personal information or references to the Discloser, restricting the number of people involved in handling and investigating the disclosure and ensuring secure and confidential email communication in relation to the investigation). Note however, that in practice, people may be able to guess the Discloser's identity if the Discloser has mentioned their intention to make a disclosure; the Discloser is one of a very small number of people with access to the information; or the disclosure relates to information that a Discloser has previously been told privately and in confidence.

Unauthorised disclosure of:

- i. the identity of a Discloser who has made a report of a Reportable Matter; or
- ii. information from which the identity of the Discloser could be inferred,

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may be an offence under Australian law, will be regarded as a disciplinary matter and will be dealt with in accordance with the Company's disciplinary procedures.

A Discloser may lodge a complaint about a breach of confidentiality with the Company or a regulator.

(b) Protection from detriment for Disclosers

A Discloser who makes a report under this Whistleblower Policy shall not suffer detriment (either actual or threatened). Examples of actual or threatened detriment include:

- i. harassment, intimidation, victimisation, bias or discrimination;
- ii. dismissal of an employee or varying an employee's position or duties;
- iii. causing physical or psychological harm or injury; or
- iv. damage to a person's property, reputation, business or financial position or any other damage.

Certain actions will not constitute detrimental conduct such as:

- i. administrative action that is reasonable for the purpose of protecting a Discloser from detriment (eg moving a Discloser who has made a disclosure about their immediate work area to another area to prevent them from detriment); and
- ii. managing a Discloser's unsatisfactory work performance, if the action is in line with the Company's performance management framework.

The Company will take all steps to protect Disclosers from any form of detrimental treatment and may ensure that a risk assessment is carried out to determine the risk of detriment.

Anyone who retaliates against someone who has reported a possible violation may be subject to discipline by the Company or penalties under law.

Anyone who is subjected to detriment as a result of making a report under this Whistleblower Policy should report it in accordance with clause 5.1.

A Discloser (or any other employee or person) can seek compensation or other remedies through the courts if:

- i. they suffer loss, damage or injury because of a disclosure; and
- ii. the Company failed to prevent a person from causing the detriment.

A Discloser may seek independent legal advice or contact a regulatory body if they believe they have suffered detriment.

(c) Other protections available to Disclosers

Additional protections will be offered by the Company depending on the Reportable Matter and the people involved. Protections may include but are not limited to:

- i. monitoring and managing behaviour of other employees;
- ii. offering support services (including counselling or other professional or legal services);
- iii. implementing strategies to help minimise and manage stress; time or performance impacts; or other challenges resulting from the disclosure or the investigation;
- iv. offering a leave of absence or flexible workplace arrangements during the course of an investigation; or
- v. rectifying any detriment suffered.

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Whilst the Company will endeavour to support all Disclosers, it will not be able to provide the same sort of practical support to each Discloser. Therefore, the processes in this Whistleblower Policy will be adapted and applied to the extent reasonably possible.

(d) Fair treatment of those mentioned in a disclosure

The Company will ensure fair treatment of officers and employees of the Company who are mentioned in any disclosure, and to whom any disclosures relate. The disclosure will be handled confidentially and will be assessed and may be subject to investigation. If an investigation is required, it will be conducted in an objective, fair and independent manner. Such employees will be advised of the subject matter of the disclosure at the appropriate time and as required by law and will be advised of the outcome of the investigation. An employee who is the subject of a disclosure may contact the Company's support services.

(e) Files and Records

The Company will ensure that any records relating to any reports made under this Whistleblower Policy are stored securely and only accessed by authorised personnel directly involved in managing and investigating the report. All those involved in handling and investigating reports will be reminded about confidentiality requirements including that an unauthorised disclosure of a Discloser's identity may be a criminal offence.

6. Monitoring and Review

Material incidences reported under this Whistleblower Policy will be reported to the Board or a committee of the Board.

The Board will monitor the content, effectiveness and implementation of this Whistleblower Policy on a regular basis. There may also be independent reviews taken from time to time. Any findings, updates or improvements identified will be addressed as soon as possible and circulated to all officers and employees.

Officers and employees are invited to comment on this Whistleblower Policy and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the Board.

7. Definitions

In this Whistleblower Policy the following words or phrases mean the following:

AFP means the Australian Federal Police.

APRA means the Australian Prudential Regulation Authority.

ASIC means the Australian Securities and Investments Commission.

Commissioner means the Commissioner of Taxation.

Discloser means a person disclosing a Reportable Matter under this Whistleblower Policy and includes an individual who is, or has been, one of the following in relation to the entity:

- (a) an officer or employee of the Company (and includes current and former employees who are permanent, part-time, fixed term or temporary, interns, secondees, managers and directors);
- (b) a supplier of services or goods to the entity (whether paid or unpaid), including their employees (and includes current and former contractors, consultants, service providers and business partners);
- (c) an associate of the Company,

or a relative or dependant of one of the above (or of their spouse).

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Personnel means all persons (whether authorised or unauthorised) acting on behalf of the Company at all levels, including officers, directors, temporary staff, contractors, consultants and employees of the Company, as the context requires.

Protected disclosure officer has the meaning set out in clause 5.1.

Recipient has the meaning set out in clause 5.1.

Reportable Matter has the meaning set out in clause 4.

Taxation Act means the Taxation Administration Act 1953 (Cth).

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Whistleblower Report Form (Confidential)

Reporters Contact Information

Name:

Contact Number:

Email Address:

Suspect's Information

Name:

Contact Number:

Email Address:

Witness Information

Name:

Contact Number:

Email Address:

Complaint

1. What Misconduct / Improper Activity Occurred?

2. Who Committed the Misconduct / Improper Activity?

3. When did it happen and when did you notice it?

4. Where did it happen?

5. Do you have evidence to provide? If not, why do you suspect it occurred?

6. Are there any parties involved other than the suspect stated above? If yes, please provide Name, Contact Number and Email Address?

7. Do you have other details or information that may assist the investigation? If so please provide below.

8. Any other comments?

Signature

Date

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