

CONFLICT OF INTEREST AND RELATED PARTIES POLICY

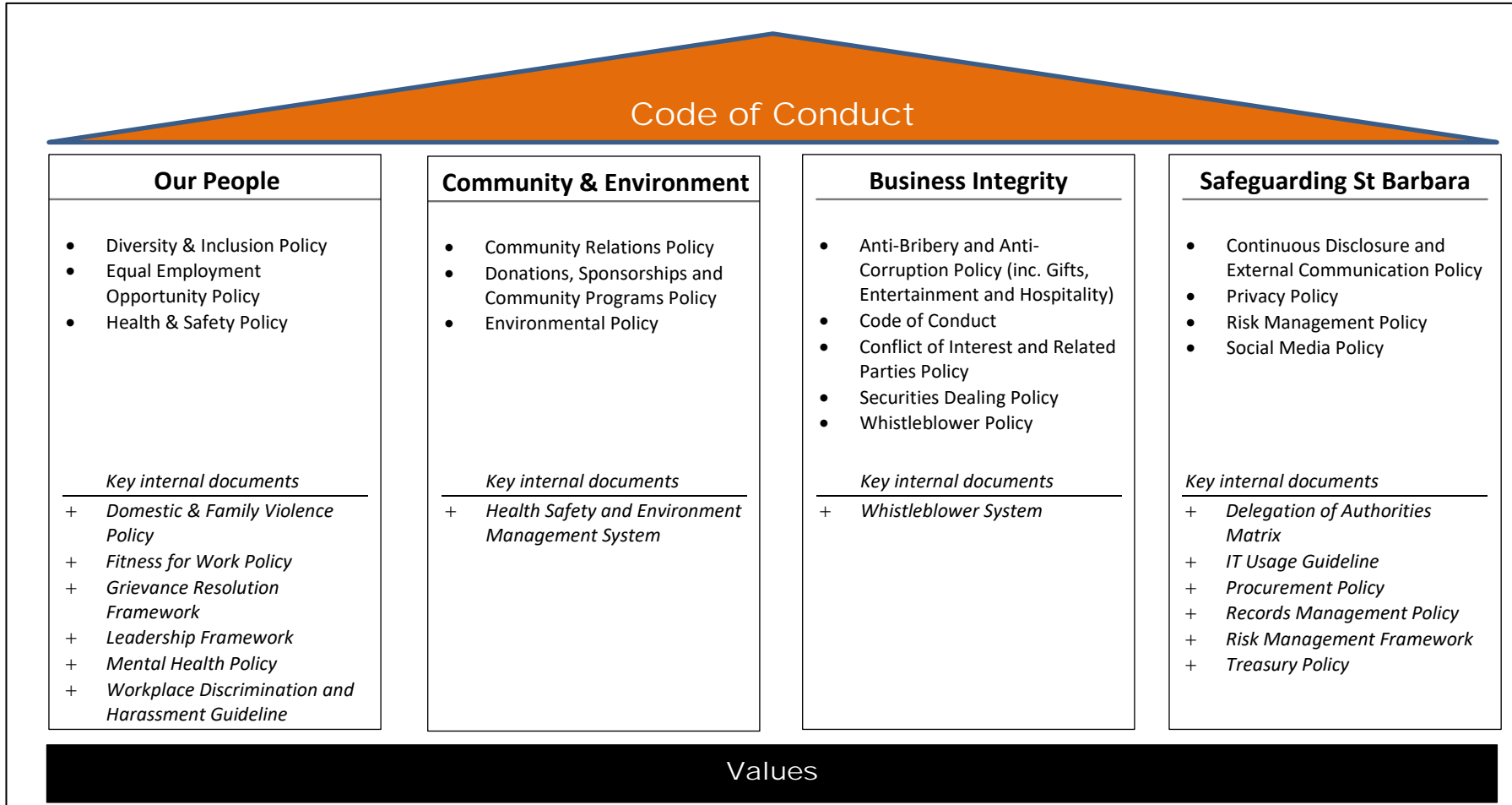
Document Owner	Company Secretary
First Originated	19 Dec 2014
Previous Revision	19 Dec 2014
Issue Date (this revision)	19 Feb 2019

UNCONTROLLED COPY WHEN PRINTED

St Barbara Code of Conduct Framework

This Code is one component of St Barbara’s Code of Conduct Framework.

