

Code of Conduct

1. OVERVIEW

1.1 The Medusa Mining Limited (the “Company” or “Medusa”) Code of Conduct (“Code”) governs Medusa’s activities and the conduct of its Directors, employees, consultants and any other people when they represent Medusa.

1.2 This Code broadly outlines the manner in which Medusa wishes to conduct its business activities and deals primarily with:

- general principles;
- compliance with laws and regulations;
- political contributions;
- unacceptable payments;
- giving and/or receiving gifts;
- protection of Medusa assets;
- proper accounting;
- dealing with auditors;
- unauthorised public statements;
- conflicts of interest;
- the use of confidential information;
- trading in the Company’s shares (Insider Trading);
- alcohol and drug abuse;
- equal opportunity and employee discrimination;
- environmental responsibilities;
- occupational health and safety; and
- economy and efficiency.

1.3 The Board of Medusa acknowledge that this Code will not cover every situation that employees may confront, but are nevertheless satisfied that it does provide the necessary guidance for employees to work within the overall framework.

1.4 Employees are urged to familiarise themselves with this Code and to direct any queries they may have to the CEO or Company Secretary.

2. GENERAL PRINCIPLES

2.1 Medusa, its subsidiaries and associated entities, Directors, employees, consultants and all other people when they represent Medusa are expected to comply, at all times with all laws governing its operations. They are also expected to conduct the Company’s activities in keeping with the highest legal, moral and ethical standards.

- 2.2 All Directors and employees of Medusa, its subsidiaries and associated companies (“Medusa Personnel”) must conduct the business of the Company with the highest level of ethics and integrity in relation to customers, suppliers, competitors, each other and all others with whom they deal. Medusa Personnel must at all times, act:
- (a) ethically, honestly, responsibly and diligently;
 - (b) in full compliance with the letter and spirit of the law and this Code; and
 - (c) in the best interests of the Company.
- 2.3 Any breach of applicable laws, prevailing business ethics or other aspects of this Code will result in disciplinary action, which may include (depending on the severity of the breach) termination of employment. Breach of applicable laws or regulations may also result in criminal (a fine or imprisonment or both) and civil penalties (a fine). Medusa will not pay, directly or indirectly, any penalties imposed on Medusa Personnel as a result of a breach of law or regulation.
- 2.4 All Medusa Personnel are requested to report immediately any circumstances which may involve deviation from this Code to the CEO or Company Secretary.
- It is in the best interests of the Company for all Medusa Personnel to immediately report any observance of a breach of this Code.
- 2.5 Medusa Personnel who deal with agents, contractors or consultants who represent Medusa must make them aware of this Code and that Medusa expects their dealings to be in accordance with this Code.
- 2.6 The Company reserves the right to inform the appropriate authorities, and take any other appropriate legal action, where it is considered that there has been criminal activity or a breach of the law.

3. COMPLIANCE WITH LAWS AND REGULATIONS

- 3.1 The activities of Medusa must be conducted in compliance with all laws and regulations applicable in the jurisdiction in which activities are being undertaken.
- 3.2 Compliance with the law means observing the letter and spirit of the law as well as managing the business of Medusa so that the Company and Medusa Personnel are recognised as “good corporate citizens” at all times.
- 3.3 It is recognised that, in some cases, there may be uncertainty about which laws and regulations are applicable and there may be difficulties in interpretation.

In such circumstances, Medusa Personnel should consult with the CEO with respect to accessing external legal advice from Medusa’s lawyers as is necessary to ensure compliance.

4. POLITICAL CONTRIBUTIONS

- 4.1 Political contributions (to any government official, political party, political party official, election committee or political candidate) must not be made directly or indirectly on behalf of the Company without the prior approval of the Board.

