

# WHISTLEBLOWER POLICY

**Prospect Resources Limited**  
ACN 124 354 329

Approved by the board with an effective date of 31 December 2019



## WHISTLEBLOWER POLICY

### 1 INTRODUCTION AND PURPOSE

Prospect Resources Limited ACN 124 354 329 (**Company**) and its related bodies corporate (collectively, the **Group**) are committed to maintaining high standards of integrity, ethical behaviour and corporate governance. The Group recognises the importance of ensuring a safe, supportive and confidential environment where people feel confident about reporting wrongdoing and are supported and protected throughout the process.

This purpose of this Whistleblower Policy (**Policy**) is to:

- (a) establish a system for the reporting, investigation and resolution of Reportable Matters (see section 3.2 for the definition of “Reportable Matters”);
- (b) encourage the reporting of Reportable Matters and ensure that any such reports are dealt with appropriately; and
- (c) set out how the Group will support and protect individuals who report Reportable Matters in accordance with this Policy (**Whistleblowers**).

Nothing in this Policy should be taken as restricting anyone from reporting any matter or providing any information to a regulator (such as ASIC), the police or any other person in accordance with any relevant law, regulation or other requirement.

### 2 WHO DOES THIS POLICY APPLY TO?

This Policy applies to anyone who is, or has been:

- (a) an employee (whether permanent, part time, fixed-term or temporary);
- (b) a contractor (including an employee of a contractor);
- (c) a consultant; or
- (d) an officer,

of a company within the Group (**Personnel**).

### 3 REPORTING

#### 3.1 Responsibility to report

The Group relies on its Personnel to help maintain its commitment to honest and ethical behaviour. It is the responsibility of all Personnel to report any Reportable Matters in accordance with this Policy.

### 3.2 What is a Reportable Matter?

A **Reportable Matter** is any conduct, whether actual, suspected or intended, by a company within the Group or Personnel that is:

- (a) dishonest, fraudulent or unethical;
- (b) illegal, corrupt or an irregular use of the Group's funds;
- (c) a serious breach of the Group's policies;
- (d) an improper or misleading practice regarding accounting or financial reporting;
- (e) a failure to comply with any legal or regulatory obligation (including the ASX Listing Rules);
- (f) oppressive, discriminatory or grossly negligent;
- (g) an unsafe work-practice;
- (h) a serious risk to the health and safety of any person at the workplace;
- (i) a serious risk to public health, public safety or the environment;
- (j) an improper state of affairs or circumstances within the Group;
- (k) conduct referred to in section 1317AA of the *Corporations Act 2001* (Cth) (**Corporations Act**);
- (l) otherwise detrimental to the interests of the Group; or
- (m) a deliberate concealment of any of the above.

### 3.3 How to make a report

- (a) A Reportable Matter can be reported to the following persons:
  - (i) your immediate manager;
  - (ii) the Company Secretary; or
  - (iii) any Executive Director

Personnel are encouraged, where possible, to raise issues with their immediate manager first. However, Personnel may at any stage skip a person in the chain outlined above if that person is the subject of the report, if there is a reason to believe that the person is not likely to deal with, or has not dealt with, the report properly or are otherwise uncomfortable with making the report to that person.

- (b) Reports can be made anonymously by sending a sealed letter addressed to the Company at its registered office. The letter should be marked "Private and Confidential" and for the attention of a person listed in paragraph (a) above. It will be delivered unopened to that person. Reports made

anonymously may, however, affect the Group's ability to investigate the matter properly and to communicate with a Whistleblower about their report.

- (c) Any such report should, where possible, be in writing and contain details of:
  - (i) the nature of the alleged conduct;
  - (ii) the person or persons responsible for or involved in the alleged conduct;
  - (iii) the facts on which the Whistleblower's belief that the alleged conduct has occurred, and has been committed by the persons named, are founded; and
  - (iv) the nature and whereabouts of any further evidence that would substantiate the allegations contained in report, if known.
- (d) To avoid jeopardizing an investigation, prior to the resolution of the matter, Whistleblowers are required to keep confidential the fact that a report has been made (subject to any legal requirements).

### **3.4 False reporting**

- (a) A false report of a Reportable Matter could have significant effects on the Group's reputation and the reputations of other staff members and could also cause considerable waste of time and effort.
- (b) Anyone who knowingly makes a false report of a Reportable Matter, or who otherwise fails to act honestly with reasonable belief in respect of the report may:
  - (i) be subject to disciplinary action, including dismissal (the disciplinary action or sanction will depend on the severity, nature and circumstance of the false report); and
  - (ii) not be afforded the protections given to Whistleblowers under this Policy.

## **4 INVESTIGATION**

### **4.1 Investigation process**

- (a) The Group will investigate all reports made in accordance with this Policy. The purpose of an investigation is to determine whether or not a report is substantiated, with a view to the Group then rectifying any wrongdoing uncovered to the extent that this is practicable in all the circumstances.
- (b) Investigation processes will vary depending on the nature and substance of the report, and whether the report was made anonymously, but must always be conducted in a fair, thorough, objective and reasonably timely manner.
- (c) The principles of procedural fairness will be observed to the extent possible when investigating a report. The individual against whom the allegation is made must be provided with the right of response prior to the conclusion of the investigation (where appropriate).

#### **4.2 Action taken if wrongdoing found**

The Group may take a range of actions if the investigation finds that wrongdoing has occurred, including:

- (a) appropriate sanctions against the wrongdoer in accordance with applicable law;
- (b) where illegal conduct has occurred, reporting the matter to relevant authorities; and/or
- (c) changes to the Group's procedures to prevent reoccurrence of the Reportable Matter.

