



Australian Energy Company Limited

Code of Conduct

1. Introduction

This Code sets out certain basic principles that directors and employees (“officers”) should follow in all dealings related to the Australian Energy Company Limited (“AEC”). The Code also applies to Contractors engaged to work on company business.

The company’s reputation is an essential part of the company’s ultimate success. By adhering to the Code and acting in accordance with the various laws and regulations covering their areas of responsibility, officers will ensure that AEC maintains its reputation as an ethical business, potential partner and employer.

Whenever questions arise in relation to this Code, officers should seek guidance from the Company Secretary who will, in turn, obtain advice on the interpretation of applicable laws and regulations from AEC’s lawyer.

2. Responsibility to Shareholders and Investors

AEC acknowledges and endorses the expectation that the funds of shareholders and investors will be used in a manner that results in the best possible return, consistent with the agreed risk profile. In achieving this aim, officers will undertake their duties with honesty, integrity, care, skill and diligence. The company will communicate openly, honestly and on a timely basis with its shareholders and, when appropriate, with financial markets generally.

3. Compliance with all relevant laws and OHS and environmental legislation

Officers must comply with the letter and spirit of prevailing laws and regulations. Officers should

- understand the laws and regulations relevant to their work
- comply with these legal requirements

Some laws and regulations affect the conduct of business generally. Others are specific to operations of the sort envisaged by AEC and include environmental impact, occupational health and safety, trade practices and product liability.

With regard to protection of the environment, AEC will:

- ensure that its plant design meets or exceed all legal and regulatory requirements for environmental management and protection and where these are lacking or insufficient to protect the environment, apply best practice standards which ensure that the environment is protected
- implement and maintain management systems, programs and procedures to ensure the environment is protected during plant operation including control of discharges and other waste emissions that may harm the environment

With regard to occupational health and safety, AEC will:

- comply with all relevant statutory obligations
- ensure that occupational health and safety considerations are deeply embedded in the design of processes
- provide adequate resources to establish and maintain safe systems of work
- maintain health and safety competency and integrate health and safety requirements in all aspects of the business
- ensure all incidents are reported and investigated to prevent a similar incident occurring

If an officer is unclear about the impact of a law or regulation on their area of responsibility, they should seek the advice of the Company Secretary.

4. Honesty and fairness in all dealings, internal and external

Officers of AEC are required to be honest and fair in their dealings, both internally and externally by:

- refusing to use coercive or misleading practices
- never knowingly falsifying or wrongfully withholding information from colleagues or business associates, including information relating to the preparation of financial statements
- not placing themselves in situations where their private interests could conflict directly or indirectly with their obligations to AEC
- not accepting any gifts or favours which could be construed as being payments likely to influence business conduct
- not acting in ways that may cause others to question either the officer's commitment to AEC, or the way in which AEC does business

5. Treating each other with dignity and respect

AEC requires its officers to abide by all laws and regulations related to the workplace and to treat their colleagues with dignity and respect by:

- not allowing any discrimination, whether because of the role, individual differences, age, sex, race (including colour, nationality, descent, ethnic or religious background), marital status, sexual orientation, or any perceived physical or intellectual impairment, to take place
- not tolerating harassment, intimidation or bullying
- securely maintaining confidential personal information about employees and ensuring that this information is not passed on to other employees unless it is necessary to perform their jobs. Information relating to employment records, salaries, addresses etc cannot be released to outside parties unless required by law or upon written consent from the relevant officer
- valuing our colleagues and their personal commitment to delivering quality products and services
- encouraging cooperation and personal development in all who work with us
- understanding and responding to the needs of our customers and other stakeholders
- by promoting a culture of continuous improvement

6. Using Company property safely and responsibly

Officers of AEC are required to use company property safely and responsibly by:

- only using AEC property, such as equipment and stores, for company business unless specifically authorised
- ensuring proper training for tasks undertaken, particularly those involving moveable equipment

- complying with safety guidelines and wearing appropriate protective clothing whilst operating or in the proximity of plant or machinery
- ensuring that confidential information and sensitive material is stored securely overnight or when unattended
- being aware of the major risks at the premises where we work and following site procedures to mitigate that risk

7. Accountability for actions and responsibility for consequences

AEC requires its officers to:

- ensure that in their daily work they apply best-practice knowledge and procedures
- take personal responsibility for all issues over which they have control and for the manner in which these are addressed. This especially applies to the information supplied in financial reports and to information that is provided to parties outside AEC
- not disclose any confidential information relating to any aspect of AEC's business to third parties without authorisation
- be aware that serious transgression of this Code can lead to sanctions, which may include dismissal

8. Reporting non-compliance with Code

All instances of non-compliance with the Code should be reported to the officer's immediate supervisor or, if appropriate (for confidentially purposes or if the supervisor is involved in the breach) to the Managing Director or the Company Secretary.

Where serious non-compliance with the Code is involved the report should also be made to the Chair of the Audit and Risk Management Committee. Serious non-compliance includes any conduct or impropriety which:

- constitutes fraud
- may have serious business impact on AEC
- may seriously compromise the reputation of AEC

Please note that AEC will not take any action against an officer who, in good faith, reports a possible violation of the Code, even if the action associated with the possible violation is, on investigation, deemed not to be a violation of the Code.

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