

Code of Conduct

December 2015



1.0 Purpose

This Code of Conduct applies to Lion Energy Limited (“Lion” or the “Company”) and all of its subsidiaries. It provides a framework for decisions and actions in relation to ethical conduct in employment. It underpins the Company’s commitment to integrity and fair dealing in its business affairs and to a duty of care to all employees, clients and stakeholders. The document sets out the principles covering appropriate conduct in a variety of contexts and outlines the minimum standard of behaviour expected from officers, employees and contractors.

The Code of Conduct applies to all of the Company’s officers, employees and contractors whether or not in a full time, part time, temporary or permanent capacity.

2.0 Accountabilities

2.1 Managers and Supervisors

Managers and supervisors are responsible and accountable for:

- (a) undertaking their duties and behaving in a manner that is consistent with the provisions of the Code of Conduct and actively promote the highest standards of ethics and integrity;
- (b) the effective implementation, promotion and support of the Code of Conduct in their areas of responsibility; and
- (c) ensuring employees under their control understand and follow the provisions outlined in the Code of Conduct.

2.2 Employees and Contractors

All employees and contractors are responsible for:

- (a) undertaking their duties in a manner that is consistent with the provisions of the Code of Conduct;
- (b) reporting suspected corrupt conduct; and
- (c) reporting any departure from the Code of Conduct by themselves or others.

3.0 Personal and Professional Behaviour

When carrying out their duties, all Personnel should:

- (a) behave honestly and with integrity and report other employees who are behaving dishonestly;
- (b) carry out work with integrity and to a high standard;
- (c) operate within the law at all times;
- (d) follow the policies of the Company;
- (e) act in an appropriate business-like manner when representing the Company in public forums; and
- (f) only deal with business partners who demonstrate similar ethical and responsible decision making.



4.0 Conflict of Interest

Potential for conflict of interest arises when it is likely that individuals could be influenced, or it could be perceived that they are influenced by a personal interest when carrying out their duties. Conflicts of interest that lead to biased decision making may constitute corrupt conduct.

- (a) Some situations that may give rise to a conflict of interest include situations where individuals have:-
 - (i) financial interests in a matter the Company deals with, or they are aware that friends or relatives have a financial interest in the matter;
 - (ii) Directorships/management of outside organisations;
 - (iii) membership of boards of outside organisations;
 - (iv) personal relationships with people the Company is dealing with which go beyond the level of a professional working relationship;
 - (v) secondary employment, business, commercial, or other activities outside of the workplace which impacts on your duty and obligations to the Company; and
 - (vi) access to information that can be used for personal gain; and
- (b) It is each individual's responsibility to avoid any conflict arising that could compromise their ability to perform their duties impartially. Any potential or actual conflicts of interest must be reported to their manager.

If uncertain whether a conflict exists, Personnel should discuss that matter with their manager, the Chief Executive Officer or the Company Secretary (or the Chairman in the case of Directors) and attempt to resolve any conflicts that may exist.

5.0 Corruption and Bribery

Under no circumstances will any Personnel of the Company engage in any conduct which may constitute (whether directly or indirectly), the giving or receipt of bribes, facilitation payments, inducements, commissions or other improper benefits, whether or not such conduct in fact has the purpose of furthering a person's own, or the Company's interests.

6.0 Public and Media Comment

- (a) Individuals have a right to give their opinions on political and social issues in their private capacity as members of the community.
- (b) Employees must not make official comment on matters relating to the Company unless they are:
 - (i) authorised to do so by the Chief Executive Officer; or
 - (ii) giving evidence in court; or
 - (iii) otherwise authorised or required to by law.
- (c) Employees must not release unpublished or privileged information unless they have the authority to do so from the Chief Executive Officer.

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- (d) The above restrictions apply except where prohibited by law, for example in relation to “whistleblowing”.

7.0 Use of Company Resources

Requests to use Company resources outside core business time should be referred to management for approval.

If employees are authorised to use Company resources outside core business times they must take responsibility for maintaining, replacing, and safeguarding the property and following any special directions or conditions that apply.

Employees using Company resources without obtaining prior approval could face disciplinary and/or criminal action. Company resources are not to be used for any private commercial purposes.