5. UNACCEPTABLE PAYMENTS

- 5.1 The Company is committed to acting professionally, fairly and with integrity in all our business dealings and relationships. Accordingly, the Company applies a zero-tolerance approach to bribery and corruption.
- 5.2 Bribery means the giving, offering, promising, requesting, agreeing to receive or, receipt or acceptance of any advantage, which need not be financial, including any payment, gift, loan, fee, or reward, to or from any person in order to influence them corruptly or improperly in the exercise of their duty.
- 5.3 Corruption means the misuse or abuse of public or private office or power for personal gain. Medusa Personnel may never make or accept, or agree to make or accept, such payments or engage in conduct that is, or may reasonably be considered, as being corrupt.
- 5.4 Bribery and corruption are very serious offences. Breach of this policy by Medusa Personnel:
- (a) could expose Medusa Personnel to severe criminal (a fine or imprisonment or both) and civil penalties (a fine); and
 - (b) will be regarded by the Company as serious misconduct which will lead to disciplinary action, including termination of employment.

6. GIVING AND/OR RECEIVING GIFTS

- 6.1 Medusa Personnel must not give, seek or accept in connection with the operation of the Company any gift, entertainment or other personal favour or assistance which goes beyond common courtesies associated with accepted ethical and general commercial practice.
- 6.2 The purpose of paragraph 6.1 is to ensure that the offer or acceptance of a gift cannot create an obligation or be construed or used by others to allege favouritism, discrimination, collusion or similarly unacceptable practices by Medusa.
- 6.3 For avoidance of doubt, any gift received by an Medusa Personnel (or series of gifts from the one party) which might, as a matter of judgement, fall outside paragraph 6.1, must be reported to the CEO and Company Secretary with full details of the background of the gift.

7. PROTECTION OF COMPANY ASSETS

- 7.1 Medusa Personnel are responsible for taking all prudent steps to ensure the protection of Company assets and resources
- 7.2 Medusa Personnel must ensure that Medusa assets and resources are used only for the purposes of, and in the best interests of the Company, and in accordance with appropriate authorizations.
- 7.3 Medusa Personnel must take all necessary steps to ensure that:
- (a) the Company's resources and assets, including funds, equipment and information, are protected;
 - (b) the Company's resources and assets, including funds, equipment and information, are used only for the purpose for which they were intended to be used and are used in accordance the Company policies and procedures; and

(c) care is taken to minimise the possibility of theft of Medusa's property by any person.

8. PROPER ACCOUNTING

- 8.1 Medusa Personnel must ensure that all accounting and financial records, accurately and fairly reflect, in reasonable detail, the underlying transactions and all Medusa assets, liabilities and any disposal of Medusa assets.
- 8.2 Accounting and financial records must be adequately protected from destruction or tampering and be retained for a sufficient period of time to meet compliance requirements.
- 8.3 The accounting and financial records must be prepared and maintained in accordance with the requirements of the Corporations Act, and where applicable the standards published by the Australian Accounting Standards Board (AASB).

9. DEALING WITH AUDITORS

- 9.1 Medusa Personnel must at all times, fully co-operate with the Company's auditors.
- 9.2 Medusa Personnel must not make any false or misleading statement nor conceal any relevant information from Company's auditors.

10. UNAUTHORISED PUBLIC STATEMENTS OR REPRESENTATIONS

- 10.1 Medusa Personnel must not, without authority, directly or indirectly state that they are representing the Company or its public position in respect of any matter.
- 10.2 Medusa Personnel must not engage in any activity which could by association cause the Company public embarrassment or other damage.

11. CONFLICT OF INTEREST

- 11.1 The Company supports the involvement of its employees in community activities and professional organisations. However, employees owe their first business loyalty to the Company. Outside employment or activity must not conflict with an employee's ability to properly perform their work for the Company, nor create a conflict (or the appearance of a conflict) of interest. A conflict of interest arises when there are competing interests which cannot be met at the same time.
- 11.2 Medusa Personnel must not use their position for personal benefit independent from the business of the Company or to benefit any other business or person.
- 11.3 Medusa Personnel must not take advantage of any property or information belonging to the Company, or opportunities arising from those, for personal benefit independent from the business of Medusa or to benefit any other business or person.
- 11.4 No Medusa Personnel, may directly or indirectly have an equity interest in, or have a significant beneficial connection with, any business or individual which competes with or is a supplier to the Company without the prior written consent of the CEO.
- 11.5 Medusa Personnel must not place themselves in situations where their private interest could conflict directly or indirectly with their obligations to the Company. It is the responsibility of the Medusa Personnel to disclose

any personal interest they may have in a project, company or other matter where the Medusa Personnel is involved in the assessment, negotiations or other activity relating to that matter.

