



Whistleblower and Investigations Procedure

Sky Metals Limited	
WHISTLEBLOWER AND INVESTIGATIONS POLICY & PROCEDURE	
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1 INTRODUCTION

As stated in the SKY Code of Conduct Policy (the “**Conduct Policy**”), it is essential that employees, officers and directors of Sky Metals Limited (the “**Company**”, “**SKY**”, “**we**”, “**us**”), or third parties providing services to or acting on behalf of the Company, do not engage in corrupt, unethical and/or illegal activities. In cases where non-compliance is substantiated, the Company will take legal and proportionate disciplinary actions.

In order for us to effectively address any potential improper conduct, it is critical that all Company personnel and representatives cooperate in identifying and appropriately dealing with unlawful or unethical conduct. Every Company employee, officer and director has a duty to report any potential misconduct. If you observe any conduct that you suspect may be illegal, unethical or in violation of the Ethics Code, other Company policies or applicable laws, you should promptly report your concerns.

This policy aims to:

- encourage Disclosures to report an issue if they reasonably believe someone has engaged in serious wrongdoing;
- set out information about the protections available to whistleblowers, including protections under the Whistleblower Protection Scheme;
- provide information about to whom disclosures that qualify for protection under the Whistleblower Protection Scheme may be made, and how they may be made;
- outline how the Company will investigate disclosures that qualify for protection;
- provide information about how this policy is to be made available to officers and employees of the Company.

2 APPLICABILITY

2.1 Company-Wide

This Policy governs the principles for whistleblowing and other forms of reporting by:

- an Officer or Director of the Company (within the meaning of the *Corporations Act 2001*);
 - an employee of the Company;
 - a person who supplied goods or services to the Company or that person’s employees (whether paid or unpaid);
 - contractors (including employees of contractors),
 - consultants,
 - an associate of the Company (within the meaning of section 318 of the *Income Tax Assessment Act 1936*); and
 - a child, dependent, or the spouse of any of the above, or the dependent of such a spouse;
- (together, “**Eligible Whistleblowers**”)

2.2 Types of Disclosures

The Whistleblower Protection Scheme and this Policy applies to the following types of disclosures:



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- disclosures where an Eligible Whistleblower has reasonable grounds to suspect that the disclosed information concerns:
 - misconduct; or
 - an improper state of affairs or circumstances,in respect of general matters or relating to tax affairs, of the Company or a related body corporate; and

- disclosures where an Eligible Whistleblower has reasonable grounds to suspect that the disclosed information indicates the Company, a related body corporate or an officer or employee of the Company or a related body corporate, has engaged in conduct that is:
 - an offence or contravention under certain legislation (as outlined by the Whistleblower Protection Scheme);
 - represents a danger to the public or the financial system; or
 - or as otherwise prescribed by regulations;(together, "**Eligible Disclosures**")

2.3 Personal Work-Related Grievances

Personal work-related grievances are not covered under this Policy and should be reported to your direct manager or the Managing Director. "Personal Workplace Grievance" means a grievance about any matter in relation to the Discloser's employment, or former employment.

3 WHISTLEBLOWER AND REPORTING CHANNELS

The Company has adopted the following channels for Eligible Whistleblowers reporting Eligible Disclosures:
Supervisors/Managers

You may report to your direct supervisor, who will be responsible for escalating the report. If you feel your direct supervisor is implicated in the misconduct, you may report to supervisors at higher levels.

Compliance Officer] ("CO")

You are requested to notify, in writing, the Company's CO with any information, complaint or concern regarding suspected legal or ethical violations by:

CO Name: Richard Willson
Telephone: +61 (0) 411 411 485
Email: Richard@willson.com.au

If a Discloser is unable to use either of the options above, a disclosure can be made to an 'eligible recipient' within the Company. Eligible recipients in relation to a SKY are:

- Officers of the Company,
- Chairman of the Audit, Risk and Compliance Committee



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4 The Commissioner of Taxation, registered tax agent or BAS agent subject to the *Tax Administration Act 1953* (Cth). EMERGENCY AND PUBLIC INTEREST DISCLOSURES

Under the Whistleblower Protection Scheme, there is an additional category of disclosures: public interest disclosures and emergency disclosures, which allow Eligible Whistleblowers to disclose such information to journalists and members of Parliament.