8.0 Security of Information

Employees are to make sure that confidential and sensitive information cannot be accessed by unauthorised persons. Sensitive material should be securely stored overnight or when unattended. Employees must ensure that confidential information is only disclosed or discussed with people who are authorised to have access to it. It is considered a serious act of misconduct to deliberately release confidential documents or information to unauthorised persons, and may incur disciplinary action.

9.0 Intellectual Property / Copyright

Intellectual property includes the rights relating to scientific discoveries, industrial designs, trademarks, service marks, commercial names and designations, and inventions and is valuable to the Company.

The Company is the owner of intellectual property created by employees in the course of their employment unless a specific prior agreement has been made. Employees must obtain written permission to use any such intellectual property from the Company Secretary before making any use of that property for purposes other than as required in their role as employee.

10.0 Discrimination and Harassment

The Company is committed to create a safe and non-discriminatory workplace.

Employees must not harass, discriminate, or support others who harass and discriminate against colleagues or members of the public on the grounds of sex, pregnancy, marital status, age, race (including their colour, nationality, descent, ethnic or religious background), physical or intellectual impairment, or sexual orientation

Such harassment or discrimination may constitute an offence under legislation. Managers should understand and apply the principles of Equal Employment Opportunity.

All employment decisions must be based on the individual applicant or employee’s qualifications and skills as they relate to the particular job.

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11.0 Corrupt Conduct

Corrupt conduct involves the dishonest or partial use of power or position which results in one person/group being advantaged over another.

Corruption can take many forms including, but not limited to:

- (a) official misconduct;
- (b) bribery and blackmail;
- (c) unauthorised use of confidential information;
- (d) fraud; and
- (e) theft.

Corrupt conduct will not be tolerated by the Company. Disciplinary action up to and including dismissal will be taken in the event of any employee participating in corrupt conduct.

12.0 Occupational Health, Safety and Environmental Legislation

It is the responsibility of all employees to act in accordance with Occupational Health and Safety Legislation, as well as Environmental Legislation, regulations and policies applicable and to use security and safety equipment provided.

Specifically all employees are responsible for safety in their work area by:

- (a) following the safety and security directives of management;
- (b) advising management of areas where there is potential problem in safety and reporting suspicious occurrences; and
- (c) minimising risks in the workplace.

13.0 Legislation

It is essential that all employees comply with the laws and regulations of the countries in which we operate. Violations of such laws may have serious consequences for the Company and any individuals concerned. Any known violation must be reported immediately to management.

14.0 Fair Dealing

The Company aims to succeed through fair and honest competition and not through unethical or illegal business practices. Each employee should endeavour to deal honestly and fairly with the Company's suppliers, stakeholders and other employees.

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15.0 Insider Trading

All employees must observe the Company's Share Trading Policy for buying and selling securities. In conjunction with the legal prohibition on dealing in the Company's securities when in possession of unpublished price sensitive information, the Company has established specific time periods when officers and employees are permitted to buy and sell the Company's securities.

16.0 Responsibilities to Investors

The Company strives for full, fair and accurate disclosure of financial and other information on a timely basis.

17.0 Breaches of the Code of Conduct

Employees should note that breaches of certain sections of this Code of Conduct may be punishable under legislation.

Breaches of this Code of Conduct may lead to disciplinary action. The process for disciplinary action is outlined in Company policies and guidelines, relevant industrial awards and agreements.

18.0 Reporting Misconduct / Whistle Blowers

The Company is committed to create an open working environment in which officers, employees and contractors are able to raise misconduct with the head of their business unit or with the Company Secretary without fear of retribution.

All reports of misconduct will be treated seriously and will be the subject of a thorough investigation. The outcome of the investigation into the alleged misconduct will be reported to the Chief Executive Officer and the Company Secretary who will determine the remedial action that is required to be taken.

The identity of the whistle-blower will be kept confidential unless consent is given for disclosure or required by law. Any officer, employee or contractor who has discriminated against a whistle-blower may be subject to disciplinary measures. If a whistle-blower did not act in good faith or has made a false report of misconduct then he/she will be subject to disciplinary measures.

19.0 Review of Code

The Company will monitor compliance with this Code of Conduct periodically by liaising with the Board, management and employees especially in relation to any areas of difficulty which arise from this Code of Conduct and any other ideas or suggestions for improvement of it. Suggestions for improvements or amendments to this Code of Conduct can be made at any time by providing a written note to the Managing Director.