#### **4.3 Board to be informed**

If the investigator is not the Board (or a committee of the Board), the Board of Directors of the Company (**Board**) or a committee of the Board, must be informed of any material incidents reported under this Policy.

#### **4.4 Communicating with Whistleblowers about their report**

Where reports have not been made anonymously, Whistleblowers will be informed of the outcome of the investigation arising from their report, subject to considerations of the privacy of anyone who is the subject of the report, confidentiality requirements and applicable law.

Where practicable, Whistleblowers will be provided with initial feedback within a week of making the report, and any further feedback on a fortnightly basis as the matter progresses.

### **5 WHISTLEBLOWER PROTECTION**

#### **5.1 Confidentiality and anonymity**

- (a) Unless required by law, a court or as consented to by the Whistleblower:
  - (i) the person to whom a report is made under this Policy must not disclose the identity of the Whistleblower to anyone else;
  - (ii) the identity of the Whistleblower must be kept confidential from any person not involved in the investigating the report; and
  - (iii) all files relating to the report must kept secure and information received from a Whistleblower must be held in confidence.
- (b) A breach of the confidentiality requirements set out above will be regarded as a serious breach of a person's terms of engagement or employment and may result in disciplinary action including termination.
- (c) Despite these protections, it is possible that someone might deduce a Whistleblower's identity without there having been a breach of this Policy because, for example, the nature of the report points to one particular individual having made it or otherwise as a consequence of the investigation process.

## 5.2 Retaliation prohibited

- (a) The Group is absolutely committed to ensuring all persons who make a report in accordance with this Policy are afforded absolute confidentiality and fairness and are not subject to any detrimental, recriminatory, harassing or unfavourable treatment for reporting a Reportable Matter.
- (b) Subject to section 5.3, Whistleblowers must not be personally disadvantaged for making a report, whether by dismissal, demotion, any form of harassment, discrimination or any form of current or future bias. The Group will take whatever action is possible, consistent with this Policy, to make sure that this is the case.
- (c) If a Whistleblower has been the subject of any personal disadvantage as a consequence of making a report under this Policy, a complaint may be made to their immediate manager/the Chair of the Audit & Risk Committee/Company Secretary/HR Manager, who will have responsibility for investigating such complaints.
- (d) A breach of the provisions set out above will be regarded as a serious breach of a person's terms of engagement or employment and may result in disciplinary action including termination.

## 5.3 Whistleblower's own involvement in wrongdoing

- (a) If a Whistleblower is implicated in the Reportable Matter itself, making a report in accordance with this Policy will not protect the Whistleblower from the consequences flowing from his or her involvement in the wrongdoing. A person's liability for their own conduct is not affected by their report of that conduct under this Policy, although active cooperation in the investigation, an admission and remorse may be taken into account when considering disciplinary or other action.
- (b) For the avoidance of doubt, despite a Whistleblower's involvement in a Reportable Matter, they must not be subjected to, and the Group will ensure they are protected from, any actual or threatened retaliation or victimisation in reprisal for reporting that Reportable Matter in accordance with this Policy.

## 5.4 Protection under the Corporations Act<sup>1</sup>

The Corporations Act affords protections to Whistleblowers where certain conditions are met. If a person makes a report that qualifies for protection under the Corporations Act:

- (a) that person will not be subject to any civil, criminal or administrative liability (including disciplinary action) for making the report;
- (b) no contractual or other remedy may be enforced, and no contractual or other right may be exercised, against that person on the basis of the report;

<sup>1</sup> This is a summary only and is not exhaustive. It should not be relied upon as legal advice. The Corporations Act may have been amended since the date this Policy was published, meaning this information may no longer be current. Protection may also be provided under other applicable laws.

- (c) it will be an offence to disclose the identity of that person, including information that is likely to lead to the identification of that person, without the consent of that person (subject to limited exceptions such as disclosures to ASIC, APRA, a legal practitioner or the AFP); and
- (d) it will be an offence to cause or threaten to cause any detriment to that person due to a belief or suspicion that the person made, or proposes to make, a report. The definition of detriment includes dismissal, injury, discrimination and a range of other actions.

A contravention of these provisions can incur hefty civil and criminal penalties as well as result in compensation being paid to the person who has made the protected disclosure.

For further information, please refer to Part 9.4AAA of the Corporations Act.

## **6 RECORDS**

The Company will maintain a record of all reports made and all actions taken under this Policy including:

- (a) reports of Reportable Matters;
- (b) complaints of breaches of this Policy; and
- (c) the results of any investigations conducted under this Policy.

## **7 COMMUNICATION OF POLICY**

This Policy will be publicly available on the Company's website. The Group will also take reasonable steps, as it deems appropriate, to:

- (a) provide for the training of Personnel about this Policy and their rights and obligations under it; and
- (b) provide for the training of managers and those who may receive reports under this Policy about how to respond to them.

## **8 QUESTIONS**

Any questions about this Policy from Personnel should be directed to the Company Secretary. The Company Secretary will endeavour to respond to all queries in a timely manner.

## **9 REVIEW OF POLICY**

### **9.1 Periodic review**

This Policy will be reviewed periodically and updated as required to ensure it continues to operate effectively.

### **9.2 Amendment**

This Policy may be amended or replaced from time to time. The latest version of this Policy can be found on the Company's website or obtained from the Company Secretary.