An Eligible Whistleblower may make public interest disclosure if the disclosure complies with the following strict requirements:

- the Eligible Whistleblower must have first made an Eligible Disclosure to ASIC, APRA, or a prescribed Commonwealth authority under the *Corporations Act 2001*;
- 90 days have passed since that disclosure was made;
- the Eligible Whistleblower does not have reasonable grounds to believe that action is being taken to address the matters to which that disclosure related;
- the Eligible Whistleblower has reasonable grounds to believe that making a further disclosure of the information in accordance with this subsection would be in the public interest; and
- after the end of the 90-day period, the Eligible Whistleblower gave notice to the body to which the original disclosure was made that states that they intend to make an public interest disclosure within a specified time period not less than 5 business days and the notice includes sufficient information to identify the original disclosure.

An Eligible Whistleblower may make an emergency disclosure if the discloser complies with the following strict requirements:

- the Eligible Whistleblower must have first made an Eligible Disclosure to ASIC, APRA, or a prescribed Commonwealth authority under the *Corporations Act 2001*;
- the Eligible Whistleblower has reasonable grounds to believe the information concerns a substantial and imminent danger to the health or safety of any person or to the natural environment; and
- the Eligible Whistleblower gave notice to the body to which the original disclosure was made that states that they intend to make an emergency disclosure and the notice includes sufficient information to identify the original disclosure.

5 WHISTLEBLOWER PROTECTIONS

5.1 *Anonymity*

There are two options to report Eligible Disclosures to the Company:

- 1) *Identity revealed* - To be better able to respond efficiently to any whistleblower reporting, we would prefer that you disclose your identity and give us your telephone number or other contact information when you make your report.



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- 2) *Anonymous* - If you feel more comfortable remaining anonymous, we will accept anonymous reports. However, it may be difficult for SKY to properly investigate or take other action to address the matters disclosed in anonymous reports.

5.2 *Confidentiality*

The Whistleblower Protection Scheme makes it unlawful for a person to reveal the identity of an Eligible Whistleblower who has made an Eligible Disclosure, public interest disclosure or emergency disclosure ("**Qualifying Disclosures**"), or information likely to lead to their identification, where that information was obtained due to the Qualifying Disclosure.

Exceptions arise if the disclosure is made to ASIC, APRA, the Australian Federal Police, the Taxation Commissioner, a legal practitioner (for the purpose of legal advice or representation regarding the Whistleblower Protection Scheme), anyone else prescribed by the regulations, or with the consent of the Eligible Whistleblower.

All notices, reports and information received under this Policy will be treated in a confidential manner. Every reasonable effort will be made to handle the matter with discretion and to protect the identity of those who make reports, as well as those who are being investigated. However, subject to the Whistleblower Protection Scheme, if it is deemed necessary to conduct a proper review or to comply with legal requirements, our Board of Directors, independent accountants, outside legal counsel, governmental regulators or others may become involved in the review process.

5.3 *Non-retaliation*

We protect anyone who makes a Qualifying Disclosure. This is the case whether or not it turns out that the report was made under a genuine mistaken belief. Retaliation in any form against someone who takes such actions in will not be tolerated. Any act of retaliation should be reported immediately and will be investigated.

The Company will be prohibited from pursuing any civil, criminal, administrative or contractual action against an Eligible Whistleblower in relation to any Qualifying Disclosure that they make. Subject to the Whistleblower Protection Scheme, where an individual vexatiously institutes proceedings, we may seek an order of costs for such proceedings.

5.4 *Detriments and threats of detriment prohibited*

The Whistleblower Protection Scheme makes it unlawful for a person to engage in conduct against another person that causes or will cause a detriment, or threatens a detriment ("**Detrimental Conduct**"):

- in circumstances where that person believes or suspects that the other person or a third person made, may have made, proposes to make or could make a Qualifying Disclosure; and
- that belief or suspicion is the reason or part of the reason for the Detrimental Conduct.



