BOARD GOVERNANCE PROTOCOLS
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Board Governance Protocols

The following are the protocols ("Board Governance Protocols") of Elementos Limited ("Elementos" or "the Company"). The Board Protocols may only be varied by a resolution of the Board of Directors.

1.0 Background

1.1 Exercise of Powers
A Director must exercise his powers and discharge his duties honestly and in good faith, in the best interests of Elementos, and for a proper purpose.

1.2 Personal Conflicts
A Director has a duty to notify other Directors of a material personal interest when a conflict arises. Similarly, a Director must not:

▷ use improperly his position to gain advantage for himself or someone else, or cause detriment to the corporation; or,

▷ misappropriate the organisation’s assets for himself.

Although there are certain situations where a Director does not need to give notice of a conflict to other Directors, the principle remains: it is wise not to let a conflict go unrecorded. Generally, the details of the notification of material personal interests must be recorded in the minutes of the meeting.

1.3 Business Judgements
A Director is expected to exercise an appropriate degree of care and diligence when making business judgments. To do this, and to meet the equivalent duties at common law and in equity, a Director needs to:

▷ make the judgment in good faith for a proper purpose;

▷ inform himself about the subject matter of the judgment to the extent he reasonably believes to be an appropriate level;

▷ believe, rationally, the judgment is in the best interests of the corporation; and,

▷ not have a material personal interest in the subject matter of the judgment.

When making business judgments, a Director is entitled to rely on information and professional or expert advice by others, including committees of Directors on which the Director does not serve. If he does rely on this information, the Director should:

▷ reasonably believe that the employees, experts or professionals are competent to provide the information to be relied upon; and,

▷ make an independent assessment of the advice received.
1.4 **Dedication of Time**
A Director will dedicate sufficient time to the affairs of the Company to enable him to properly discharge his duties.

1.5 **Obligations to the Organisation**
A Director owes his obligations to the organisation as a whole, and not to any entity which may have nominated him, or to any other individual or group.

1.6 **Bound by Board Decisions**
A Director is bound by decisions of the Board. Powers have not been delegated to any individual Director, and decisions must therefore be made collectively.

2.0 **Code of Conduct**

2.1 **Loyalty to the Company**
Directors recognise their duty of loyalty to the Company and the Elementos Limited Board. They agree to act honestly and with integrity at all times, and, outside the boardroom, to support the letter and the spirit of all Board decisions.

2.2 **No Release of Information**
Directors agree that information obtained as a result of their membership of the Board should not be released except as decided by the Board as a whole. Board agendas, papers, minutes, and discussions are confidential to the Board. If a Board member acts in breach of the duty stated in this paragraph, the Board reserves its right to seek such legal or equitable relief as it thinks fit, including injunctive relief, to protect confidentiality.

2.3 **Use of Information**
Directors have a duty not to use information obtained as Directors for the benefit of themselves or any person or persons linked to them.

2.4 **Attendance at Board Meetings**
Directors have a right and duty to consider properly all matters brought to the Board. If unable to attend a meeting, Directors will therefore telephone the Chairman in advance to offer their advice on all important matters on the agenda.

2.5 **Apologies**
Directors unable to attend a Board meeting should notify the Chairman as soon as practicable, and may nominate their alternate to attend in their stead.

2.6 **Prior Consideration of Board Papers**
Directors will give proper consideration to the Board papers and other relevant information before each Board meeting.

2.7 **Raising Matters of Concern**
Directors have a right and a duty to raise matters of serious concern at Board meetings. In order that such matters can be discussed properly, it is important that a Director with such a concern mention it to the Chairman in time for the matter to be added to the agenda.
2.8 **Frank and Open Discussions**
Directors are expected to be frank and open in Board meetings and to question, request information, and raise issues. They recognise that where disagreements occur every effort should be made to resolve the issue and to avoid dissension.

2.9 **Directors’ Resignations**
Directors who resign may state the basis for any disagreement with the Board, but agree not to rehearse publicly the arguments of other Board members.

