

## Whistleblower Policy

### Introduction

Directors, officers and employees are expected to observe high standards of business and personal ethics in the conduct of their duties and responsibilities as set out in Silver Mines Limited's (**Company**) Code of Conduct. All employees and representatives of the Company must practice honesty and integrity in fulfilling their responsibilities.

The Company also demands full compliance with all applicable laws, rules and regulations, accounting standards, disclosure requirements, accounting practices, auditing practices and other matters relating to fraudulent activity.

### Purpose

This policy encourages people to report or disclose non-compliance to the reportable disclosures stated below and also tax evasion or avoidance, misconduct and improper states of affairs within the corporate sector (**Whistleblower**).

The Corporations Act 2001 (Cth) (Corporations Act) gives legal protection to employees against being dismissed, or penalised by their employers, as a result of publicly disclosing certain serious concerns. The Company has endorsed the provisions set out below so as to ensure that no members of staff should feel at a disadvantage in raising legitimate concerns.

This policy provides appropriate protections to Whistleblowers to facilitate the uncovering of corporate crime and to combat poor compliance.

### Scope

- (a) In accordance with this policy the Company, welcomes and encourages you to report disclosable matters to an eligible recipient.
- (b) If an eligible Whistleblower reports a disclosable matter to an eligible recipient under this policy, that person will qualify for protection as a Whistleblower under the Corporations Act and will be afforded the protection described in his policy.
- (c) Reports made by you in relation to disclosable matters will be handled and investigated as described in this policy.

### Eligible Whistleblowers

An eligible Whistleblower is a person who reports or wants to report concerns which she or he may have about misconduct or an improper state of affairs involving the Company or one of its Related Body Corporates.

A Whistleblower includes a person who is, or has been:

- (a) an employee and/or officer of the Company (whether permanent, part time, fixed-term or temporary) as well as contractors and consultants of the Company;
- (b) a current or former supplier of services or goods to the Company and their employees;

- (c) an associate of the Company; and/or
- (d) a relative, dependent or partner of any individuals referred to above.

This policy applies to all persons listed in the immediate paragraph above. The Whistleblower Officer will advise if a matter is to be dealt with by this policy.

### **Disclosable Matters**

A Disclosable Matter is information that a discloser has reasonable grounds to suspect misconduct, an improper state of affairs or circumstances, unethical, unlawful or undesirable conduct or practices including any concern about conduct or concealment of such conduct that would constatae any offence or contravention of the relevant legislation<sup>1</sup> including but not limited to:

- (a) violation of any applicable law, regulation, listing rule or class order issued by ASIC;
- (b) violation of the Company's Code of Conduct or Board Charter;
- (c) breaches of the legislation or breaches of any other financial sector laws enforced by ASIC or APRA;
- (d) fraud or wilful misconduct in the preparation, evaluation, review, or audit of any financial statement of the Company or a Company announcement;
- (e) conduct that may cause financial or non-financial loss to the Company or damage the Company's reputation;
- (f) instances of fraudulent influence, coercion, manipulation or misleading of other directors, other employees, the Company's auditors and other professionals;
- (g) tax evasion or avoidance;
- (h) criminal conduct;
- (i) genuine concerns about modern slavery or human trafficking relating to the Company's people, business or supply chain;
- (j) a danger to the public or to the financial system; and/or
- (k) deliberate covering up of information tending to show circumstances of the above conduct which:
  - (1) is a matter of public interest; or
  - (2) concerns a substantial or imminent danger to the health or safety of any person(s) or to the natural environment.

(collectively, **Disclosable Matter**)

This policy does not apply to certain types of matters such as personal work-related grievances unless the information being disclosed:

- (a) also includes information about misconduct;
- (b) the Company has engaged in conduct that represents a danger to the public or the disclosure relates to information that suggests misconduct beyond your personal circumstances;
- (c) you are threatened with detriment for making a disclosure; or
- (d) you seek legal advice or representation about the operation of the whistleblower protections under the Corporations Act.

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<sup>1</sup> Corporations Act 2001 (Cth), the Australian Securities and Investments Commission Act 2001, the Banking Act 1959, the Financial Sector (Collection of Data) Act 2001, the Insurance Act 1973, the Life Insurance Act 1995, the National Consumer Credit Protection Act 2009, the Superannuation Industry (Supervision) Act, an Instrument made under certain acts.

### *Personal work-related grievances*

If an individual wishes to report or disclose information relating to a personal work-related grievance, which does not involve any alleged or actual victimisation, harm or threat of harm, to the individual, then that disclosure should be reported to the Managing Director of the Company.

### *Public Interest Disclosure and Emergency Disclosures*

A Whistleblower is also entitled to make either a Public interest Disclosure or an Emergency Disclosure to a member of parliament (state or federal) or to a journalist in either print, radio, television or electronic media.