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Threats of detriments will also be unlawful if:

- the person making the threat intended to cause fear that a detriment would be carried out or was reckless as to whether the person against who it was directed would fear the threatened detriment being carried out; and
- the threat was made because the person made or may make a Qualifying Disclosure.

The meaning of 'detriment' is very broad and includes:

- dismissing an employee;
- injuring an employee in their employment;
- altering an employee's position or duties to their disadvantage;
- discriminating between an employee and other employees;
- harassing or intimidating a person;
- harming or injuring a person, including psychological harm;
- damaging a person's property, reputation, business, financial position; and
- any other damage to a person.

5.5 Court Orders

Courts are given broad scope to make orders remedying Detrimental Conduct. These include making/ordering injunctions, compensation orders (including against individual employees and their employers), reinstatements, exemplary damages, and the making of apologies. Civil and criminal sanctions also apply to breaches of the Whistleblower Protection Scheme.

5.6 Other protections

If a disclosure qualifies for protection under the Whistleblower Protection Scheme, that disclosure may also amount to the exercise of a workplace right by either a Company employee or contractor. The Company and its employees are prohibited under the *Fair Work Act 2009* (Cth) from taking adverse action against employees or contractors because they exercised or propose to exercise any workplace rights.

6 RESPONSIBILITIES

It is the responsibility of all Company personnel to be aware of and understand the scope of the Whistleblower Protection Scheme and the protections that are afforded to Eligible Whistleblowers, and to comply with the Whistleblower Protection Scheme's requirements.

Although whistleblowing reports may be made to a range of Company representatives, the following have special responsibilities under this policy:

- Company managers, supervisors and officers must:
 - with assistance from Human Resources, ensure that all Company personnel receive training in the operation of this policy;
 - enforce this policy on a day to day basis; and



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- pass on any reports that they believe may be eligible for protection under the Whistleblower Protection Scheme to the CO.
- Board Members, and the CO must:
 - assess whether any disclosures reported to them by the above persons (or by a whistleblower directly) are Eligible Disclosures;
 - ensure that all Company personnel receive training in the operation of this policy and that the policy is available on the Company intranet/shared drives and employee Handbook;
 - enforce this policy on a day to day basis; and
 - investigate, or coordinate the investigation of matters that are contained in eligible disclosures subject to clause 10.

7 PRELIMINARY PROCESS OF INVESTIGATION

7.1 Allegation Reported

When the Company receives an Eligible Disclosure, the matter will be referenced by a unique number or name. This will enable us to track the progress and resolution of the review, investigation and resolution of the allegation.

7.2 Preliminary Evaluation

Regardless of the person or department to which the report was made, all allegations will be forwarded to the CO, making sure to safeguard any confidentiality of the reporter. Upon receipt of an allegation, the CO will conduct, or cause to be conducted, a preliminary evaluation of its credibility and significance. The CO may consult with other functions in the Company regarding the allegations.

7.3 Investigation Committee

7.3.1 Members

In cases where the CO, in consultation with the Company's legal advisor, finds the report to be sufficiently specific and credible to warrant an investigation, the CO will establish a committee (the "**Investigation Committee**") which may consist of some or all of the following persons:

- the CO;
- the legal advisor;
- a representative of the human resources department;
- other management functions relevant to the particular matter.

7.3.2 Review of the Allegation

The Investigation Committee will consider each allegation and make the following recommendations to the Company's Managing Director and the Legal Representative:



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- Whether the allegation touches on the responsibility and conduct of senior officers or directors, such that oversight of the investigation should be referred to the Board or applicable external reviewer.
- Whether the matter should be investigated using internal resources or whether external counsel should be engaged. This determination will be made by the Managing Director in consultation with the Company's legal representative and will be based on the evaluation of factors that will include (i) the nature and scope of the alleged misconduct, (ii) whether it involves senior managers or executives and (iii) whether the allegation may result in the involvement of public enforcement authorities.

