

AuDAX Resources Limited

ABN 50 009 058 646

ASX Principles of Good Corporate Governance and Best Practice Recommendations

Principle #3: Promote Ethical and Responsible Decision Making

Recommendation 3.1: Establish a Code of Conduct to guide the Directors, Chief Executive Officer (or equivalent), the Chief Financial Officer (or equivalent) and any other key executives as to:

- 3.1.1 the practices necessary to maintain confidence in the Company's integrity, and*
- 3.1.2 the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.*

Recommendation 3.2: Disclose the policy concerning trading in Companies' Securities by Directors, officers and employees.

Recommendation 3.3: Provide the information indicated in ASX Guide to Reporting on Principle 3 in the annual report.

Code of Conduct

The Board has adopted a Code of Conduct for all directors, officers, and employees and this is attached as Schedule A to this Policy.

The Code of Conduct embraces the values of:

- Integrity
- Excellence
- Commercial Discipline

The Board encourages all stakeholders to report unethical behaviour and actively promotes ethical behaviour and protection for those who report potential breaches in good faith.

Trading in AuDAX Securities by Directors, officers and employees

The Board has adopted a specific policy in relation to Directors and officers, employees and other potential insiders buying and selling shares. This Trading Policy is attached as Schedule B to this Policy.

SCHEDULE A

AuDAX Resources Limited

Code of Conduct

Integrity

To act with integrity at all times, and towards each other, our customers, our suppliers and our shareholders, we must:

- act honestly and within the spirit as well as the letter of the law.
- obey the law and not take any action or inaction that will or could result in the breach of any law.
- respect the rights and freedoms of each other and not discriminate on the basis of age, sex, race, religion, sexual orientation, political opinion or other personal differences.
- treat our work colleagues, our customers and shareholders with courtesy and respect.
- not disclose any confidential information of AuDAX, its customers, suppliers or other parties without proper authorisation.
- deal with our customers, suppliers, shareholders and any other parties honestly, fairly and at arms length, and otherwise avoid the possibility of actual or perceived conflicts of interest.
- follow AuDAX's internal policies, including corporate governance policies.
- not permit our own personal and/or business and/or financial interests to conflict with our duties to AuDAX.
- encourage and foster a culture that recognises the importance of professional ethics

Excellence

To achieve excellence in everything we do, we must:

- work to the highest standard.
- be constantly challenged and challenge each other to continue to drive improvement in our work.
- strive to achieve a vibrant and rewarding work environment.
- take ownership of every task or duty we undertake.
- take responsibility for our own actions.
- optimize processes
- encourage, maintain and foster a culture that strives for, and rewards, excellence.

Commercial Discipline

In applying commercial discipline in all our work practices we must:

- measure our success in terms of increasing shareholder value.
- appropriately manage risk.
- apply sound principles of financial and business management.

Reporting Wrongdoing

AuDAX is committed to ensuring that the conduct and behaviour of its employees, executives and directors is in accordance with the key values described above. AuDAX employees, executives and directors are all required to report any circumstance where they have reasonable grounds for suspecting, and a genuine belief of any wrongdoing.

Any such occurrence must be reported to the Company Secretary, Managing Director or Chairperson.

AuDAX recognises that its employees, executives and directors must be provided with a work environment in which they feel safe and secure about reporting any such occurrence. Accordingly, AuDAX is committed to encouraging, maintaining and fostering a culture in which its employees, executives and directors feel that they may report any such instances where they have reasonable grounds, and a genuine belief, that there may have been wrongdoing without fear of reprisal, harassment, discrimination, victimization or future career bias.

Any report made will be listened to and investigated. All reports will be treated with the strictest confidence and will only be disclosed to other persons within (or outside) AuDAX on a “need-to-know” basis. Your involvement will not be mentioned without your consent. You will be provided with regular feedback and the outcome of the investigation (including whether the suspicions and concerns outlined in your report were well-founded, and, where appropriate, whether further action has been taken).

Any report may be made anonymously. However, it must be recognised that anonymity may make the investigation of any report much more difficult. Anonymity can also be very hard to guarantee, as it may be necessary for you to give evidence in either internal or external proceedings, or, the law may otherwise require the formal disclosure of your report. It must also be stressed that AuDAX will not support the use of this policy as a means of airing or pursuing personal or professional grievances between employees, executives or directors, or for any individuals to make unfounded or malicious allegations. Such conduct would be against the principles set out in this Code of Conduct, and may be considered by AuDAX as grounds for action against the complainant.

SCHEDULE B

AuDAX Resources Limited

SHARE TRADING POLICY

Trading in AuDAX securities by Directors, Officers and Employees

The Board has adopted the following policy in relation to Directors, Officers, employees and potential insiders (including such parties as advisors and consultants who have access to, or are involved with confidential information) buying and selling shares:

A Director, Officer, employee or potential insider will not deal in AuDAX's securities:

- where the Director, Officer, employee or potential insider is aware of material information that has not yet been released to the market;
- where the dealing by its timing, size or regularity will have the effect or likely effect of bringing the company into disrepute amongst shareholders or potential investors; or
- where it is unlawful to do so.

A Director, employee or potential insider, will at least one day prior to the intended purchase or sale of the Company's securities, discuss with the Chairman or in his absence, the Managing Director or another Director the intended action and its impact in relation to the above points.