A Whistleblower that makes a Public Interest Disclosure and Emergency Disclosure which qualifies with the requirements of each disclosure (as applicable) and as set out in this policy, will be entitled to the Whistleblower protections disclosed in this policy and provided in the Corporations Act. The Whistleblower should seek independent legal advice prior to making a Public Interest Disclosure or Emergency Disclosure.

### **Eligible recipients**

Only reports about disclosable matters made to an eligible recipient or another individual recognised by applicable legislation as being able to receive such a report, attract protection the applicable law.

For the purpose of this policy, the Company's nominated eligible receipt is the Whistleblower Officer, however, if any person is not comfortable speaking with the Whistleblower Officer on a particular matter or if they are unavailable and the matter is urgent, they should contact the Chair or another member of the Board.

Other eligible recipients in accordance with whistleblower legislation include but are not limited to:

- (a) a director, company secretary, company officer or senior manager of the Company or any of its related body corporates.
- (b) the auditor of the Company;
- (c) a lawyer for the purpose of obtaining the appropriate advice, or legal representation, in relation to whistleblowing;
- (d) Australian Securities and Investment Commission (ASIC) (<https://asic.gov.au/about-asic/contact-us/how-to-complain/report-misconduct-to-asic/>);
- (e) Australian Prudential Regulation Authority (APRA) (<https://www.apra.gov.au/become-a-whistleblower-and-make-a-public-interest-disclosure>); or
- (f) Australian Tax Office (ATO) (<https://www.ato.gov.au/tipoffform/#LandingPage>) or another prescribed Commonwealth authority.

Nothing in this policy is intended to restrict you from disclosing reportable conduct, providing information to, or communicating with a government agency, law enforcement body or a regulator in accordance with any relevant law, regulation or prudential standard applicable in a jurisdiction in which the Company operates.

### **Whistleblower Officer**

The role of the Whistleblower Officer is to act in accordance with this policy and to safeguard the interests of the person raising the issue or making the complaint.

The Whistleblower Officer will have access to all information and resources required (including independent legal or financial advice) required to meet the objectives of this policy.

The Whistleblower Officer will be a member of the board (or a delegate authorised in writing when conflicted or during any periods of leave or unavailability).

### **How to make a disclosure**

It is the responsibility of all directors, senior executives, officers, consultants and employees to comply with the Company's Code of Conduct and report suspected acts of misconduct or violations or suspected violations in accordance with this policy.

Individuals may wish to discuss a matter informally with their manager, supervisor or a member of the board before determining if they wish to proceed in accordance with this policy. This allows individuals to clarify the suspected misconduct or allegations, ask questions and familiarise themselves with the policy and reporting process. All discussions will remain confidential and the individual will remain anonymous.

In accordance with this policy, any individuals with a concern may submit their concern directly and confidentially to Whistleblower Officer.

Individuals are also encouraged to report concerns in writing by sending a sealed letter addressed to the Company at its registered office. The letter should be marked private and confidential with "Attention – Whistleblower Officer" and it will be delivered unopened to the Whistleblower Officer or their delegate.

Whistleblowers are entitled to make anonymous disclosures which still attract protections under the applicable law and this policy, however, if you do not share your identity, the Company will assess your disclosure in the same way as if you had revealed your identity. However, there may be some practical limitations in conducting the investigation if you do not share your identity.

### **Protections for Whistleblowers**

#### *Protection of identity*

A Whistleblower will always be provided an assurance of anonymity (if requested), however, there may be circumstances where their identity may be required to be disclosed in the event of legal proceedings.

A Whistleblower is also entitled to make disclosures anonymously.

A whistleblower will be advised that there are some instances where their identity will be impossible to conceal if the reported conduct is investigated.

Information received from a Whistleblower will remain confidential and will only be subject to disclosure if:

- (a) the Whistleblower provides their express written consent; or
- (b) the concern is reported to ASIC, APRA, or the Australian Federal Police (AFP);
- (c) the concern is raised with a lawyer for the purpose of obtaining legal advice or representation; or
- (d) the Whistleblower Officer (or alternative investigating officer) or the Company is compelled by law to do so and/or disclosure is reasonably necessary for investigating the issues raised in the disclosure.

### *Legal Protections for Whistleblowers*

The Whistleblower is protected from:

- (a) the Whistleblower is protected from any civil, criminal or administrative liability for reporting on a disclosable matter. This does not prevent you from being subject to civil, criminal or administrative liability for your conduct revealed in a report;
- (b) the Whistleblower is protected from the Company exercising any contractual right or seeking contractual remedy against you on the basis that you have made the disclosure in accordance with this policy; and
- (c) being subjected to any form of detriment or victimisation from making the disclosure (detailed below)

### *Protection from victimisation and detrimental conduct*

Regardless of whether the suspicion proves to be unfounded or real, the Company will not tolerate harassment or victimisation of anyone who raises a genuine concern under this policy and the Company will deal with any victimisation and harassment of a Whistleblower appropriately.