2.10 **Bound by Collective Decisions**
Directors who remain on the Board are bound by the collective decisions of the Board and may be legally liable for them.

2.11 **Notification of Conflicts of Interest**
Directors will notify the Chairman of any actual or potential conflict as soon as they are aware of it (if possible before the beginning of the meeting at which the issue is likely to be raised). Such Director will withdraw from any discussions relating to the matter, unless invited to remain, following a unanimous resolution by the other Directors.

2.12 **Disclosure of Material Benefits**
Directors will disclose to the Board all other material benefits received from the Company by them, or their relatives or associates. All contracts between Directors and the Company should also be disclosed.

Any material interests are required to be disclosed in the Company’s annual report and accounts under the Corporations Act 2001(C’th) and the Listing Rules of the Australian Securities Exchange.

2.13 **Committee Work**
Directors understand that serving on committee can impose a considerable burden and agree to share it as equitably as possible.

2.14 **Participation in Management**
Directors are to refrain from participating in the day-to-day management of the organisation, making representations or agreements on its behalf, or influencing management, advisors or consultants, unless the Director receives specific delegation from the Board.

2.15 **Goodwill and Harmony**
Directors agree that, in the interests of the concord and effectiveness of the Board and the organisation as a whole, they will conduct themselves with good will and will always seek to maintain harmony.

2.16 **Additional Information**
Directors have the right to obtain promptly information necessary for them to discharge their duties. Directors recognise that questions and requests involving a substantial amount of work may disrupt management; accordingly, if a question to an executive cannot be answered without special work it will be put in writing and directed through the Chairman.
2.17 External Advice
If one or more Directors wish to obtain special advice, the matter should be raised with the Chairman who will normally arrange for it to be provided. Outside specialist advice obtained at the organisation's expense is advice to the Board as a whole.

3.0 Meeting Procedures

3.1 Scheduled Board Meetings
The Board meets approximately four times through the year, as scheduled.

3.2 Additional Meetings Called by a Director
A Director may call a meeting from time to time as needed, upon giving three business days notice. These may be formal meetings, telephone meetings, or informal meetings in the nature of a discussion to reach general agreement on a matter not requiring a resolution.

3.3 Meeting Times and Format
Meetings normally commence at 10.00 am and, at the invitation of the Chairman, may involve selected staff, to be followed by an in-camera session for Board members only. Meetings usually conclude by 3 pm.

3.4 Agenda
The agenda for meetings is first developed by the Secretary to the Board in collaboration with the Managing Director. A draft agenda is sent to the Chairman for his approval, prior to inclusion in the papers distributed to all Directors.

3.5 Other Business
Each Board agenda is to include an item entitled Other Business, providing the opportunity for Directors to raise additional matters for consideration by the Board. Any such request should first be discussed with the Chairman.

3.6 Task Schedule and Contracts Register
Each Board agenda will also include:

▷ A rolling list of items requiring action (Task Schedule). The Company Secretary is responsible for updating the Task Schedule and reporting thereon to the Board at each meeting.

▷ A schedule of all major contracts entered into by executives of the Company since the previous Board meeting (Contract Register).

3.7 Board Papers and Proposed Resolutions
Board papers should include at the beginning the proposed resolution (if any); should be written succinctly, follow a consistent format, and clearly identify the issues.
3.8 Distribution of Board Papers
Board papers are to be finalised and distributed electronically by the Company secretary the Friday before the Board meeting. A Director may request that hard copies be sent to them by Express Post.

3.9 Electronic Copies of Board Papers
When a meeting has ended, members may hand their papers to the Company secretary for destruction. If requested, electronic copies of all Board papers will be provided by the Company Secretary to each Director on a disc at the end of each calendar year.

3.10 Notification of Conflicts
Directors are required to notify the Board at the beginning of each meeting of any items either on the agenda or which may be discussed, any potential conflicts of interest on a personal or professional level—real or that may be perceived—that may interfere with their fiduciary obligations to the Company. The disclosing Director is required to absent himself from all discussions relating to the matter, except with the unanimous agreement of all other Directors present.

