

DRAGONTAIL SYSTEMS LIMITED
614 800 136
("COMPANY")

CORPORATE GOVERNANCE POLICIES

- 1. Board Charter**
- 2. Statement of Values**
- 3. Board Performance Evaluation Policy**
- 4. Code of Conduct**
- 5. Audit and Risk Management Committee Charter**
- 6. Remuneration and Nomination Committee Charter**
- 7. Security Trading Policy**
- 8. Continuous Disclosure Policy**
- 9. Shareholder Communications Policy**
- 10. Risk Management Policy**
- 11. Diversity Policy**
- 12. Anti-bribery and Corruption Policy**
- 13. Whistleblower Policy**

DRAGONTAIL SYSTEMS LIMITED

614 800 136

("COMPANY")

BOARD CHARTER

1. Purpose

- 1.1 This Board Charter sets out the role and responsibilities of the Board of the Company, within the framework of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (Third Edition) ("**ASX Recommendations**"), laws and regulations and the Constitution of the Company.
- 1.2 The Board's primary role is the protection and enhancement of long-term shareholder value. To fulfil this role, the Board is responsible for oversight of the management and the overall corporate governance of the Company including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

2. Composition

- 2.1 The composition of the Board is determined using the following principles:
 - (a) a minimum of three Directors, with a broad range of business expertise; and
 - (b) Directors should bring characteristics which allow a mix of qualifications, skills and experience.
- 2.2 Membership of the Board shall be disclosed in the annual report including whether a director is independent or not independent. Loss or gain of independence will be disclosed as applicable.
- 2.3 In determining whether a director is independent the Board will consider whether the director:
 - (a) is a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
 - (b) is employed, or has previously been employed in executive capacity by the Company or another group member, and there has not been a period of at least three years between ceasing such employment and serving on the board;
 - (c) has within the last three years been a principal of a material professional adviser or a material consultant to the Company or another group member, or an employee materially associated with the service provided;
 - (d) is a material supplier or customer of the Company or another group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer; and
 - (e) has a material contractual relationship with the Company or other group member other than as a Director of the Company.

3. Roles of the Board

- 3.1 The Board operates within the broad principles and responsibilities described as follows:
 - (a) setting the strategic aims of the Company and overseeing management's performance within that framework;
 - (b) making sure that the necessary resources (financial and human) are available to the Company and its senior executives to meet its objectives;
 - (c) overseeing management's performance and the progress and development of

- the Company's strategic plan;
- (d) selecting and appointing suitable Executive Directors with the appropriate skills to help the Company in the pursuit of its objectives;
 - (e) determining the remuneration policy for the Board members, Company Secretary and Senior Management;
 - (f) controlling and approving financial reporting, capital structures and material contracts;
 - (g) ensuring that a sound system of risk management and internal controls are in place;
 - (h) setting the Company's values and standards;
 - (i) undertaking a formal and rigorous review of the Corporate Governance policies to ensure adherence to the ASX Recommendations;
 - (j) ensuring that the Company's obligations to shareholders are understood and met;
 - (k) ensuring the health, safety and well-being of employees in conjunction with the senior management team, including developing, overseeing and reviewing the effectiveness of the Company's occupational health and safety systems to assure the well-being of all employees;
 - (l) ensuring an adequate system is in place for the proper delegation of duties for the effective operative day to day running of the Company without the Board losing sight of the direction that the Company is taking; and
 - (m) any other matter considered desirable and in the interest of the Company.

4. Roles of the Chairman and Managing Director

- 4.1 In accordance with the ASX Recommendations, the Company is aware of the importance of a balanced Board. Accordingly, the Chairman is responsible for the following:
- (a) providing the necessary direction required for an effective Board;
 - (b) ensuring that all the Directors receive timely and accurate information so that they can make informed decisions on matters of the Company;
 - (c) ensuring that the Board of Directors' collective and individual performance is assessed annually; and
 - (d) encouraging active engagement from all members of the Board.
- 4.2 The Managing Director is responsible for:
- (a) the executive management of the Company's operations;
 - (b) policy direction of the operations of the Company;
 - (c) the efficient and effective operation of the Company; and
 - (d) ensuring all material matters affecting the Company are brought to the Board's attention.

