
Anti-Bribery and Corruption Policy

Liontown Resources Limited ACN 118 153 825 (“Liontown” or the “Company”)

1 Purpose

The Company is committed to responsible corporate governance, including ensuring that appropriate processes are in place to promote the compliance with anti-bribery and corruption laws in countries where Liontown operates.

Accordingly, the Board has endorsed this Bribery and Corruption Policy (Policy) to support its governance framework. References in this Policy to Liontown include its subsidiaries.

The purpose of this Policy is to:

- (a) outline the Company’s position on bribery and other corrupt behaviour;
 - (b) outline the responsibilities of the Board, officers, senior executives, employees, consultants, contractors (Liontown Personnel) in observing and upholding our position on bribery and corruption;
 - (c) promote the use of legitimate business practices in presenting Liontown’s position on issues to government authorities and in the marketplace; and
 - (d) provide information on guidance on how to recognise and deal with instances of bribery and corruption.
-

2 Who does this Policy apply to?

All Liontown Personnel, any parties acting as representatives or agents of the Company, and others who may provide services on the Company’s behalf (Liontown Group Representatives).

This Policy applies to the Company’s majority-owned operations in countries in which the Company or its subsidiaries operate. Where Liontown has a minority interest, compliance with the requirements outlined in this Policy is required where it is reasonable and appropriate for Liontown to ascertain and recognising that the manner in which these requirements are met by other parties may vary.

3 Sources of Legal Obligations

The sources of legal obligations behind this Policy are the anti-corruption laws of countries in which the Company and its subsidiaries operate, under the United Nations Anti-Corruptions Convention as well as the OECD Convention on the Combating Bribery of Foreign Public Officials in the International Business Transactions, including:

- a) *Criminal Code Act 1995* (Cth), *Criminal Code Amendment (Bribery of Foreign Officials) Act 1999* (Cth) and *Corporations Act 2001* (Cth)(Australia);
- b) *Bribery Act 2010* (UK);
- c) *Foreign Corrupt Practices Act 1977* (US) and the US Code, sec 666 – theft or bribery concerning programs receiving Federal funds (United States);
- d) any anti-corruption law of a country which applies to the Company, its business partners, or third parties operating on its behalf.

A number of the above laws, such as the Australian Criminal Code, the US Foreign Corrupt Practices Act and the UK Bribery Act 2010, have extra territorial reach. This means that, for example, under Australian law an Australian citizen may be prosecuted in Australia even where the relevant activity occurred overseas. These laws apply to Liontown as well as Liontown personnel.

4 Policy and Compliance

The Company does not tolerate any form of bribery or corruption. Bribery and corruption involves the misuse of position and influence, in return for improper advantage, undermining integrity and fairness of the marketplace. The Company aims to comply with all applicable anti-bribery and corruption laws in countries where we operate. Breaching these laws may result in serious criminal and civil penalties in addition to the reputational damage that may be done if the Company is involved in bribery or corruption.

5 Role of individuals and Liontown Group Representatives

The Company expects, where reasonable and appropriate, those covered by this Policy to:

- understand and comply with this Policy;
- report any instances where improper payments (including facilitation payments) are requested as soon as possible after the request is made;
- be alert to warning signs of corrupt conduct and, if in good faith, considers the conduct is or may be a breach of this Policy must immediately report or seek guidance about suspected or actual violation of this Policy. Reporting may be through management, to the relevant legal counsel, or other authority, depending on what is most comfortable or appropriate in the circumstances to the individual(s);
- reward individuals for actively seeking to comply with and enforce this Policy, including those who refuse to engage in bribery or other corrupt conduct;
- conduct appropriate due diligence into potential counterparties, agents, joint venturers and other business partners and ensure that they comply with this Policy or that their own anti-bribery and corruption policies are consistent with this Policy and are being followed in accordance;
- use appropriate contractual requirements in agreements with third parties to ensure that Liontown has adequate protections (including, for example, warranties and guarantees) and rights (including, for example, notification, indemnification, audit, and termination); and
- discipline individuals who violate the Policy in accordance with section 15.

If any Liontown Group Representative is unsure whether a particular act constitutes bribery, a facilitation payment, a secret commission or money laundering, or has any other queries, they should ask their immediate manager.

6 Definitions

Bribery means the offering, promising, giving or accepting or soliciting of any value (including a financial or other advantage) to improperly influence actions. Improper influence involves the intent to induce an action which is illegal, unethical or a breach of trust (a misuse of someone's position).

Corruption means dishonest activity involving the abuse of position and/or trust to get an advantage or gain not legitimately due (whether a personal advantage or an advantage for Liontown).