3.11 Minutes
The Company secretary shall be required to take written minutes of the meeting, except in-camera sessions. A draft of the minutes shall be submitted by the Company secretary to the Chairman within two working days of the meeting, for review by the Chairman. The draft minutes as finalised by the Chairman are then distributed to all Directors with a request that they be approved for signing by the Chairman.¹

3.12 Confirmation of Minutes
The Chairman will then sign a copy of the minutes for filing in the Company’s minute book, together with all relevant Board papers, within one month of the meeting.

3.13 Confidentiality of Board Discussions and Papers
All Board papers and all discussions of the Board—both formal and informal—are confidential. Board papers, including the minutes, remain confidential unless released in accordance with the Board’s decisions, or otherwise under the authority of the Chairman.

3.14 Access to Board Papers
Board members, past and present, may access a copy of any paper from the official records for any Board meeting at which they were/are a member.

¹ The minutes shall include the following statements:

Notice of Meeting
The chairman noted the directors agreed that appropriate notice of the meeting had been given to all directors and that a quorum of directors, each of whom is entitled to vote and be counted in a quorum, was present, as required by the Constitution.

Conflict of Interest (assuming none has been notified)
The chairman confirmed that no board member, nor anyone else present at the meeting, had declared a conflict of interest with respect to the matters to be discussed at the meeting.
3.15 **Board Committees**
Committees designated by the Chairman may be formed to address specific issues, such as Audit, Finance, Remuneration and Appointments, and Special Projects.

3.16 **Official Spokesman**
The Chairman is the official spokesperson for the Board and is the only member of the Board authorised to issue public statements on behalf of the Board concerning its decisions or deliberations. The Managing Director may undertake this function with the concurrence of the Chairman.

3.17 **Formality of Meetings**
The Board meetings are formal occasions and will be conducted as such. Dress is to be proper business attire; the meetings will start on time and end as nearly as practical to the scheduled time; and all mobile telephones are to be switched off.

3.18 **Quorum**
At any meeting of the Board, a quorum is three Directors entitled to vote (vide clause 9.6 in the Company’s Constitution).

3.19 **Casting Votes**
Subject to the Act and the Listing Rules, in the case of an equality of votes, the chair of the meeting has a second or casting vote in addition to the chair's initial vote.

3.20 **Chairman to Preside**
The Chairman is to preside at all meetings of the Board. At any meeting of the Board at which the Chairman is not present, a member elected by and from the members present is to preside.

3.21 **Points of Order**
The Chairman shall decide all points of order, according to the policies and protocols of the Board, subject to appeal to the Board. In matters of parliamentary procedure not covered by these protocols, the provisions of Robert’s Rules of Order Newly Revised shall prevail.

4.0 **The Role of the Chairman**

4.1 **Background**
The chairman is often referred to as *primus inter pares*, or “first among equals”. He is elected by fellow Directors, and not by the shareholders.

The Chairman and the Managing Director collectively are responsible for the leadership of the Company. The Chairman’s primary responsibility is for leading the Board and ensuring its effectiveness whilst the Managing Director is responsible for running the Company’s businesses.

The role of the chairman is not defined in legislation. However, as a result of recent court decisions, a legal view is emerging that the chairman’s role carries additional responsibilities involving leadership, governance, and proper management of meetings.
The Chairman should seek to ensure that the Board is creative, future-oriented, and strategic, but also aware of its monitoring and compliance roles. The Chairman is responsible for ensuring that the Board receives the information it needs.

4.2 Chairing the Board

The Chairman shall:

▷ Convene all meetings of the Board.

▷ Arrange informal meetings to enable thorough preparation in advance of Board discussion.

▷ Hold meetings with the non-executive Directors without the Managing Director being present.

▷ Finalise the agendas in liaison with the Managing Director and Company secretary.

▷ Ensure Directors receive accurate, timely, and clear information to enable them to monitor the Company's performance, and take sound decisions—allowing sufficient time for complex or contentious issues.