- 11.6 All Medusa Personnel are required to obtain written consent from the CEO, before accepting any outside directorship or other appointment to enable an assessment to be made as to whether such appointment could cause a conflict of interest which may affect objective judgement.
- 11.7 Medusa Personnel must not engage directly or indirectly in any outside business activity involving commercial contact with, or work for the benefit of, Medusa commercial customers, suppliers or competitors without the prior written consent of the CEO.
- 11.8 Ownership of shares in an entity which deals with or competes with Medusa is not a violation of this Code provided the Medusa Personnel does not directly or indirectly control more than 10% of the shares in the entity.

12. THE USE OF CONFIDENTIAL INFORMATION

- 12.1 Confidential information is a valuable business asset and includes all information concerning any past, present or future business, operations or affairs of the Company that has not been disclosed to the public.
- 12.2 Medusa Personnel must not use, disclose or copy confidential information unless authorised in writing by the CEO, or required by law. Medusa Personnel must also use their best endeavours to ensure that third parties do not use, disclose or copy confidential information, except to the extent necessary for the Medusa Personnel to perform their duties.
- 12.3 An employee's obligation to maintain the confidentiality of the Company's confidential information continues after their employment or service ends.

13. SHARE TRADING OF COMPANY SHARES (INSIDER TRADING)

- 13.1 The Corporations Act 2001, ASX Listing Rules and common law impose legal constraints that prohibit a person in possession of material, non-public information relating to a company from dealing in any way with shares, options or other securities issued by that company or issued or created over the company's shares by third parties ("securities").

The Company has established a policy on share trading, designed to protect the Company and its Directors and employees from intentionally or unintentionally breaching these laws.

- 13.2 The principal insider trading prohibition in Australian law is contained in section 1043A of the Corporations Act.

Section 1043A prohibits a person (an "insider") who is in possession of information relating to the Company that is not generally available but, if the information was generally available (see para 14.5), a reasonable person would expect that information to have a material effect (see para 14.6) on the price or value of Medusa securities ("material non-public information") from:

- (a) applying for, acquiring, disposing of or entering into an agreement to apply for, acquire or dispose of Medusa securities;

- (b) procuring another person to apply for, acquire, dispose of Medusa securities; or
- (c) directly or indirectly communicating the material non-public information to another person when the insider knows, or ought reasonably to know, that the other person would or would be likely to:
 - (i) apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of Medusa securities; or
 - (ii) procure another person to apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of Medusa securities.

13.3 Information relating to Medusa would be considered to be generally available after it has been released to the Australian Stock Exchange ("ASX") and the ASX has fully disseminated that information to the market.

13.4 A reasonable person would be taken to expect information to have a material effect on the price of Medusa securities if that information would, or would be likely to, influence persons who commonly invest in securities, in deciding whether or not to acquire or dispose of Medusa securities.

13.5 Determining what is material non-public information is very much dependent on the specific circumstances. It would, as an indication, most likely include (but not be restricted to) the following types of information:

- mergers with or, acquisitions of or by and takeovers of another company;
- changes in business strategy and direction;
- joint venture agreements to acquire/dilute interest in mineral properties;
- significant development and/or revaluation of existing projects;
- the appointment or resignation of any Director or Senior Executive. In the case of the CEO, disclosure of key terms and conditions of relevant employment or termination package;
- declaration of dividends;
- capital raising and funding proposals;
- proposals involving the issue of Medusa shares;
- under subscriptions or over subscriptions to an issue;
- the occurrence or threat of industrial or strike action;
- any Medusa media release;
- the occurrence of an environmental related incident;
- natural disasters that have material effect on the Company's business;
- decisions of regulatory authorities which could impact Medusa's business;
- the threat, commencement or settlement of any litigation or claim;
- material information affecting a significant customer or supplier;
- the purchase or sale of a significant asset;
- the appointment of a receiver, administrator or liquidator in relation to Medusa or the occurrence of some other analogous insolvency type event;
- information about beneficial ownership of shares obtained by Medusa under the Corporations Act;
- significant events affecting or relating to the operation or joint venture;