Bribery can often be difficult to identify, and it is important to remember that:

- Bribery can take many forms, is often disguised and may be difficult to trace or detect. Some examples of common types of bribes, and things often used to hide bribes, include:
 - money (or cash equivalent such as shares, gift cards, etc);
 - discounts;
 - unreasonable or extravagant gifts, entertainment or hospitality (including free or discounted upgrades, free or heavily discounted flights, accommodation or other product);
 - benefits and 'perks' to relatives, including employment, education, training, etc;
 - inflated or false invoices (or enhanced fees/commissions);
 - unwarranted allowances or expenses;
 - kickbacks;
 - "facilitation payments" also known as "grease payments" (see below);
 - political/charitable contributions;
 - uncompensated use of company services or facilities;
 - information;
 - anything else of value; or
 - another advantage not legitimately due (whether financial or not).
- Bribery may be direct, or it may be indirect, for example, involving an intermediary or agent of the person giving or accepting the bribe.
- Bribes need not involve large sums of money and in fact, a bribe can occur even if no money is exchanged at all.
- The offence of bribery can occur even if the bribe is 'unsuccessful' (eg, the conduct sought to be induced does not occur).

A **facilitation payment** is a small payment or other inducement provided to a government official in order to secure or expedite a routine function that the official is ordinarily obliged to perform already (such as the grant of a license or customs approval).

A **secret commission** is an undisclosed payment (or something of value) that is offered or provided to a representative of a person for the purpose of influencing that person in the conduct of their business.

Extortion is an improper demand for payment from an employee or representative.

The definition of “government official” is relatively broad and extends beyond the common understanding of the term. **Government Official** includes:

- any official or employee of a government (whether national, state/provincial or local) or agency, department or instrumentality of any government;
- any official or employee of a government-owned or controlled entity (including state owned or controlled enterprises);
- any official or employee of any public international organisation (for example, the UN, the World Bank, etc);
- any person acting in an official function or capacity for such government, agency, instrumentality, entity or organisation;
- any person who holds or performs the duties of any appointment created by custom or convention or who otherwise acts in an official capacity (including some indigenous or tribal leaders who are authorised and empowered to act on behalf of the relevant group of indigenous peoples and members of royal families);
- any political party, party official or candidate for political office;
- any person who holds themselves out to be an authorised intermediary of a government official.

If you are unsure whether an individual is a Government Official, please contact your immediate manager

7 Improper Exchanges – Offering and Receiving

Liontown Group Representatives must not offer, promise, accept, receive or request – or engage another party to offer, promise, accept, receive or request anything of value (cash, loan, gift, hospitality, personal/family/social/sporting/ cultural favour or other financial or non-financial advantage) for the purpose of inducing or rewarding a discretionary favourable action or the exercise of influence, regardless of the country, public or private sector or person concerned. The payment or receipt of secret or undisclosed commissions is strictly prohibited.

Liontown and Liontown Group Representatives must not consent to, or connive in, aid or abet, counsel or procure the commission of any of the conduct outlined in this Policy.

8 Extortion

The Company also condemns improper demands for payment from Liontown Group Representatives, referred to in many parts of the world as “extortion”. A payment can be made where a member of Liontown Group Representatives reasonably believes that his/her or another’s life or health is at risk unless a demand for payment is met, provided the Liontown Group Representatives immediately reports the incident to the Managing Director of Liontown.

Absent an immediate threat to life or health, where an improper demand for payment has been made under threat or confinement or serious destruction of company property, the Managing Director should be contacted immediately.

9 Gifts, Discounts and Hospitality

Exchange of gifts, discounts or hospitality (including customer travel and accommodation) made in the ordinary course may compromise – or appear to compromise – the exercise of objective business judgement. These may also give rise to the conflict between the personal interests of Liontown Group Representatives and the interest of Liontown. Liontown Group Representatives must be cautious when offering or receiving gifts and hospitality, discounts or hospitality, and only do so when these are:

- a) token, seasonal or due to a special occasion or local custom, and in line with the accepted business practice;
- b) not seen to impair independent business judgement, particularly in connection with an anticipated or pending business transaction or regulatory approval; and
- c) be consistent with this Policy.

In some jurisdictions there are strict restrictions on exchanging gifts and hospitality with government officials and the reimbursement government officials' expenses. When dealing with government stakeholders, Liontown Group Representatives must comply with Liontown's regional guidelines on gifts and hospitality to ensure compliance with local law.

When dealing with private or publicly-listed business partners, Liontown Group Representatives must not accept or offer gifts and hospitality valued at over \$1,000 at any one occasion. Multiple exchanges of gifts and hospitality under this threshold with the same person should also be avoided. Where in doubt, Liontown Group Representatives must consult with the Managing Director. The Managing Director has absolute discretion to approve hospitality or gifts over this threshold if appropriate and permissible by law.

Where a Liontown subsidiary company's rules in relation to gifts and hospitality are more restrictive due to the jurisdiction in which it operates, then affected Liontown Group Representatives must comply with the rules of the subsidiary.