At the time of publication of this Code, the Code of Conduct Framework includes the following policies and related documents:



● = Policy published on www.stbarbara.com.au

○ = Document in preparation

+ = Internal document published on ROCKi

TABLE OF CONTENTS

1. PURPOSE	4
2. SCOPE	4
3. WHAT IS A CONFLICT OF INTEREST AND RELATED PARTY TRANSACTION	5
3.1 CONFLICT OF INTEREST	5
3.2 WHEN CAN A CONFLICT ARISE	5
3.3 RELATED PARTY TRANSACTIONS.....	6
3.4 INSIDER TRADING.....	6
4. WHAT SHOULD YOU DO IF AN ACTUAL OR POTENTIAL CONFLICT ARISES	7
5. WHAT SHOULD YOU DO IF YOU SUSPECT A RELATED PARTY TRANSACTION	7
6. CONSEQUENCES OF BREACHING THIS POLICY	8
7. FURTHER GUIDANCE	8

1. PURPOSE

St Barbara is committed to the very highest standards of business integrity and ethics. The purpose of this Policy is to:

- inform St Barbara Personnel about what conduct is expected of them in relation to actual, potential or perceived conflicts of interest and related party transactions; and
- help manage St Barbara's risks in relation to conflicts of interest and related party transactions.

All St Barbara Personnel must avoid conflicts between their own personal, professional or financial interests and the interests of St Barbara or any of its subsidiaries. Each person is required to declare any perceived or actual conflict of interest and take action to avoid situations where a conflict of interest will influence an action or outcome for St Barbara.

St Barbara Personnel must:

- be alert to potential and actual conflicts of interest and related party transactions; and
- report any actual or suspected conflict of interest or related party transaction (whether involving themselves or some other St Barbara Personnel) to the Company Secretary or Manager Legal.

Appropriately managing conflicts of interest and related party transactions is integral to ensuring that St Barbara and St Barbara Personnel act in accordance with the law and with honesty, integrity and transparency at all times.

All St Barbara Personnel are individually responsible for ensuring they comply with this Policy.

2. SCOPE

This Policy applies to all individuals at all levels who are employed by, act for, or represent St Barbara Limited or any of its subsidiaries anywhere in the world (**St Barbara Person or St Barbara Personnel**), including:

- a. directors;
- b. officers;
- c. managers;
- d. employees;
- e. contractors;
- f. consultants; and
- g. any other person representing St Barbara.

This Policy applies to St Barbara Personnel irrespective of whether they are employed on a full-time, part-time, fixed term, casual or temporary basis.

In this Policy, a reference to St Barbara should be read to include St Barbara Limited or any of its subsidiaries.

3. WHAT IS A CONFLICT OF INTEREST AND RELATED PARTY TRANSACTION

3.1 CONFLICT OF INTEREST

A conflict of interest arises where there is an actual or potential or perceived conflict between a person's private interests and the person's performance of their official duties and responsibilities.

A person's private interests include a person's personal interests as well as the interests of a person's family, friends or close business associates or partners.

The interest may be tangible (including where financial advantage, disadvantage or other benefits accrue) or intangible (including where personal, family or business affiliations may be advantaged or otherwise) by a decision or action.