5. Company Secretary

- 5.1 The Company Secretary is responsible for the application of best practice in corporate governance and also supports the effectiveness of the Board by:
- (a) ensuring a good flow of information between the Board, its committees, non-executive Directors and executive Directors;
 - (b) monitoring policies and procedures of the Board;
 - (c) advising the Board through the Chairman of corporate governance policies;
 - (d) providing support and advice to individual Directors, various board committees, senior executives and the Board in general;
 - (e) conducting and reporting matters of the Board, including the despatch of Board agendas, briefing papers and minutes;
 - (f) ensuring that compliance systems relating ASX Listing Rules and the *Corporations Act 2001* (Cth) ("**Corporations Act**") are maintained and that the Company and Board adhere to such compliance systems; and
 - (g) disseminating regulatory news announcements to the ASX.
- 5.2 The appointment, removal and remuneration of the Company Secretary is a matter of the Board.

6. Board Meetings

- 6.1 The Board will meet approximately 4 times a year and no less than 4 times per year, subject to Company's Constitution. The Board may meet as often as required to fulfil their responsibilities.
- 6.2 To assist the smooth running of Board processes:
- (a) Board Papers are to be provided to the Board and invitees, where possible, 3 days prior to the meeting; and
 - (b) draft minutes of meeting are to be sent to Chairman and other Directors within 14 days following the meeting.
- 6.3 The Board may review this clause 6 from time to time. This is an indicative cycle only. The actual timing of events in the lead up to and follow up from Board meetings will be dependent upon the circumstances surrounding each individual meeting.

7. Board Committees

- 7.1 The Board will from time to time establish committees to assist in carrying out its responsibilities and adopts charters setting out matters relevant to the composition, responsibilities and administration of such committees, and other matters that the Board may consider appropriate.
- 7.2 Where the Company is carrying out matters associated with public capital raisings, the Board will appoint a due diligence committee to oversee the process and the issue of any disclosure documents.

8. Appointing Directors

- 8.1 It is the policy of the Company, that when considering the appointment of new directors the Company should:
- (a) undertake appropriate checks before appointing a person putting forward to security holders a candidate for election; and
 - (b) provide security holders with all material information in its possession relevant to

the decision on whether or not to elect or re-elect a director.

9. Induction and Education

- 9.1 It is the policy of the Company, that new Directors undergo an induction process in which they are given a full briefing on the Company. Where possible this includes meetings with key executives, tours of the premises, an induction package and presentations. Information conveyed to new Directors include:
- (a) details of the roles and responsibilities of a Director;
 - (b) formal policies on Director appointment as well as conduct and contribution expectations;
 - (c) access to a copy of the Corporate Governance Manual;
 - (d) guidelines on how the Board processes function;
 - (e) details of past, recent and likely future developments relating to the Board;
 - (f) background information on and contact information for key people in the organisation;
 - (g) an analysis of the Company;
 - (h) a synopsis of the current strategic direction of the Company; and
 - (i) a copy of the Constitution of the Company.
- 9.2 New Directors are also provided with letters of appointment to the Board, setting out the key terms and conditions relative to the appointment.
- 9.3 In order to achieve continuing improvement in Board performance, all Directors are encouraged to undergo continual professional development. Specifically, Directors are provided with the resources and training to address skills gaps where they are identified.

10. Performance Assessment

- 10.1 The Company will undertake an annual performance as it is dedicated to:
- (a) examine the impact of the effectiveness of its Directors, Board, and Board Committees; and
 - (b) review and improve on the quality and performance of the entire Board and committee structure.
- 10.2 The evaluation process will be focused on objective and tangible criteria such as:
- (a) performance of the Company;
 - (b) accomplishment of long term strategic objectives;
 - (c) development of management; and
 - (d) growth in shareholder value.
- 10.3 The performance evaluation will be conducted in such manner as the Board deems appropriate.

