

Public Policies

A. Ethics policy statement

Aconcagua Resources Limited is committed to ethical and fair business dealings and promotes a corporate culture which is non-sectarian and non-political and which is socially and environmentally responsible and thus subscribes to the following values and principles:

- fairness and integrity in all business dealings, including the ethical handling of actual or apparent conflicts of interests between personal and professional relationships;
- respect for the human rights and dignity of others;
- acceptance of diverse cultures, religions, race, gender and sexual orientation;
- honesty, transparency and accountability; and
- adherence to sound standards of corporate governance and applicable laws.

In pursuing these values, Aconcagua expects its employees, officers and directors to adhere to, be bound by and uphold the following standards:

- always behaving in a way which is beyond reproach when representing the company, and taking responsibility for these actions;
- acting with integrity in all dealings with fellow officers, directors, employees, suppliers, customers, shareholders and other stakeholders;
- obeying all applicable governmental laws, rules and regulations and not committing criminal offences;
- avoiding conflicts of interest and declaring them when they arise;
- not using corporate information for any purpose other than that for which it was intended and keeping information confidential; and
- refraining from engaging in practices or pursuing private interests which could conflict with those of Aconcagua or which could result in Aconcagua suffering loss or damage as a result.

In addition, Aconcagua is committed to ensuring that all public communications and any documents the Group files with, or submits to, any regulatory body have disclosure which is full, fair, accurate, timely and understandable.

B. Human rights policy statement

Aconcagua Resources Limited strives to ensure that every individual within the group respects the rights and freedoms enunciated below and to secure their effective recognition and observance throughout the group. Subject to considerations of health and safety and within the constraints posed by the nature of its business, Aconcagua seeks to protect the right to:

- human dignity;
- fair treatment (subject to considerations of affirming previously disadvantaged groups);
- freedom and security of person;
- not be subjected to slavery, servitude and forced labour;
- freedom of conscience, religion, thought, belief and opinion;
- freedom of expression (subject to considerations of confidentiality and the prohibition of hate speech and incitement to cause harm);
- peacefully assemble;
- freedom of association;
- make political choices and to exercise those rights outside of working hours;
- freedom of movement;
- fair labour practices;
- not be employed if you are a child;
- not be arbitrarily deprived of property or possessions;
- freely participate in the cultural life of your choice;
- lawful, reasonable and fair action; and
- not be subjected to arbitrary arrest or detention.

C. Environmental policy statement

As a global independent company, Aconcagua undertakes its activities in a manner that minimises or eliminates negative impacts and maximises positive impacts of an environmental or socio-economic nature. Aconcagua is committed to responsible stewardship of natural resources and the ecological environment for present and future generations.

To attain the overall vision, Aconcagua will strive to:

- assess and meet the requirements of industry standards with respect to environmental management practices;
- continually assess and improve environmental performance and implement processes, practices, materials or products that avoid, reduce or control pollution;
- take cognisance of, and comply with, applicable environmental legislation, regulations and other requirements to which the organisation subscribes;
- apply a transparent and constructive approach in our daily interactions with stakeholders;
- minimise the use of consumptive resources and promote the reduction and recycling of waste products where possible;
- integrate environmental management into management practices throughout the Group;
- exercise prudence with critical ecological resources, in particular where impacts are unknown or uncertain;
- apply proven risk management methodologies; and
- train and educate employees in environmental responsibilities.

Employees of Aconcagua, play a fundamental role in achieving these objectives by:

- taking ownership of responsible environmental management programs and initiatives;
- reacting and adhering to the Group's environmental policy and principles; and
- integrating environmental concerns into everyday practice.

D. Risk management policy statement

Aconcagua strives to manage risk effectively in order to protect the Group's assets, stakeholders, environment and reputation and to ensure achievement of the business objectives.

The aim is to achieve a fuller understanding of the reward/risk balance and seek to reduce the likelihood and consequences of adverse effects to acceptable levels. To achieve continual improvement in our management of risk, thereby enhancing the degree of certainty in achieving our objectives.

The Aconcagua Board and its various Sub Committees have undertaken to address the need for enterprise wide risk management within the Group and have tasked management with developing and maintaining the necessary systems to give effect to this responsibility.

The Group will endeavour to develop, implement and maintain sound risk management practices and systems that are consistent with international best practice and that will address these objectives:

- identify, assess and manage risks in an effective and efficient manner;
- make decisions based on a comprehensive view of the reward to risk balance;
- provide greater certainty on the delivery of objectives; and
- satisfy our corporate governance requirements.

In pursuing these objectives the Group will endeavour to:

- implement a comprehensive and systematic risk assessment and reporting process across the Group;
- create an environment that controls and mitigates risks within the accepted Aconcagua risk tolerance;
- integrate the outputs of specialist risk functions to provide an informed view of the risks associated with our business activities;
- heighten risk management awareness in our business processes, with an emphasis of risk management instilled in all associated stakeholders;
- foster a culture of continuous improvement in risk management through audit and review processes; and
- create an appropriate risk financing program, based on the risk profiles developed in the assessment process.

E. Audit and auditor's policy statement

As part of Aconcagua's commitment to safeguarding integrity in financial reporting, the Company has implemented procedures and policies to monitor the independence and competence of the Company's external auditors.

The external auditors are required to make an annual independence declaration, addressed to the Board, declaring that the auditors have maintained their independence in accordance with the Corporations Act 2001 and the rules of the professional accounting bodies and the Company's Auditors.

The Company's current external auditors are Nexia Court & Co. The effectiveness, performance and independence of the auditors are reviewed by the Board at least once every six months, towards the conclusion of delivery of each six monthly and annual reports.

While an auditor must be able to report audit findings free of pressure or influence from others, but, equally, Aconcagua believes that its auditor must not take its on-going appointment for granted. In addition, the cost of provision of such audit services must remain commercial and competitive.

Accordingly, Aconcagua intends to tender its audit every three years or such other period not exceeding 5 years, as determined by the Board from time to time. Aconcagua believes that by providing a definitive term, the auditor will have tenure security over this term and, therefore, enable him/her to remain totally independent and have no fear to express his or her audit opinion as is required.

The appointment of an auditor is primarily a matter for the members. As such, any resignation and appointment of the Aconcagua's auditor will be the subject of approval by Aconcagua shareholders and will be dealt with as a resolution matter at the Company's Annual General Meeting.