10 Intermediaries, Agents, Business Partners and Other Third Parties

In situations where a third party/intermediary is engaged for example, to:

- represent Liontown's interest, for example, to current and potential private or government
- business partners (such as a sales agent, a customs clearing agent or a lobbyist) (an intermediary);
- conduct work on behalf of Liontown (a contractor); or
- work with Liontown on a particular project or matter (such as a JV partner or business partner),

the Liontown Personnel responsible for the engagement must, if considered reasonable and appropriate in each circumstance:

- a) ensure that Liontown undertakes appropriate and documented due diligence regarding the integrity, reputation, credentials and qualifications of the third party;
- b) ensure that the fees payable to the third party are reasonable for the services being rendered. Ad valorem or percentage-based fees may not be agreed without prior approval of the Managing Director or a designated person;
- c) ensure that the Liontown's position with respect to anti-bribery and corruption as set out in this Policy is communicated to the third party;
- d) ensure that the third party either agrees in writing to comply with this Policy, or has similar values and similar appropriate anti-bribery and corruption policies of its own. Where such third parties have a policy which substantially meets the principles and requirements set out in this Policy, Liontown may

accept a commitment by that entity to comply with that entity's own policy in place of requiring a commitment to comply with this Policy;

- e) ensure that the agreement with the third party incorporates Liontown's standard terms in relation to anti-bribery and corruption, as appropriate based on the risk based assessment of the third party (including clauses relating to matters such as warranty, guarantee, reporting, audit, termination and indemnification); and
- f) undertake regular reviews (as appropriate) of the third party's performance to monitor relevant performance and prevent misconduct.

It is the responsibility of the employee engaging the third party to ensure that these requirements are met. Entities Liontown seeks to acquire must also be subject to appropriate and documented anti-bribery and corruption due diligence.

11 Charitable Donations

Liontown may at certain times support a number of charitable causes in countries where Liontown operates, by making charitable donations, without expectation or acceptance of favourable action or the exercise of influence. In limited circumstances, a charitable donation may pose a risk of corruption, for example by being made to an artificial charitable organisation, or ultimately benefiting a third party such as a government official.

To address this risk, charitable donations above \$1,000 on behalf of Liontown must:

- a) be made only to approved not-for-profit organisations whose goals reflect Liontown's values;
- b) be approved only by the Managing Director or a designated person;
- c) be accurately recorded in the business records of the Company;
- d) not be made to individuals or for-profit organisations;
- e) not be made in cash or to private accounts; and
- f) be consistent with this Policy.

Authorisation of charitable donations must only be made within relevant authority limits.

12 Sponsorships

Sponsorships differ from charitable donations in that, apart from providing a benefit to the organisation, event or activity being sponsored, they are also aimed at obtaining a marketing benefit for Liontown. Sponsorships can create problems where they are seen to improperly induce or reward a discretionary favourable action or the exercise of influence.

Liontown will not sponsor events or activities that are:

- a) inconsistent with Liontown's values or this Policy; or
- b) linked to any organisation or individuals that could bring Liontown into disrepute.

Authorisation of sponsorship arrangements must only be made within relevant authority limits, and subject to approval by the Managing Director or a designated person.

13 Maintaining Business Records

Liontown Group Representatives must keep complete and accurate business records, including financial, human resources, payroll and environmental records, and not create false, misleading or artificial entries to conceal improper payments or corrupt activity. All applicable control and approval procedures must be followed.

All expenses relating to gifts and hospitality provided by Liontown or Liontown Group Representatives must be accurately recorded, with reasonable detail, in the business records of the Company in accordance with the relevant Liontown policy (if any).

14 Training and Communication

The Company will communicate this Policy to Liontown Group Representatives through its established communication channels and provide the appropriate level of training when deemed necessary by the Managing Director.

The Company encourages open communication regarding this Policy and any matters which may arise under it. As noted in section 5, Liontown Group Representatives are required to report any suspected breach of the Policy.

As no Policy such as this can address every possible situation that may arise to which it may apply, this Policy is intended to serve as a source of guiding principles and to encourage open dialogue and communication.

15 Consequences of breach

The Company considers any breach of this Policy to be serious misconduct. The Board is to be informed of any material incidents of bribery or corruption.

Disciplinary action will be taken against anyone who breaches this Policy; the nature of such action will depend on the severity of the breach but may include a reprimand, formal warning, demotion, and/or termination of employment.

If a third party providing services to or on behalf of Liontown does not comply with this Policy, Liontown will review, and may terminate, the engagement of that third party.

Any breach of this Policy is a serious matter which will be investigated and addressed by Liontown. Depending on the circumstances, Liontown may also refer matters to regulatory and law enforcement agencies.

As noted at the outset of this Policy, in most countries, including Australia, bribery and many other forms of corruption are crimes, which can have very serious consequences for Liontown and individuals involved in the conduct, including criminal and civil penalties or fines, criminal convictions and imprisonment. Business consequences can also be very serious, and include potential liabilities, loss of business, damage to relationships, exclusion from bids, and other such outcomes.

16 Review of this Policy

The Managing Director is responsible for monitoring and applying this Policy and for keeping this Policy current.

This will include an annual review of this policy by the Board.

Outcomes from audits (including any special audits and/or investigations) will also be taken into account in updating the Policy.