11. Independent Professional Advice

- 11.1 The Board collectively and each Director has the right to seek independent professional advice at the Company's expense, up to specified limits, to assist them to carry out their responsibilities, subject to the prior approval of the Chairman whose approval will not be unreasonably withheld. If permission is withheld, the matter may be referred to the whole Board.

12. Information Seeking Protocol

12.1 Directors will adhere to the following protocol when seeking information:

- (a) approach the Managing Director to request the required data;
- (b) if the data is not forthcoming, approach the Chairman;
- (c) if the information is still not forthcoming, write a letter to all Board members and the Managing Director detailing the information that is required, purpose of the information, and who the Director intends to approach in order to obtain the information; and
- (d) as a last resort, employ the provisions of the Corporations Act.

DRAGONTAIL SYSTEMS LIMITED
614 800 136
("COMPANY")

STATEMENT OF VALUES

1. PURPOSE

Dragontail Systems Limited ACN 614 800 136 (**Company**) and its subsidiaries, are committed to adhering to a set of values and fundamental principles (**Statement of Values**). This Statement of Values:

- (a) informs the Board, senior executives and all other employees on the required standards of behaviour;
- (b) defines the culture of the Company;
- (c) informs the Company's strategy; and
- (d) guides the Company's operational practices, including the way it interacts with its stakeholders, employees and suppliers.

2. CORE VALUES

The core values and fundamental principles of the Company can be summarised as follows:

- (a) to act fairly and ethically;
- (b) to comply with the law at a times and act accordingly;
- (c) to respect others, both inside and outside of our workplace;
- (d) to promote diversity; and
- (e) to be honest and transparent in our dealings.

3. IMPLEMENTATION BY MANAGEMENT

The Board and the senior executives of the Company (**Management**) are responsible for upholding the Company's commitment to the values set out in this Statement of Values.

In addition to keeping these values at the forefront of decision making and the setting strategic goals, Management are required to ensure that these values are embedded in the culture and day to day operations of the Company.

The following key corporate governance policies that have been adopted by the Company are key to adhering to the values set out above:

- (a) Securities Trading Policy;
- (b) Shareholder Communication Policy;
- (c) Whistleblower Policy;
- (d) Continuous Disclosure Policy;

- (e) Diversity Policy;
- (f) Risk Management Policy
- (g) Code of Conduct; and
- (h) Anti-Bribery and Corruption Policy.

The Board must periodically review and evaluate the above key policies to ensure that they continue to adequately uphold and reflect the core values of the Company.

The Board, together with Management, must ensure that all employees receive appropriate training on how the Company's values are to be upheld. Management must strive to continuously reinforce these values in their interactions with staff, suppliers and stakeholders.

The Board is responsible for ensuring that Management are effectively upholding the Company's core values in the manner set out in this Statement of Values and in accordance with the key policies.

4. ADOPTION AND REVIEW OF THIS STATEMENT

4.1 ADOPTION

The Board adopted this Statement of Values on the date specified below.

4.2 REVIEW

This Statement of Values can only be amended with the approval of the Board. The Board will review this Statement of Values periodically and will communicate any amendments to Company directors, employees, other personnel and shareholders, as appropriate.

DRAGONTAIL SYSTEMS LIMITED
614 800 136
(“COMPANY”)

BOARD PERFORMANCE EVALUATION POLICY

1. Board of Directors

1.1. This policy is to ensure individual directors (“**Directors**”) and the board of Directors of the Company (“**Board**”) as a whole work efficiently and effectively in achieving their functions.

1.2. Each year the Board will undertake the following activities:

- (a) the Chairperson will meet with each non-executive director separately to discuss individual performance and ideas for improvement; and
- (b) the Board as a whole will discuss and analyse its own performance during the year including suggestions for change or improvement.

2. Executive Directors and Key Executives

2.1. This policy is to ensure the Managing Director and key executives execute the Company’s strategy through the efficient and effective implementation of the business objectives. In order to accomplish this:

- (a) the Board will review the Company’s strategy annually;
- (b) following strategy review above the Board will set the organisation performance objectives based on qualitative and quantitative measures;
- (c) the objectives above are reviewed periodically to ensure they remain consistent with the Company’s priorities and the changing nature of the Company’s business;
- (d) the objectives form part of the performance targets for the Managing Director; and
- (e) performance against these objectives is reviewed annually by the Board and is reflected in the Managing Directors remuneration review.

