



Tertiary Minerals plc

ANTI-CORRUPTION POLICY

The Tertiary Minerals' Group seeks to operate ethically and with integrity and does not tolerate any form of corruption.

The purpose of this policy is to ensure that Tertiary Minerals plc and its subsidiaries ("the Company" or "the Group") have appropriate systems and procedures in place to prevent bribery and other forms of corruption.

The Company has introduced this policy to set out the principles behind its Anti-corruption – Code of Conduct which is designed to ensure that appropriate ethical conduct is applied across the Company's activities throughout the world.

This policy is also designed to ensure that the Company applies appropriate steps to comply with the Company's ethical standards and the law.

This Policy and the Anti-corruption Code of Conduct, will have my full support and that of my fellow directors and form part of the induction of new employees and, where appropriate, business partners.

Patrick Cheetham
Executive Chairman

TERTIARY MINERALS PLC

ANTI CORRUPTION POLICY

Responsibilities:

- a. The Company will implement an Anti-corruption Code of Conduct and will continue to publicise this code internally, on its website and with its business partners. A “business partner” includes joint venture partners, consortium partners, suppliers, sub-contractors, contractors, consultants, advisers, agents and other intermediaries.
- b. The board of directors are responsible for the effective design, implementation and operation of the Anti-corruption Policy. The board will ensure that management is aware of and accepts the Policy, and that it is embedded in the Group’s corporate culture.
- c. This Anti-corruption Policy and the Chief Executive's statement of personal support for the Anti-corruption Policy will be published on the Company's website.
- d. The Chief Executive will be responsible for ensuring that systems are in place to prevent corruption and a Compliance Officer will be appointed with sufficient authority to monitor all Policy activities and is required to report any suspicious activity to any Board member of his choice. The Compliance Officer will have direct access to the Chief Executive and to the Audit Committee.
- e. The Company’s Audit Committee will ensure that the Company’s Financial Controls minimise the risk of the Company committing bribery or engaging in corrupt practice against a business partner, individual or organisation, or of any form of bribery or corrupt practice being committed against the Company by a business partner, individual or organisation.
- f. The Company's Audit Committee will carry out an annual internal review of the Anti-corruption Policy, regularly monitor its effectiveness and will make appropriate recommendations to the Board concerning revisions to the Policy and whether its procedures and controls are adequate to minimise those risks.

Procedures:

1. Employee and Employment Contracts:

- Employees, particularly those in management positions, or other posts where corruption may be an issue, will be vetted before they are employed to ascertain as far as is reasonable that they are the type of person who is likely to comply with the Company's Anti-corruption Policy.
- Future employment contracts will include contractual obligations and penalties in relation to corruption.

- All employees will be informed of the Company's Anti-corruption Code of Conduct to ensure that they understand it and the importance of complying with it.
- Existing employees will be required to sign up to the Anti-corruption Code of Conduct.
- Employees will be required to declare any conflict of interest. The Executive Chairman will monitor any potential conflicts of interest that may increase the risk of corruption.
- Disciplinary procedures will be amended entitling the Company to take appropriate disciplinary action against an employee who is in breach of the Anti-Corruption Code of Conduct. These amended procedures will be specified in all future employment contracts.
- Caution will be taken in the provision of performance bonuses and performance targets to ensure that there are adequate safeguards to prevent bonuses and targets resulting in corrupt practices.

2. Risk Assessments:

Risk assessments will be carried out taking into account the following general areas of risk:-

- Country risk
- Sectorial risk
- Transaction risk
- Business opportunity risk e.g. high value projects
- Business partnership risk

in order to identify any potential areas for problems and these will be reviewed on a regular basis.

3. Gifts, Hospitality and Donations:

The Company's Anti-corruption Code of Conduct will establish guidance on giving or receiving gifts, hospitality and donations, together with acceptable limits.

The Compliance Officer will maintain accurate records, available for inspection, which details gifts, hospitality and donations.

The Company will monitor compliance with its Policy so as to avoid anything that is disproportionate and contrary to local laws.

4. Trading in Shares:

The Company has implemented a Share Dealing Code, as required by the London Stock Exchange, which prohibits share dealing by any employee without the permission of the Company. Compliance with this Code is mandatory for all employees.

5. Training and Communications:

This Policy and the Anti-corruption Code of Conduct will be communicated to all employees, and in those countries where risk assessment suggests it is appropriate all business partners.

The Company will provide anti-corruption training on the Anti-corruption Code of Conduct, upon recruitment, and on a suitably regular basis, to all relevant employees to make them aware of the different types of corruption, the risks of engaging in corrupt activity together with procedures for reporting corruption.

Employees will receive relevant training on how to implement the Policy in relation to their particular sphere of activity.

6. New Ventures and Activities:

Before entering into any material business relationship, transaction or project the Company will carry out due diligence on the country in which the business is to be conducted (if it has not operated in that country before), on its potential business partners (in countries where corruption is known to be a risk), and on the proposed project or business transaction in order to identify as far as possible the risk of corruption. Due diligence will be continued on an on-going basis during the project so that changes and new information can be properly assessed. Particular attention will be paid to any arrangements with any consultants or agents.

7. Publication of Code of Conduct to Business Partners:

The company will ensure that its business partners are aware of the Anti-corruption Policy and Code of Conduct and endeavour to ensure that all material contracts state that the business partners will comply with the Policy and Code of Conduct.

8. Anti-corruption Contract Terms:

All contracts between the Company and its business partners, in any country where risk assessment suggests it is appropriate, will contain anti-corruption terms which provide express contractual obligations and penalties in relation to corruption.

9. Commercial Controls:

The Company will ensure, through its Anti-corruption Code of Conduct, that its commercial controls minimise the risk of the Company committing an act of corruption against a business partner, individual or organisation, or of an act of bribery and corruption being committed against the Company by a business partner, individual or organisation. These commercial controls include appropriate procurement and supply chain management and appropriate signing authorities.

10. Reporting Procedures:

The Company will establish internal procedures for reporting bribery in a confidential manner to a responsible senior officer of the Company.

11. Investigating and Dealing with Corruption:

All investigations will be conducted by the Compliance Officer or another senior officer of the Company.

12. Keeping Records:

The Company will establish feedback mechanisms in order to maintain accurate records - available for inspection - which document all financial transactions, gifts, hospitality and donations. Internal control systems will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.