

Code of Conduct

Astro Diamond Mines NL
ACN 007 090 904

1 Introduction

This code outlines how Astro Diamond Mines NL (Astro) expects directors and employees of Astro and its related bodies corporate (collectively the **Employees**) to behave and conduct business in the workplace on a range of issues.

Astro is committed to the highest level of integrity and ethical standards in all business practices. Employees must conduct themselves in a manner consistent with current community and corporate standards and in compliance with all legislation.

The objective of the code is to:

- provide a benchmark for professional behaviour throughout Astro;
- support Astro's business reputation and corporate image within the community; and
- make Employees aware of the consequences if they breach the code.

2 Statements of Commitment

2.1 Commitment to Employees

Employees are the most important resource of Astro. The collective skills, energy and commitment of the Employees is the key driver of Astro's business activities.

Astro is committed to providing a workplace that respects the rights of all Employees.

Astro will endeavour to maintain a workplace that is healthy and safe, fair and honest and free of harassment, hostility and offensive behaviour.

Astro will endeavour to keep Employees informed on Astro's activities.

The views of Employees will be respected and participation will be encouraged.

2.2 Commitment to customers

Astro will endeavour to enhance relationships with customers and seek to develop lasting and fruitful partnering with customers.

Astro seeks to generate business based on a reputation of honesty, integrity and fairness, as well as innovative and superior services based on competitive fees.

Astro aims to be respected by its clients and to be regarded as the customers' preferred supplier of services.

2.3 Commitment to shareholders

Astro aims to increase shareholder value within an appropriate framework which safeguards the rights and interests of the Company's shareholders and the financial community.

Astro aims to comply with systems of control and accountability in place as part of its corporate governance with openness and integrity.

Astro seeks to keep its shareholders and prospective investors fully informed by communicating financial results and activities on a regular basis.

Astro will protect its property and assets and safeguard them from loss, theft and unauthorised use.

Astro will maintain records which are accurate in their representation of business events and will be used appropriately and stored securely.

Astro will restrict the use of information to be used to benefit Employees or anyone who interacts with Employees, either financially or otherwise.

2.4 Commitment to governments

Astro will endeavour to comply with all applicable laws and regulations in any country in which it conducts its business.

Astro will respect all regulations and expectations of bodies such as the Australian Taxation Office and state and territory taxation authorities, ASIC, ASX, ACCC and similar bodies.

2.5 Commitment to communities

Astro will endeavour to minimise the impact of its operations on surrounding communities.

Astro will encourage Employees to support industry and community safety, health and environmental initiatives that pertain to its business.

Astro will respect the environment and comply with the relevant environmental laws in the countries in which it operates.

3 The Code

3.1 Compliance with and respect for the law

Astro and Employees must respect the law and act accordingly by observing and respecting the relevant laws, customs and business methods in the environment in which Astro operates.

If an Employee has concerns or queries about specific legal issues connected with Astro then they should, where appropriate, discuss those issues with their manager or the Company secretary in the first instance. Where necessary, legal advice should be sought before any decision is made in relation to the issue.

3.2 Fair dealing

Astro aims to maintain the highest standard of ethical behaviour in business dealings and to behave with integrity in all its dealings with customers, clients, shareholders, government, Employees, suppliers and the community.

Employees are expected to perform their duties in a professional manner and act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of Astro. This should involve as a minimum:

- acting within applicable laws, particularly those that deal with matters covered by this code, including equal opportunity and antidiscrimination laws;
- acting with courtesy;
- acting with fairness and respect in supervision;
- encouraging cooperation;
- fostering an environment where rational debate is encouraged, with a view to achieving shared goals;

- avoiding behaviour that might reasonably be perceived as bullying or intimidation; and
- understanding and responding to the needs of Astro's broader stakeholders including the community at large.

3.3 Equal opportunity and anti-discrimination

Astro will not permit discrimination, intimidation or harassment of or by Employees on the basis of race, gender, marital status, national origin or religious beliefs or on the basis of any other personal characteristics protected by law.

Discrimination is not permitted at any level of Astro or in any part of the employment relationship. This includes areas such as recruitment, promotion, training opportunities, salary, benefits and terminations.

Astro will treat all Employees according to their skills, qualifications, competencies and potential.

Astro will promptly investigate all allegations of harassment, bullying, victimisation or dissemination and will take appropriate corrective action. All harassment complaints will be treated seriously, sympathetically, quickly and privately. Retaliation against individuals for raising claims of harassment or discrimination will not be tolerated.

3.4 Financial and other inducements

It is an offence to bribe a foreign public official under the *Criminal Code Act 1995* ("**Code**"). There are potentially serious consequences for breaching the Code including imprisonment. The Code describes a bribe as providing, causing or promising a benefit to another person where that benefit is not legitimately due. The Code makes this provision irrespective of whether the benefit is customary or perceived to be customary or tolerated.