3. Board Committees

3.1. This policy is to ensure committees to which the Board has delegated responsibilities are performing efficiently and effectively in accordance with the duties and responsibilities set out in the Board Charter.

3.2. Each year the Board will undertake the following activities:

- (a) review the necessity of establishing any committees and delegating certain of its responsibilities to the relevant committee;
- (b) review the committees’ achievements during the year based on their duties; and
- (c) review the charters of the committees to ensure that they are up to date and remain consistent with the Company’s strategy.

4. Review of Board Performance Evaluation Policy

4.1. This policy will be reviewed annually.

DRAGONTAIL SYSTEMS LIMITED
614 800 136
(“COMPANY”)

CODE OF CONDUCT

1. Introduction

- 1.1. The Company is committed to promoting good corporate conduct grounded by strong ethics and responsibility.
- 1.2. This Code of Conduct (“**Code**”) addresses matters relevant to the Company’s legal and ethical obligations to its stakeholders. It may be amended from time to time by the board of directors of the Company (“**Board**”), and will be published on the Company’s website.
- 1.3. This code applies equally to all directors, employees, contractors and officers of the Company.

2. Purpose

- 2.1. All stakeholders are entitled to expect the highest professional standards from employees, directors and officers of the Company. Compliance with this Code and the Company’s other policies, will ensure compliance with the *Corporations Act 2001* (Cth) (“**Corporations Act**”) and will contribute to the good corporate governance of the Company.

3. Discharge of Duties

- 3.1. Directors of the Company (“**Directors**”) must discharge their duties at the highest levels of honesty and integrity, acting in good faith and in the best interests of the whole Company, having regard to their position, and the organisation’s goals and objectives. This entails taking personal responsibility for all issues over which they have control, and for reporting any observed breaches of laws or regulations. It also requires that the Directors do not act in ways which would lead others to question their commitment to the Company.
- 3.2. As appointed officers all Directors will undertake diligent analysis of all proposals placed before the Board, demonstrate commercial reasonableness in decision- making and will act with a level of skill expected from Directors and key executives of a publicly listed Company.

4. Relationships

- 4.1. Performance-enhancing teamwork relies on a workplace where people are treated fairly, are respected by their colleagues, and encourage each other to develop corporately and personally. All Directors and key executives are all responsible for making this happen.
- 4.2. The Company is an equal opportunity employer, and discrimination or harassment of any kind will not be tolerated.
- 4.3. In dealings both inside and outside the Company individual Directors will value integrity, accuracy, conciseness and timeliness.

5. Compliance with Laws and Ethics

- 5.1. Directors must respect the laws, customs and business practices of the countries in which the Company operates, without compromising the Code principles. Additionally, the Directors must:
- (a) comply with the ethical and technical requirements of relevant regulatory and professional bodies;
 - (b) comply with and promote ethical behaviour; and
 - (c) not engage in conduct likely to bring discredit upon the Company.

6. Conflicts of Interest

- 6.1. All Directors have an obligation to be independent in judgment and actions and as Directors will take all reasonable steps to be satisfied as to the soundness of all decisions of the Board.
- 6.2. In circumstances where personal interests may conflict with those of the Company, or its stakeholders, steps must be taken by each Director to eliminate or manage such conflict.
- 6.3. Directors must disclose to the Board actual or potential conflicts that may or might reasonably be thought to exist between the interests of the Director and the interests of the Company. Whether an interest is material or not is covered by the materiality threshold set by the Board.
- 6.4. The Board can request a Director to take reasonable steps to remove the conflict of interest. If a Director cannot or is unwilling to remove a conflict of interest then the Director must absent himself or herself from the room when discussion and voting occur on matters to which the conflict relates. The entry and exit of the Director concerned will be minuted by the Company Secretary. Directors are not required to absent themselves when either:
- (a) the conflict of interest relates to an interest common to all Company members;
or
 - (b) the Board passes a resolution that identifies the Director, the nature and extent of the Director's interest and clearly states that the other Directors are satisfied that the interest should not disqualify the Director concerned from discussion and/or voting on the matter.
- 6.5. Gifts or entertainment must not be accepted where the acceptance of the gift could create an obligation on the Company to outside parties.