▷ Ensure appropriate matters are brought before the Board for information, deliberation, and decision, including matters which other Directors may wish to raise.

▷ Ensure that discussions effectively address the matters before the Board and the critical issues (if any) facing the business.

▷ Set the style and tone of Board discussions, promoting effective decision-making and constructive debate.

▷ Foster a climate of openness, common purpose and debate where contributions from all members are encouraged and valued.

▷ Chair Board meetings—always seeking consensus—with a commitment to clear and unambiguous decisions.

▷ Encourage a culture which upholds the highest standards of integrity and probity.

▷ Promote occupational health and safety as a priority in all aspects of the Company’s operations.

▷ Ensure the minutes properly record Board decisions and the business conducted at the meeting.
4.3 Leadership and Responsibilities
The Chairman shall:

▷ Develop a productive, ongoing relationship with the Managing Director, acting as an advisor to him or her.

▷ Take the lead in ensuring that the Managing Director is aware of the Board’s expectations in terms of performance and information, and that the strategies and actions agreed by the Board are effectively implemented by the Managing Director.²

▷ Ensure appropriate relationships exist between individual Directors and the executive team, and that Directors do not direct or instruct management, other than through the Managing Director.

▷ Chair the annual general meeting and any extraordinary general meetings of shareholders.

▷ Assist in finalising the company’s annual and half-yearly report.

▷ Develop a draft annual calendar of Board activities, including Board meeting dates for the coming year, for consideration by the Board.

▷ Authorise all public announcements pertaining to the operations of the business, and as the Chairman may elect, inform other Directors in advance of any proposed announcements.

▷ Represent the Company in the wider public domain, including as spokesman in matters that have a significant bearing on the Company’s activities.

▷ Oversee, and where appropriate participate directly in, the relationship between the Company and its shareholders, attending meetings with shareholders as may be required.

4.4 Board Direction
The Chairman shall:

▷ Assume responsibility for the direction and effectiveness of the Board.

▷ Monitor and review the adequacy of the information presented to the Board for decision making.

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² The Chairman should do all he can to support the Managing Director until the board decides he is the wrong person, at which time the Chairman should arrange his replacement.
➤ Obtain further information which members of the Board consider necessary for decision making by the Board, including obtaining external advice or the making of independent enquiries.

➤ Ensure the timely dissemination of information relevant to the Board’s deliberations.

➤ Oversee the establishment and operation of Board committees, including their composition, terms of reference, effectiveness, and remuneration.

➤ Ensure the Board has defined its role and relationship with management to enable both to function efficiently and effectively.

➤ Arrange for regular reviews of both the Board’s and the Managing Director’s performance.

➤ Build an effective and complementary Board whose capability is appropriate for the scale, complexity, and strategic positioning of the business. Initiate change and planning for succession in Board appointments, subject to Board and shareholder approval, as required.

➤ Consider requests from a Director or the Directors collectively or from a committee of the Board for obtaining independent advice, and make the necessary arrangements for the provision of that advice, including authorising payments for the advice and/or services provided.

➤ Recommend to the Board the fees and other remuneration of the non-executive Directors (other than the Chairman).

➤ Develop a process by which Directors are selected, nominated, appointed, and removed from the Board.

➤ Monitor the induction programs for new Directors which are facilitated by the Company secretary.

➤ Ensure compliance with the Listing Rules; in particular, the Continuous Disclosure Rules.

5.0 The Role of the Managing Director

5.1 Duties

The Managing Director is required to:

➤ Carry out all work in a professional, diligent and skilful manner.

➤ Work both as part of a team and individually where appropriate.
5. Comply with and observe all lawful directions and instructions issued by Elementos.

6. Present himself professionally according to the Company’s policies.

7. Serve faithfully Elementos and use his utmost endeavours to protect and promote the interests, good name and reputation of Elementos at all times.

8. Communicate and not withhold from the attention of the Board any business opportunity or advantage of which he becomes aware because of, or in the course of, his employment.