The Company strictly prohibits all forms of detrimental conduct against a Whistleblower. Detrimental Conduct means any actual or threatened conduct that could cause a detriment to the Whistleblower as a result of making a disclosure, including:

- (a) termination of employment
- (b) harassment, bullying or intimidation;
- (c) personal or financial disadvantage;
- (d) unlawful discrimination;
- (e) harm or injury, including psychological harm;
- (f) damage to reputation; or
- (g) any other conduct that constitutes retaliation.

### *Support for Whistleblowers*

The Company will take all reasonable steps to protect the Whistleblower from Detrimental Conduct and will take action if it considers appropriate where such conduct is identified. The Company also strictly prohibits all forms of Detrimental Conduct against people who are involved in an investigation of a Whistleblower disclosure in response to their involvement in that investigation.

A Whistleblower may be entitled to compensation and/or other remedies (such as injunctions and orders requiring an apology or reinstatement of employment) to compensate for any victimisation, bullying, discrimination, harm or detriment which the Whistleblower has suffered as a result of reporting the issue to the Company.

If a Whistleblower does seek compensation or some other remedy from another person, entity or the Company in relation to harm suffered as a result of whistleblowing, then the Whistleblower has the onus to point to evidence which suggests a reasonable possibility of such harm having occurred. The other party bears the onus of proving that the claim is false.



The law imposes serious penalties upon persons and entities, including the Company, who breach the confidentiality of, or cause harm to, a Whistleblower. These penalties may include significant fines and/or imprisonment.

If any individual would like to obtain more information about the protections available for whistleblowers, individuals can contact the Whistleblower Officer.

### **Handling and investigating a disclosure**

The Whistleblower Officer is responsible for investigating and resolving all reported matters, unless the complaint is against the Whistleblower Officer, or is in any way related to the actions of the Whistleblower Officer.

The investigation of the disclosure made in accordance with this policy will be conducted in accordance with procedural fairness, in order to gather evidence to determine the nature and substance of the disclosure. The investigation will be independent of anyone involved directly or indirectly with the disclosable matter.

The Whistleblower may retain independent professional advice if necessary, to assist in its investigations. Where a complaint relates to a Whistleblower Officer or the actions of the Whistleblower Officer, the Managing Director will nominate a senior manager or director to act as the alternative investigating officer.

If there is evidence of criminal activity, then the investigating officer should inform the Police. The Company will ensure that any internal investigation does not hinder a formal police investigation.

The Whistleblower Officer (or alternative investigating officer) should inform the individual against whom the complaint is made as soon as is practically possible. The individual will be informed of their right to be accompanied at any future interview or hearing held under the provision of these procedures. The Whistleblower officer should consider the involvement of the Company auditors or legal advisers and the Police at this stage and should consult with the Managing Director or his delegate (as applicable). The allegations should be fully investigated by the Whistleblower Officer with the assistance, where appropriate, of other individuals/advisers.

The eligible whistleblower will be kept informed of the progress and the outcome of the investigation, to the extent possible, having regard to the Company's policies.

A judgement concerning the complaint and validity of the complaint will be made by the Whistleblower Officer (or alternative investigating officer). This judgement will be detailed in a written report containing the findings of the investigations and reasons for the judgement. The report will be passed to the Managing Director or the Managing Director's delegate if applicable.

The Managing Director or the Managing Director's delegate will decide what action to take. If the complaint is shown to be justified, then they will invoke the disciplinary or other appropriate Company procedures. The complainant should be kept informed of the progress of the investigations and, if appropriate, of the final outcome. If appropriate, a copy of the outcomes will be used to enable a review of Company procedures.

### **Retention of Records**

The Company shall hold all records on a confidential basis which relate to any reported matter and to the investigation of any such report for a period judged to be appropriate based upon the merits of the submission or as required by any applicable law. The types of records to be retained by the Company shall include records of all steps taken in connection with the investigation and the results of any such investigation, including any independent professional advice.

### **False reporting**

When making a disclosure, Whistleblowers will be expected to have reasonable grounds to suspect the information they are disclosing is true. Whistleblowers will not be penalised if the information turns out to be incorrect. However, individuals who make allegations or report a matter without reasonable good faith of the information, or who knowingly provide false information or make a false representation will be disciplined by the Company, and this will be considered a serious matter.