- a material change in Medusa's financial forecasts, or production targets;
- proposal to change the independent external auditor of Medusa;
- change of significant investors' attitudes to investment in Medusa;
- any rating (or change to a rating) applied by a rating agency;
- proposed legal proceedings against or by Medusa;
- regulatory action or investigations undertaken by a government authority;
- related party agreements and;
- information that is being withheld in accordance with the exception to the continuous disclosure requirements in ASX Listing Rule 3.1A.

13.6 The confidentiality of material non-public information must be strictly maintained within Medusa by all persons who have access to that information, regardless of title or position. No Medusa Personnel shall disclose such information, except on a need-to-know basis, inside or outside of the Company.

13.7 Medusa Personnel, must not purchase or sell securities in the Company whilst in possession of material non-public information.

Employees in possession of material non-public information must not cause or procure a third party to deal in the securities of Medusa.

13.8 "Designated Persons" (as that term is defined in the Share Trading Policy and which includes Directors and senior executives) are routinely in possession of material non-public information (which, if generally available, would or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell securities in Medusa). As such, and as per the Company's Share Trading Policy, outside of a "Closed Period", they (or any family member or associate over whom they have influence) are only permitted to deal in the Company's securities with the written approval of the CEO or, if the proposed dealing is by the CEO, the Chairperson. The notice must include a statement that they do not believe they are in possession any material non-public information.

13.9 Any questions relating to the interpretation or enforcement of this Code should be forwarded to the CEO or Company Secretary.

13.10 Permitted dealings the Company's shares by Designated Persons must be notified to the Company Secretary within 2 business days of the trade and provide the specific information required by the Share Trading Policy to ensure that the appropriate forms with respect to share trading in the Company's securities by Directors are lodged with the ASX.

14. ALCOHOL AND DRUG ABUSE

14.1 Medusa Personnel must not be under the influence of any drugs, including alcohol, whilst at work or when conducting any Company related activities.

14.2 The possession, transfer and use of any illegal substance on Company premises, or at any Company related function is prohibited.

14.3 Failure to comply with 14.1 and 14.2 is regarded as a serious act of misconduct and may result in termination of employment.

15. EQUAL OPPORTUNITY AND EMPLOYEE DISCRIMINATION

- 15.1 The Company is committed to providing a workplace free from all forms of discrimination and harassment.
- 15.2 The Company will not tolerate any form of discrimination, harassment, bullying or victimisation or other behaviour where the purpose or effect, even if unintended, is to create an offensive, hostile or intimidating work environment or which disrupts another person's ability to work.
- 15.3 The Company considers discrimination, harassment and bullying to be serious workplace issues. The Company seeks to promote a working environment free of these behaviours.

16. ENVIRONMENT

- 16.1 Medusa is fully aware of its obligations to comply with relevant statutory and regulatory requirements with respect to the environment.
- 16.2 The Company regularly monitors its environmental performance and is committed to ensuring proper rehabilitation is carried out at the sites where the Company has been conducting its exploration or operational activities.

17. OCCUPATIONAL, HEALTH AND SAFETY

- 17.1 The Company is committed to maintaining a healthy and safe working environment for all Medusa Personnel. The Company regularly reviews that occupational health and safety practices are carried out in compliance with existing laws and regulations governing its activities.
- 17.2 Medusa is aware of the benefits associated with providing Medusa Personnel with a safe and healthy workplace and will continue to develop, maintain and promote safe and productive practices in all aspects of its activities.
- 17.3 All Medusa Personnel have obligations to assist in ensuring that this situation is maintained at all times.

18. ECONOMY AND EFFICIENCY

- 18.1 Employees must at all times, in performing their roles, act in the most cost effective and responsible way by ensuring that the Company's:
- property and equipment are only used for authorised Company business;
 - assets, property and resources are adequately secured; and
 - the avoidance of waste of the Company's resources.