9. Refrain at all times during his employment from engaging in any conduct, or entering into any arrangement or agreement with any person, firm or company, which may in any way;
   ○ conflict with, or prevent him in any way from performing his duties and responsibilities exclusively in the interests of the Company;
   ○ compete with the business of Elementos or assist any other person, firm or company to do so; and/or,
   ○ appropriate, infringe or diminish the value of any Intellectual Property Right of Elementos.

5.2 Accountability
The Managing Director is:

10. Accountable to the Board and reports to the Board through the Chairman.

11. Expected to exercise an appropriate degree of care and diligence when making a business judgement:
   ○ making the judgement in good faith for a proper purpose;
   ○ informing himself about the subject matter of the judgement to the extent he reasonably believes to be an appropriate level;
   ○ believing, rationally, the judgement is in the best interests of the Company; and,
   ○ not having a material personal interest in the subject matter of the judgement.

5.3 Responsibilities
The Managing Director is required to:
Establish good, professional relationships with management and employees, consultants, alliance partners and major service providers, the Company’s banks and other lenders, brokers, analysts, fund managers, government and regulatory authorities, including ASX, auditors, and legal counsel.

Lead the development of a strategic plan, and, after its approval by the Board, ensure its subsequent implementation.

Ensure that operations meet all quantitative, financial, safety and environmental targets.

Monitor all new projects to ensure they meet their capital, timing and operational parameters.

Protect the Company’s assets at all times.

Promote occupational health and safety as a priority in all aspects of the Company’s business.

Develop financial, reporting, and other systems and procedures that facilitate effective management.

Produce for the Board accurate, timely, and clear information to enable the Board to monitor the Company’s performance, and take sound decisions.

Manage all risks that have the potential to destroy value, and/or damage the Company’s image or reputation.

Establish a high performance team and organisational culture that reflects an outstanding, successful exploration company.

Create and maintain a positive image and reputation of the Company with all stakeholders.

Through the Chairman, manage the relationships with major shareholders.

In partnership with the Chairman, establish sound relationships with the media.

Maintain at all times a commitment and loyalty to the Company and its interests, remaining bound by all decisions of the Board and directions of the Chairman.

6.0 ASX Filing Requirements

6.1 Information to be Provided

Directors will provide to Norton the following information:
Details of changes in Securities registered in the Director’s name, including the date of the change, the number and class of the Securities held before and after the change, and the nature of the change. Directors will also provide details of the consideration payable in connection with the change, or if a market consideration is not payable, the value of the Securities the subject of the change.

Details of changes in Securities not registered in the Director’s name but in which the Director has a relevant interest within the meaning of section 9 of the Corporations Act 2001. The details are to include the date of the change, the number and class of the Securities held before and after the change, the name of the registered holder before and after the change, and the circumstances giving rise to the relevant interest. Directors will also provide details of the consideration payable in connection with the change, or if a market consideration is not payable, the value of the Securities the subject of the change.

Details of all changes to contracts (other than contracts to which the Company is a party) to which the Director is a party or under which the Director is entitled to a benefit, and which confer a right to call for or deliver shares in, debentures of, or interests in a managed investment scheme made available by Elementos or a Related Body Corporate of Elementos. The details are to include the date of the change, the number and class of the shares, debentures or interests to which the interest relates before and after the change, the name of the registered holder if the shares, debentures or interests have been issued, and the nature of the Director’s interest under the contract.

**6.2 Timing**

Directors will provide Elementos the required information as soon as reasonably possible:

- After the date of the change and in any event no later than three business days after the change.

- After a Director ceases to be a director of Elementos, and in any event no later than three business days after the date the Director ceases to be a director.

- Directors authorise Elementos to give the information provided by them, as a Director, to ASX on their behalf and as their agent.

**7.0 Continuous Disclosure Policies**

**7.1 Background**

Australia is considered a world leader in requiring companies to disclose information to investors. The obligation on listed companies to keep investors informed—commonly called “continuous disclosure”—arises under the Listing Rules of the Australian Stock
Exchange (ASX), and the Corporations Act 2001. The provisions are intended primarily to prevent selected disclosure of market sensitive information.