### **Confidentiality**

Reports of violations or suspected violations will be kept confidential and may only be disclosed to ASIC, APRA, a member of the AFP or to someone else in accordance with this policy and as otherwise prescribed the applicable law.

### **Ensuring fair treatment of people mentioned in a disclosure**

In addition to protecting Whistleblowers as set out in this policy, the Company will also ensure that people mentioned in a report or disclosure by a Whistleblower are treated fairly by mandating that any person authorised by the Company to receive reports from Whistleblowers (including senior managers, officers, auditors, lawyers and other directors):

- (a) are briefed with a copy of this policy annually along with other corporate governance policies and documents;
- (b) agree:
  - (1) to abide by the terms of this policy; and
  - (2) not to disclose to any person or entity, other than to the Board and senior management of the Company, the AFP, APRA, ASIC, ATO or another authorised Commonwealth authority the identity or contact details of a person referred to within the disclosure; and
  - (3) not to disclose to any person or entity, other than to the Board and senior management of the Company, the AFP, APRA, ASIC, ATO or another authorised Commonwealth Government authority the information referred to within the disclosure.

### **Accessibility of this Policy**

This policy is publicly available on Silver Mines website. A hard copy of this policy will also be made available at the Company's registered office on request.

The Board may, in its discretion, adjust or exclude a specific requirement of this policy from time to time, either generally or on a case by case basis. This policy may be amended, ceased or replaced, by resolution of the Board.

**Glossary**

<p><b>Emergency Disclosure</b></p>	<p>To qualify as an Emergency Disclosure and attract protection under this policy:</p> <ul style="list-style-type: none"> <li>(a) the Whistleblower must have made a disclosure with either ASIC, APRA or another Commonwealth body prescribed by regulation;</li> <li>(b) the matters reported concern a substantial and imminent danger to the health and safety of one or more persons or to the natural environment (<b>Emergency Disclosure</b>); and</li> <li>(c) before making an Emergency Disclosure, the discloser has given written notice to the body to which the previous disclosure was made that:             <ul style="list-style-type: none"> <li>(1) includes sufficient information to identify the previous disclosure; and</li> <li>(2) states that discloser intends to make an Emergency Disclosure.</li> </ul> </li> </ul> <p>When making an Emergency Disclosure the extent of information disclosed in the emergency disclosure must be no greater than is necessary to inform the journalist or parliamentarian of the substantial and imminent danger.</p>
<p><b>Public Interest Disclosure</b></p>	<p>To qualify as a Public Interest Disclosure and attract protection under this policy:</p> <ul style="list-style-type: none"> <li>(a) the Whistleblower must have already made a disclosure with either ASIC, APRA or another Commonwealth body prescribed by regulation and at least 90 days has passed since the disclosure was made;</li> <li>(b) the matters reported are a matter of public interest (<b>Public Interest Disclosure</b>) because you have reasonable grounds to believe that reporting your concerns to a journalist or parliamentarian would be in the public interest ; and</li> <li>(c) before making a Public Interest Disclosure, the discloser has given written notice to the body to which the previous disclosure was made that:             <ul style="list-style-type: none"> <li>(1) includes sufficient information to identify the previous disclosure; and</li> <li>(2) states that the discloser intends to make a Public Interest Disclosure.</li> </ul> </li> </ul>

<p><b>Personal work-related grievances</b></p>	<p>Disclosures that relate solely to personal work-related grievances and that do not relate to the detriment of the discloser including:</p> <ul style="list-style-type: none"> <li>(a) the grievances that related to your current or former employment and have or tend to have implications to you but do not have any significant implications for the Company or another entity or related to any conduct or alleged conduct about Disclosable Matter</li> <li>(b) interpersonal conflict between you and another employee; and</li> <li>(c) decisions that do not involve a breach of workplace laws e.g. engagement, transfer or promotion, terms and conditions of engagement or to suspend or terminate discipline</li> </ul>
<p><b>Reasonable grounds</b></p>	<p>The term 'reasonable grounds to suspect' means that a reasonable person in your position would also suspect the information indicates misconduct or a breach of the law.</p>
<p><b>Related body corporates</b></p>	<p>As prescribed by section 50 of the <i>Corporations Act 2001</i> (Cth)</p>
<p><b>Whistleblower Officer</b></p>	<p><b>Company Secretary - Trent Franklin</b></p> <p>Email: <a href="mailto:trentfranklin@silvermines.com.au">trentfranklin@silvermines.com.au</a> Tel: 02 8316 3997</p> <p><b>Managing Director - Anthony McClure</b></p> <p>Email: <a href="mailto:anthonymcclure@silvermines.com.au">anthonymcclure@silvermines.com.au</a> Tel: 02 8316 3997</p>