Internationally, various similar legislation enables some other countries to prosecute their own citizens and corporations, as well as other persons within their jurisdiction, for bribery of public officials abroad.

Astro does not countenance the making of payments (including payments in kind such as gifts, favours, etc.) to influence individuals to award business opportunities to Astro or to make business decisions in Astro's favour.

In some countries employees may be asked to make small payments to low-level public officials or government employees which are sometimes called facilitation payments. These payments are sought to expedite or bring about routine services or actions by those individuals. Astro does not support making these payments as a matter of policy, and expects employees and officers to make every effort to avoid them.

Where a payment of this kind cannot be resisted the payment must, at a minimum, be approved by the employee's supervisor and be accounted for clearly and accurately. A record must be kept detailing the value of the benefit, the date on which the conduct occurred, the identity of the foreign public official and particulars of the routine government action that was sought to be expedited or secured.

In addition, Astro must maintain an accurate and auditable record of all financial transactions in accordance with generally accepted accounting principles. This includes maintaining appropriate records of all gifts, entertainment and payments to government officials, employees and others. Entries should not distort or disguise the true nature of any transaction.

This Code of Conduct does not prohibit any payments, including facilitation payments, where these payments are made in accordance with the Code and this Code of Conduct.

This Code of Conduct also applies to agents and third parties who are employed by the Company to represent its interests.

3.5 Occupational health and safety

Astro is committed to maintaining a healthy and safe working environment for its Employees.

All appropriate laws and internal regulations (including occupational health and safety laws) must be fully complied with.

Astro will take into account the impact of health and safety issues when making business decisions and must ensure that business decisions do not compromise the commitment to avoiding injury to people.

3.6 Disclosure of Company information

Astro has a formal Information Policy to protect confidential information, keep the market fully informed of information which may have a material effect on the price or value of Astro's securities and to correct any material mistake or misinformation in the market.

Astro requires Employees to understand the requirements of the policy and to act in accordance with the policy.

3.7 Inside information

Astro has adopted formal "Guidelines for Dealing in Securities" in order to ensure compliance with insider trading laws.

3.8 Conflicts of interest

All business transactions must be conducted solely in the best interests of Astro.

Employees must avoid situations where their personal interests could conflict with the interests of Astro.

A conflict of interest exists where loyalties are divided. A person can have a potential conflict of interest if, in the course of their employment or engagement with Astro, any decision they make could provide for an improper gain or benefit to themselves or an associate. A conflict of interest may be defined as an issue that may occur when personal interests, the interests of an associate or relative or a duty or obligation to some other person or entity, conflict with a person's duty or responsibility to Astro.

Employees must notify their manager, the chief executive officer or company secretary if the individual suspects that there is a conflict of interest or a potential conflict of interest.

3.9 Improper use or theft of property or assets

Employees have a responsibility to protect any Company property and assets that are under their control and must be safeguarded from loss, theft and unauthorised use.

Company property and assets include cash, securities, business plans, third-party information, intellectual property (computer programs, software, models and other times) confidential information, office equipment and supplies.

Company assets may not be used for personal purposes without prior Company approval. Company property and documents should not be removed from official premises without a good and proper reason. If removed, they must be stored in a secure manner and the appropriate manager must be informed.

Employees leaving Astro must return all Company property in their possession.

Employees are encouraged to use common sense and observe standards of good taste regarding content and language when creating documents that may be retained by Astro or a third party.

Employees should not use Astro's electronic communications systems to access or post material that is pornographic, obscene, sexually related and profane or which is otherwise offensive or violates Company policies or any laws or regulations.

Employee use of Astro's electronic communication systems for non-business purposes must be occasional, not interfere with the Employee's professional responsibilities, not diminish productivity and not violate this code or any of Astro's policies.

Any messages transmitted by email are treated as business messages and constitute property of Astro.

All Company books, records and accounts must accurately reflect the precise nature of transactions recorded. Employees must comply with prescribed accounting and business procedures and controls at all times.

3.10 Outside employment

Employees may not receive payment for services from any competitor, customer, supplier or anyone associated with Astro without approval from the managing director or equivalent.

Any outside activity must be identified as completely separate from Astro, undertaken outside work hours and not in any way impinge on the Employee's work commitments. It must not represent an actual or potential conflict of interest or the perception of conflicting interests.

4 Compliance with the Code

The code is a public document and as a result, adherence to the code is fundamental to Astro's reputation in the business community.

Any Employee who is aware of any breaches of this code must report the matter to the chief executive officer or company secretary.

Strict compliance with this Code of Conduct is a condition of employment. Breaches of the Code of Conduct shall be subject to disciplinary action which may include termination of employment.