In practical terms, Elementos must notify ASX if it has information that a reasonable person would expect:

- if it were generally available, to have a material effect on the price or value of Elementos’s securities; or,

- if the information would or would likely influence persons who commonly invest in securities in deciding whether to acquire or dispose of the securities.

There are substantial civil and criminal penalties, including gaol terms, for not complying. For example, the Corporations Act provides that a director, senior officer, and possibly even an employee, may receive a penalty of up to $22,000, or imprisonment for 5 years, or both. Furthermore, a recent High Court decision would appear to give shareholders who suffer loss in a listed company as a consequence of non disclosure, the same ranking as general unsecured creditors, thereby enabling them to sue the company for recovery of their loss.3

Following recent corporate scandals such as One-Tell, HIH and, more recently, James Hardie, both ASX and ASIC—which administer the continuous disclosure requirements—have increased their vigilance. It has therefore become even more important for companies to establish policies which promote a culture of compliance with all disclosure obligations.

The continuous disclosure requirements, and the associated need to maintain confidentiality, must not be taken lightly. But the real reason the Company seeks always to comply with its statutory obligations is that it is an organisation that always seeks to do the right thing, even when no one is looking.

7.2 Maintain Confidentiality

Employees and contractors may from time to time obtain access to information in connection with their work with Elementos. All such information remains the property of the Company, and may be confidential.

Any confidential information of the Company must not be disclosed by the recipient to any other person, unless authorised by a Director, or as required by law or a regulatory body (including the ASX).

7.3 Assist in Identifying Material Information for Disclosure

Elementos is required to make immediate disclosure of information that may have a material affect on the price or value of its shares. It is important that there be open channels of communication between all levels of staff to ensure that information obtained by employees is passed, through management, to the Board of Directors which can ensure that Elementos complies with its continuing disclosure obligations.

Not all confidential information employees may possess requires disclosure to the ASX. However, Elementos’s policy is for the ultimate decision on disclosure to be made by the Board of Directors, having reviewed the information in the context of the ASX Listing Rules.

To assist employees, an extract of the ASX Listing Rules (and the Corporations Act provisions that bolster these requirements) are set out at the end of this Policy document.

Elementos’ aim is for employees to be the “eyes and ears” of potentially material information—whether it be positive or negative—and to pass the information to management, which can then liaise with the Board of Directors.

7.4 Examples
Although by no means exhaustive, the following are examples of this sort of information:

▷ Drilling or assay results
▷ Mining results; productivity; ore grades
▷ Mill production, including costs and yields
▷ Production
▷ Proposed acquisitions or disposals
▷ Internal budgets and forecasts

Clearly, information such as this could lead to a change in the value of the Company or influence a person when deciding whether to buy or sell shares in Elementos. It is important, therefore, that the information is made available to all members of the public at the same time, and that selected individuals do not have the information before others.

For this reason, any information that might fall into this category is to be kept confidential and is to be made available only to those who “need to know”. For example, drilling results may be shared within the exploration team, but not with others, unless they need to know. And the specific data is not to be included in the Company’s newsletter, or published on its Web site.

7.5 Status of Information that has been Disclosed
The Managing Director (in conjunction with the Board as appropriate) will decide whether the information warrants disclosure to the public by way of a notification to ASX. Once disclosed, the information will no longer be confidential and may be shared with other employees and/or anyone outside the Company.

Only when the information has been reported to the ASX will it cease to be confidential. The general rule of thumb in relation to when information can be disclosed by an employee is that if the specific information is included within an ASX announcement by Elementos, then it is safe to discuss that information with outsiders. If details beyond what is in the ASX release are known by an employee or contractor (that may include information which is still confidential but might not satisfy the test for materiality and therefore are not required to be disclosed to the ASX), that information must remain confidential.
7.6 Statements on Behalf of the Company

In order to maintain control over disclosures, the following are the only persons authorised to speak on Elementos’s behalf to analysts, brokers, institutional investors, shareholders generally, or the media:

▷ Chairman
▷ Managing Director
▷ Company Secretary
▷ Where appropriate, Directors of the Company nominated by the Chairman

In order to guard against inadvertent disclosure of non-public information to anyone outside the Company prior to its being disclosed to ASX, employees must first obtain the approval of the Managing Director or Company Secretary prior to making contact with persons such as brokers, investors, analysts, institutions or the media.