7.3.3 *Oversight*

Except in those cases in which the oversight of the investigation was referred to the Board or other external reviewer, the CO and the Legal Representative, will exercise oversight over the investigation. In those cases, in which the Board has assumed oversight responsibility, it will receive these reports, and it may further direct the investigators to share those reports with specific executives to take action.

7.3.4 *Recusal*

Should any of the functions or officers named in this Policy encounter a conflict of interest situation relating to the alleged misconduct, he or she will so notify the CO (or the Board Chair if applicable) and recuse his or herself from taking further action relating to the investigation.

7.4 *Government Investigations*

In cases where government authorities have already commenced an investigation, then subject to the approval of the Managing Director, the Company's legal advisor may engage external counsel to assist in responding to the government investigation, including, where permitted, conducting an internal investigation. External counsel should, in turn, engage any other needed external resources to ensure the protection of legal privilege and other applicable protections.

8 CONDUCT OF THE INVESTIGATION

8.1 *The Investigation Committee*

The Investigation Committee, will investigate the matter, led by either an internal or external lawyer and other function as determined by the CO in consultation with the Managing Director. Where external counsel is engaged, the Company's legal advisor will be the internal point-of contact to handle logistics and communications.

8.2 *Initial Assessment*

Once formed, the investigation team will promptly make an initial assessment of the potential severity of the allegation, considering all factors known or suspected, including the risk inherent in the business or process, transaction volume, approval limits, existence of controls and prior experiences.



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8.3 Granting Access to Internal Data

The Company will provide access to applicable data to the investigation team. In addition, subject to applicable privacy laws and other regulations, the investigation team will have and be provided with access to any IT resources and internal data, including email servers, laptops, company-issued smartphones (or any personal phones on which the Company has permitted Company communications to be sent and received) and other electronic data storage media that might assist in the investigation.

8.4 Interviews

Every Company employee, supplier, officer and director has an obligation to cooperate in the investigation, including agreeing to be interviewed by the investigation team. Where permitted by law, a refusal to so cooperate will be a cause for discipline. Where required by law or otherwise advisable, and subject to the approval by the CO or company legal representatives, the Company may provide counsel to employees prior to the interview. In some investigations, it may be necessary to interview third parties. In such cases, the investigation team may request the cooperation of third parties engaged to provide services to the Company or, where applicable, invoke our audit rights.

9 CLOSING OF AN INVESTIGATION

9.1 Final Report

When the investigation has been completed, the investigation committee will produce a final investigation report addressed to the Managing Director or Board, where the Board has oversight of the investigation, as the case may be. The final report will cover the following issues related to the investigation:

- scope;
- factual findings;
- conclusions;
- root cause analysis; and
- remedial or mitigation recommendations.

9.2 Evaluation and Remediation

The Managing Director or Company Secretary or, as the case may be the Board, will consider the report and, in their respective discretion, notify other executives of the conclusion and findings while taking care to preserve confidentiality and any applicable privileges.

The Investigation Committee, subject to the concurrence of Company Legal Representatives and in coordination with the applicable Company management, will direct to the appropriate Company departments any remediation actions that should be taken to address any corrupt, unethical or illegal conduct or controls failures identified by the investigation. These may include substantive changes to the Company's compliance program and internal controls, as well as any disciplinary actions taken towards the offenders. In appropriate cases, the Company may report the incident(s) to the appropriate law enforcement authorities. The investigation may be closed once the final report has been issued, and after management input was obtained from all the key stakeholders.



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9.3 Report to the Whistleblower

For investigations initiated due to a report by a whistleblower, the CO will determine to what extent the whistleblower is updated regarding the investigation and/or its results.

10 RETENTION OF DOCUMENTS

All records of all allegations received via whistleblower disclosures and disciplinary or remediation decisions taken will be maintained by the CO and by the legal advisor. These records will at all times be open for inspection by the Company's Board.

The records shall be kept for a minimum of five (5) years after the close of each matter.

11 OTHER MATTERS

Any breach of this Policy may result in disciplinary action, up to and including termination of employment.

This Policy is not a term of any contract, including any contract of employment and does not impose any contractual duties, implied or otherwise, on the Company.

This Policy may be periodically reviewed and varied by the Company from time to time.