3.2 WHEN CAN A CONFLICT ARISE

A conflict of interest can arise in a wide variety of circumstances. For example, a conflict may arise between the private interests of a St Barbara Person and the interests of St Barbara where the St Barbara Person has:

- a. a personal interest (be it personal, financial or professional) in a party which has or is seeking a business relationship with St Barbara, for example, a party that:
 - i. conducts business with, or seeks business from, St Barbara;
 - ii. St Barbara conducts business with or seeks business from; or
 - iii. competes with St Barbara.
- b. a family relationship with an individual who is seeking employment with St Barbara;
- c. a personal relationship with an actual or potential supplier or contractor to St Barbara;
- d. a financial interest in a current or potential supplier or contractor of St Barbara;
- e. provided information about St Barbara to an external person in exchange for a benefit (financial or otherwise);
- f. accepted gifts, discounted goods or services, or favours of any value where the decisions made by the St Barbara Person will influence an outcome or action in relation to the giver of the gift, discount or favour;
- g. exerted influence in relation to an outcome or action by St Barbara which favours a person who has a personal relationship with the St Barbara Person;
- h. engaged in a close personal relationship with another employee who is a direct report or a person who is in their team;
- i. been involved in the disposal of St Barbara's assets to, a decision to enter a business relationship with, or award business to:
 - a person who has a personal relationship with the St Barbara Person; or
 - a company in which the St Barbara Person or a friend or family member of a St Barbara Person has an interest.

This list is not exhaustive. All St Barbara Personnel must carefully consider whether a potential conflict exists and follow this Policy accordingly, rather than solely rely on the above list.

Some conflicts of interest may also be related party transactions.

3.3 RELATED PARTY TRANSACTIONS

A related party transaction is a transaction in which a financial benefit is provided to a related party of St Barbara.

'Related party' is a defined term under the Corporations Act. Related parties of St Barbara are:

- a. an entity that controls or is controlled by St Barbara;
- b. a director of St Barbara and/or their spouses, parents or children;
- c. an entity controlled by a director of St Barbara or their spouses, parents or children;
- d. an entity that fell within (a), (b) or (c) in the previous 6 months; or
- e. an entity that believes or has reasonable grounds to believe that it will become a related party of St Barbara at any time in the future.

There are many circumstances in which a related party transaction may occur. The definition of "financial benefit" is broad. A financial benefit can be given indirectly, informally, orally or through a non-binding agreement. It does not have to involve payment of money. A non-exhaustive list of examples of provision of financial benefit includes:

- a. giving or providing cash, assets, finance or property;
- b. buying or leasing an asset from or selling an asset to a related party;
- c. supplying or receiving services from a related party;
- d. issuing securities or granting options to a related party; and
- e. taking up or releasing an obligation of the related party.

Under the Corporations Act, St Barbara Limited must obtain shareholder approval before providing a financial benefit to a related party, unless a specific exception applies. The most frequently used exception is where the transaction with a related party is made on terms that would be considered reasonable were the parties dealing at 'arm's length'. However, the law around these exceptions is complex and St Barbara Personnel should always exercise caution in relation to related party transactions and never assume that an exception will apply.

As an ASX listed Company, St Barbara must also obtain shareholder approval or a waiver from the ASX before acquiring from or disposing of substantial assets to related parties, subsidiaries, substantial shareholders, associates of related parties.

3.4 INSIDER TRADING

Insider Trading is a special type of conflict of interest which is prohibited under the Corporations Act. St Barbara has a Securities Dealing Policy which addresses Insider Trading.

Anyone possessing inside information (i.e. information which is not generally available to the public and which may have a material effect on the price of the shares being traded) is prohibited from trading in shares (including St Barbara shares). This prohibition includes (but is not limited to) St Barbara Personnel, Connected Persons of St Barbara Personnel (defined fully in the [Securities Dealing Policy](#) and includes spouse or partner, child, a relative in the same household, business partner, a company or business in which the St Barbara Person is a director, senior executive or holds more than 20% of shares, or a trustee where the beneficiaries of the trust include any of the above) and Related Parties.

Where it has not been possible to avoid, any conflict of interest in relation to shares must be declared and managed.

For further information regarding share trading, refer to the St Barbara [Securities Dealing Policy](#).

