UNION STAR METALS LIMITED
ABN 36 124 541 466

CODE OF CONDUCT

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This code of conduct aims to encourage the appropriate standards of conduct and behaviour of the directors, officers, employees and contractors (collectively called the employees) of the Company.

Employees are expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.

GENERAL PRINCIPLES

1. Employees of the Company must act honestly, in good faith and in the best interests of the Company as a whole.

2. Employees have a duty to use due care and diligence in fulfilling the functions of their position and exercising the powers attached to their employment.

3. Employees must recognise that their primary responsibility is to the Company's shareholders as a whole.

4. Employees must not take advantage of their position for personal gain, or the gain of their associates.

5. Directors have an obligation to be independent in their judgements.

6. Confidential information received by employees in the course of the exercise of their duties remains the property of the Company. Confidential information can only be released or used with specific permission from the Company.

7. Employees have an obligation, to comply with the spirit as well as the letter, of the law and with the principles of this code.

The Company views breaches of this code as serious misconduct. Employees who have become aware of any breaches of this code must report the matter immediately to their line manager or the Company Secretary. The line manager or Company Secretary has the responsibility to report the breach to the appropriate senior management and to advise the relevant employee of the outcome and actions implemented.

Any employee who in good faith, reports a breach or a suspected breach will not be subject to any retaliation or recrimination for making that report.

Employees who breach the policies outlined in the Code may be subject to disciplinary action, including in the case of serious breaches, dismissal.

DIRECTORS

The following additional comments apply to directors of the Company and aim to ensure directors have a clear understanding of the Company's expectations of their conduct.

Fiduciary duties

All directors have a fiduciary relationship with the shareholders of the Company. A director occupies a unique position of trust with shareholders, which makes it unlawful for directors to improperly use their position to gain advantage for themselves.

Duties of directors

Each director must endeavour to ensure that the Company is properly managed so as to protect and enhance the interests of all shareholders. To this end, directors need to devote sufficient time and effort to understand the Company's operations.

Directors should ensure that shareholders and the ASX are informed of all material matters which require disclosure and avoid or fully disclose conflicts of interest.

Conflict of interest

At all times a director must be able to act in the interests of the Company. Where the interests of associates, the personal interest of a director or a director's family may conflict with those of the Company, then the director must immediately disclose such conflict and either:

(a) eliminate the conflict, or

(b) abstain from participation in any discussion or decision-making process in relation to the subject matter of the conflict.

Executive directors must always be alert to the potential for a conflict of interest between their roles as executive managers and their fiduciary duty as directors.

Insider trading

Information concerning the activities or proposed activities of the Company, which is not public and which could materially affect the Company's share price must not be used for any purpose other than valid Company requirements.

Managing Director and CFO

It is the responsibility of both the Managing Director and the CFO to provide written assurances to the Board that in all material respects:

(a) the financial reports submitted to the Board represent a true and fair view of the Company's financial condition and operational results; and

(b) the Company's risk management and internal compliance and control system is operating efficiently and effectively.

STAKEHOLDERS

The Board recognises that the primary stakeholders in the Company are its shareholders. Other legitimate stakeholders in the Company include employees, customers and the general community.

The Company's primary objective is to create shareholder wealth through capital growth and dividends by the continued development and application of its various assets, and the provision of innovative customer and market focused solutions within the technology industry and related industries.

The Company is committed to conducting all its operations in a manner which:

(a) protects the health and safety of all employees, contractors and community members;

(b) recognises, values and rewards the individual contribution of each employee;

(c) achieves a balance between economic development, maintenance of the environment and social responsibility;

(d) maintains good relationships with suppliers and the local community; and

(e) is honest, lawful and moral.

All employees (including directors) are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.

This policy is reviewed **annually.**