7. Related Party Transactions

- 7.1. Related party transactions include any financial transaction between a Director or officer and the Company and will be reported in writing to each Board meeting.
- 7.2. The Board cannot approve or decide on related party transactions. The Corporations Act and the ASX Listing Rules require related party transactions to be approved by the shareholders.
- 7.3. The Board has also resolved that where applications are made by a related party to a Director or officer of the Company, then the Director or officer shall exclude himself or herself from the approval process.

7.4. Related party for this process has the meaning given in section 228 of the Corporations Act.

8. Confidentiality

8.1. Directors, officers and employees of the Company who are in possession of commercially sensitive or otherwise confidential information should not disseminate it to colleagues unnecessarily, and must not disclose the information to outside parties.

8.2. All individuals are prohibited by law from trading in the Company's securities if they possess commercially sensitive information not released to the ASX. The Board has adopted a Security Trading Policy governing when Directors, key executives and employees are able to buy and sell the Company's securities.

9. Use of Company Assets

9.1. The Company's assets are critical to its business and future success. The Company's assets can include, for example, office and plant equipment. Employees cannot make personal use of assets without permission.

9.2. There will be no unreasonable expenditure on benefits such as gifts or entertainment for employees or outside parties.

10. Competition

10.1. The Company competes fairly in the situations and markets in which it operates. It does not use coercive or misleading practices. Furthermore, the Company does not falsify or wrongly withhold information.

11. Environment, Health and Safety

11.1. The Company must take into account the impact of environmental, health and safety issues when making business decisions and in particular, compliance with local laws.

12. Breach of the Code

12.1. Directors, officers and employees of the Company are under the obligation to ensure that the Code is not breached. Should a Director, officer or employee notice any violations of this Code, the Executive Director, Managing Director, Chief Executive Officer or the relevant supervisor must be notified. In the case where none of the above is available, breaches must be reported to the Chairman of the Company.

12.2. The reporting of any breaches of this Code will undergo thorough investigation and appropriate actions will be taken by the Company. Any alleged breach of the code will be dealt with promptly and in fairness. The Company will ensure that any officer or employee reporting any alleged breach of this Code will not be disadvantaged in any way. Officers and employees must not use the reporting mechanism maliciously or mischievously.

13. Review of Code of Conduct

13.1. This Code will be formally reviewed by the Board each year.

DRAGONTAIL SYSTEMS LIMITED

614 800 136

("COMPANY")

AUDIT AND RISK MANAGEMENT COMMITTEE CHARTER

1. Membership

- 1.1. The Audit and Risk Management Committee will consist of at least three members. Members will be appointed by the Board 'where possible' from amongst the Non-Executive, Directors, a majority of who, 'where possible', will also be independent. In addition, the Audit and Risk Management Committee will comprise:
- (a) members who can all read and understand financial statements and are otherwise financially literate;
 - (b) at least one member with financial expertise either as a qualified accountant or other financial professional with experience in financial and accounting matters; and
 - (c) at least one member who has an understanding of the industry in which the Company operates.

2. Chairman

- 2.1. The Audit and Risk Management Committee will appoint an independent Director, other than the Chairman of the Board, to be the Chairman of the Audit and Risk Management Committee ("**Chairman**").

3. Secretary

- 3.1. The Company Secretary will be the Secretary of the Audit and Risk Management Committee ("**Secretary**").

4. Other Attendees

- 4.1. The Managing Director as well as other members of senior management may be invited to be present for all or part of the meetings of the Audit and Risk Management Committee, but will not be members of the Audit and Risk Management Committee.
- 4.2. Representatives of the external auditor are expected to attend each meeting of the Audit and Risk Management Committee and at least once a year the Audit and Risk Management Committee shall meet with the external auditors without any management staff or executives present.

5. Quorum

- 5.1. A quorum will be three members.