Additionally, where employees will be giving presentations on behalf of the Company, the materials to be presented and issues to be discussed at the external presentation must be discussed with the Managing Director, Chief Financial Officer or Company Secretary, prior to the presentation to ensure that no non-public material information is being disclosed.

Anyone who deliberately breaches these policies is liable to immediate dismissal or, in the case of contractors, to termination of his or her personal contract or the contract of his or her employer.

8.0 Securities Trading Policy

8.1 Background

The Corporations Act 2001 (Cth) prohibits “Insider Trading” and imposes significant penalties where a breach of the insider trading laws occurs. The offence is to use information to trade or cause others to trade in the Company’s shares. Causing others to trade means to incite, induce, encourage, or tip off.

Examples of inside information include profit projections, knowledge of large contracts won or lost, knowledge of a merger or takeover or sale, and knowledge of significant change in personnel.

8.2 Policy

DIRECTORS AND EMPLOYEES MUST NOT TRADE IN ELEMENTOS LIMITED SECURITIES IF THEY HAVE INSIDE INFORMATION RELATING TO ELEMENTOS OR ANY GROUP COMPANY. IT IS THAT PERSON’S RESPONSIBILITY TO ENSURE THAT THEY ARE NOT INSIDER TRADING.

This policy applies to all:

(a) Directors, officers, or employees of the Company, their spouses, de facto partners, children, or parents; or,

(b) an entity which is controlled by a person mentioned in paragraph (a); or,
(c) an entity whose decisions are influenced by such person or persons.4

The Board recognises it is the individual responsibility of each Director, officer, and employee to ensure that they comply with the spirit and the letter of the insider trading laws.

8.3 Prohibition on Trading

▷ Notwithstanding the foregoing, Directors, officers and employees are prohibited from directly or indirectly (a) buying, selling or otherwise trading in the Company’s shares, or in shares of any other corporation where by reason of being a director of the Company or any other corporation they possess material, price sensitive information which is not generally available; or, (b) where buying or selling those shares in some way infringes the law against insider trading.5

▷ Buying is permitted at any time other than two weeks prior to and one business day following the release of financial results, or a price-sensitive announcement.

▷ Selling is permitted only within the six weeks commencing one business day following the release of half-yearly and annual financial results.

Employees are often in possession of “inside information”, which they lawfully receive during their employment (for example, assay results or production reports). Employees may not trade (or cause trading to occur) in Elementos securities until that information is generally available.

8.4 Notification

As a general policy, before engaging in transactions involving Elementos securities, a Director must notify the Chairman, at least 24 hours beforehand, of the expected timing and value of the transaction. As good practice, any proposed trading by employees should be notified to the Managing Director, before the order is placed.

9.0 General

9.1 Distribution

All Directors as at the date of adoption have received a copy of these Board Protocols, and all prospective new directors will also need to acknowledge receiving a copy prior to their appointment.

9.2 Acknowledgement

Each Director understands the obligations placed upon him as a Director, generally, and through these Board Protocols, specifically.

4 Paragraphs (b) and (c) could include a company of which the person is a director or shareholder, or a family trust or superannuation fund for which the person is a trustee or beneficiary.

5 As no definition of “generally available” is given in the Corporations Act, Elementos recommends that at least one business day be allowed following the release of price sensitive information to the ASX, before an employee may undertake a trade.
9.3 Does Not Include All Items of Concern to Directors
Directors acknowledge that these Board Protocols do not contain instructions on all matters with which they must be concerned.

9.4 Review
Directors agree to review these Board Protocols at least once per year.