



Sipa Resources Limited

Anti-Bribery and Corruption Policy

| Rev. | Issued | Description | Prepared | Approved by Board |
|-------------|---------------|--------------------|-----------------|--------------------------|
| 1.0 | 1/19 | Policy created | Robson | 31/1/19 |

1 Purpose

Sipa Resources Limited (**Sipa** or the **Company**) is committed to operating fairly and ethically, in compliance with all applicable laws including anti-corruption laws of every country in which we operate.

Sipa is committed to a zero-tolerance approach to bribery and corruption. Our reputation is built on our values as a company, the professionalism of our employees and our collective commitment to acting with integrity, accountability and transparency at all times and this Policy is key in meeting these commitments.

2 Scope

This Policy applies to all Sipa directors, employees, core consultants and contractors and operates by clearly stating Sipa's firm commitment to operating with integrity, accountability and transparently in strict compliance with all laws and regulations.

All employees and core consultants are required to understand and must abide by the Policy's general requirements. Compliance with this Policy is mandatory. Failure to comply may result in disciplinary action including termination of employment or services.

3 Bribery and Corruption

Bribery is the offer, giving, demand or acceptance of a financial or other benefit to or from any person in order to improperly secure business of any other advantage.

Sipa employees and core consultants must not commit, be a party to, or be involved in bribery or corruption in any form.

Key matters to remember:

Bribery and Corruption may involve anything of value, such as:

- Money
- Cash equivalents (eg gift, discounts, store cards, cheques)
- Gifts and benefits (Further information, including procedural requirements relation to gifts and benefits including entertainment, can be found in the Gifts and Benefits Policy located in the governance section of www.sipa.com.au)
- Entertainment and other hospitality
- Travel and accommodation
- Favours or decisions (such as awarding jobs, contracts, licences, etc.)
- Sponsorships and donations

Any person: Bribery and corruption may involve dealings with government officials or with private individuals or enterprises.

Direct or indirect: Bribery and corruption may take place directly or indirectly, for example via a third party such as an agent.

No actual bribe necessary: The offer or demand of a bribe is prohibited under most external regulations and this Policy. This means even if no bribe is ultimately paid it can still be construed as an offence.

For the benefit of others: You cannot accept a bribe for your own benefit or for the benefit of family, friends or someone else.

4 Facilitation Payments

A Facilitation Payment, in layman's terms is defined as a small payment made to a lower level government official as a personal benefit to them to ensure the timely delivery of routine government services to which there is a legal entitlement (ie a service for which you have satisfactorily completed all that is legally required of you), for example licenses, visas, customs clearance.

When the intent of such payments is to influence a foreign public official to break the law with regard to the awarding or retention of business, it crosses the line and becomes an act of bribery.

Importantly, facilitation payments:

- Are a form of corruption
- Are illegal in most countries; and
- Can open the door to more serious issues of corruption.

Sipa prohibits all facilitation payments, except those that have to be made due to a direct or imminent threat to personal safety where no alternative exists. In these circumstances the payment must be reported as soon as practicable to the Company Secretary and payment must be appropriately recorded in Sipa's books and records.

5 Sponsorships and Donations

Sponsorships can provide a way for Sipa to strengthen and promote the corporate brand. They may include any contributions of anything of value towards an event, initiative, or organisation such as sporting and cultural events, conferences, and naming rights to a building. In the case of sponsorship there is an expectation of Sipa receiving something of business value in return such as advertising or communication.

Donations are a way for Sipa to contribute to worthy causes and reflect the company as a responsible corporate citizen. They are voluntary contributions and where Sipa receives nothing tangible in return. Donations can be either:

- contributions to registered charities, requiring an official tax receipt to be produced; or
- other donations, which are contributions made to non-registered charities or individuals where an official tax receipt cannot be offered.

Whilst seemingly generous, sponsorships and donations can create problems if they are made to improperly influence business decisions and accordingly all sponsorships and donations must comply with the following principles:

- They must not be offered or given to improperly influence business decisions or obtain favours;
- They must be transparent and there must be sufficient documentation to identify the recipient, value and the legitimate business purpose;
- They must be voluntary;
- They must not be used as conduits to divert funds to other unintended beneficiaries.

Furthermore payments for sponsorships and donations in excess of USD\$500 must be approved by the Managing Director.

6 Reporting Violations of this Policy

Everyone at Sipa has a responsibility to report violations of this Policy.

Anyone who becomes aware of a possible breach of this Policy should report the breach to their manager, the Company Secretary or a member of the Board.

Such reports will be treated confidentially to the extent possible consistent with Sipa's obligation to deal with the matter openly and according to applicable laws. No employee will be subject to retaliation or disadvantage for reporting in good faith a possible violation of this Policy.