4. WHAT SHOULD YOU DO IF AN ACTUAL OR POTENTIAL CONFLICT ARISES

If an actual or potential conflict arises, St Barbara Personnel must properly manage the conflict in accordance with the following procedures:

- a. immediately disclose the conflict to St Barbara by notifying the Company Secretary or Manager Legal directly, or completing the online Conflicts of Interest and Related Party Transactions form available on St Barbara's intranet (ROCKi) under the ABAC Registers;
- b. immediately disclose any change to a conflict of interest situation by notifying the Company Secretary or Manager Legal; and
- c. if there is any doubt as to whether a conflict may exist, promptly seek guidance from the Company Secretary or Manager Legal.

St Barbara Personnel may also alternatively disclose the conflict or potential conflict if it relates to another person under the Whistleblower Policy.

In disclosing the actual or potential conflict of interest, the following should be included:

- a. details of the nature and extent of the interest held by the St Barbara Personnel;
- b. the proposed method of dealing with the conflict; and
- c. whether it is possible to avoid the conflict.

Conflict of interest situations will be dealt with on a case by case basis.

The Company Secretary of St Barbara will maintain a confidential register of actual and potential conflicts of interest that have been disclosed to or otherwise identified by the Company Secretary. The Company Secretary, in conjunction with Manager Legal, may seek external advice or refer matters to the Board of St Barbara. St Barbara may not require anything to be done after the interest is disclosed, however, in some cases St Barbara may find it necessary to direct the reporting/affected person to take actions, including undertaking alternative duties and/or dispose of the interest.

Directors of St Barbara Limited must deal with conflicts in accordance with section 4 of the Board Charter.

5. WHAT SHOULD YOU DO IF YOU SUSPECT A RELATED PARTY TRANSACTION

Where St Barbara proposes to enter into a transaction which may be considered a related party transaction, the following procedure applies:

- a. the St Barbara Personnel responsible for the transaction must inform the Company Secretary or Manager Legal about the proposed transaction, including the proposed parties and how they are related, details of the proposed transaction and where arm's length terms may be evidenced. This may be done directly or by completing the online Conflicts of Interest and Related Party Transactions form available on ROCKi under the ABAC Registers;
- b. the Company Secretary in conjunction with Manager Legal will review the transaction, and may take external legal advice in considering the transaction;
- c. the Company Secretary or Manager Legal will inform and advise the Board of the proposed transaction and obtain the Board's approval for the Company to undertake the transaction;

- d. where the transaction is not considered to be at 'arm's length' and does not fall within any statutory exception, the Board will determine whether to proceed with the transaction and, together with the Company Secretary or Manager Legal, ensure that if the transaction proceeds, it is carried out in a manner that is compliant with the Corporations Act (including obtaining shareholder approval);
- e. the Company Secretary must maintain a register of all Board approvals of related party transactions, and the register must include details of the nature of the transaction, the date of the Board approval and any key conditions to which the approval is subject; and
- f. where Board approval is obtained, the transaction must proceed in accordance with any procedures and conditions outlined by the Board.

6. CONSEQUENCES OF BREACHING THIS POLICY

Failure to properly identify, avoid or manage conflicts of interest and related party transactions can have serious professional, reputational and financial consequences for both St Barbara and the St Barbara Personnel involved.

The consequences of breaching the laws relating to related party transactions are severe and can include court injunctions and financial penalties. Directors and officers of St Barbara Limited who are involved in the failure to obtain shareholder approval may commit an offence under the Corporations Act if their involvement was dishonest.

Consequently, all St Barbara Personnel must:

- a. properly assess and manage conflict risk as each potential/perceived conflict arises; and
- b. properly assess any proposed transaction to determine if it may be a related party transaction.

All St Barbara Personnel have a strict obligation to comply with this Policy. A breach of the Policy may result in disciplinary action up to and including termination of employment for employees, or termination of contract for contractors or consultants.

7. FURTHER GUIDANCE

Not all situations which may arise in the conduct of business can be directly addressed in a Policy. St Barbara Personnel should bring their own reason, propriety and judgement to a situation based on the principles set out in this Policy.

If you require further guidance as to this Policy, please promptly contact the Manager Legal or Company Secretary. The Company encourages you to ask questions and raise matters which may be of concern. Open communication about issues of concern is the best way to ensure appropriate Company compliance with law and business ethics.