6. Meetings

- 6.1. Audit and Risk Management Committee meetings will be held not less than two times a year so as to enable the Audit and Risk Management Committee to undertake its role effectively. In addition, the Chairman will be required to call a meeting of the Audit and Risk Management Committee if requested to do so by any member of the Audit and Risk Management Committee, the Managing Director, or the external auditor.

7. Authority

- 7.1. The Audit and Risk Management Committee is authorised by the Board to investigate any activity within its charter. The Audit and Risk Management Committee will have access to management and auditors with or without management present and has rights to seek explanations and additional information. It is authorised to seek any information it requires from any employees and all employees are directed to cooperate with any request made by the Audit and Risk Management Committee.
- 7.2. The Audit and Risk Management Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.
- 7.3. The Audit and Risk Management Committee is required to make recommendations to the Board on all matters within the Audit and Risk Management Committee's charter.

8. Reporting Procedures

- 8.1. The Audit and Risk Management Committee will keep minutes of its meetings. The Secretary shall circulate the minutes of the meetings of the Audit and Risk Management Committee to all members of the Audit and Risk Management Committee for comment and change before being signed by the Chairman of the Audit and Risk Management Committee and circulated to the Board with the Board papers for the next Board meeting. The minutes are to be tabled at the Board meeting following the Audit and Risk Management Committee meeting along with any recommendations of the Audit and Risk Management Committee.

9. Responsibilities of the Audit and Risk Management Committee

The Audit and Risk Management Committee is responsible for reviewing the integrity of the Company's financial reporting, overseeing the independence of the external auditors (**Audit Limb**) and oversight of the Company's risk management and control framework (**Risk Limb**). An explanation of the roles and duties of each limb are set out below.

10. Audit Limb

10.1. Financial Statements

The Audit and Risk Management Committee shall:

- (a) before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively;
- (b) review the audited annual and half yearly financial statements and any reports which accompany published financial statements before submission to the Board, recommending their approval, focusing particularly on:
 - (i) any changes in accounting policies and practices;
 - (ii) major judgmental areas;
 - (iii) significant adjustments, accounting and financial reporting issues resulting from the internal and external audit;
 - (iv) compliance with accounting policies and standards; and

- (v) compliance with legal requirements;
- (c) review the evaluation by management of factors related to the independence of the Company's public accountant and to assist them in the preservation of such independence; and
- (d) oversee the appointment of the Company's public accountant by the Board.

10.2. Related Party Transactions

The Audit and Risk Management Committee shall monitor and review the propriety of any related party transactions.

10.3. External Audit Function

The Audit and Risk Management Committee shall:

- (a) recommend to the Board the appointment of the external auditor;
- (b) annually review the appointment of the external auditor, their independence, the audit fee, and any questions of resignation or dismissal;
- (c) discuss with the external auditor before the audit commences the nature and scope of the audit;
- (d) meet privately with the external auditor on at least an annual basis;
- (e) determine that no management restrictions are being placed upon external auditor;
- (f) discuss problems and reservations arising from the interim and final audits, and any matters the auditors may wish to discuss (in the absence of management where necessary);
- (g) review the external auditor's management letter and management's response; and
- (h) review any regulatory reports on the Company's operations and management's response.

10.4. Reliance on Professional or Expert Advice and Information

Each member of the Audit and Risk Management Committee will be entitled to rely on information, or professional or expert advice, to the extent permitted by law, given or prepared by:

- (a) an employee of the Company whom the member believes on reasonable grounds to be reliable and competent in relation to the matters concerned;
- (b) a professional advisor or expert in relation to matters that the member believes on reasonable grounds to be within the advisor's or expert's professional or expert competence; or
- (c) another Director or officer of the Company in relation to matters within the Director's or officer's authority.

10.5. Communication

The Audit and Risk Management Committee shall:

- (a) provide, through regular meetings, a forum for communication between the Board, senior financial management, staff involved in internal control procedures and the external auditors;
- (b) enhance the credibility and objectivity of financial reports with other interested parties, including creditors, key stakeholders and the general public; and
- (c) establish procedures for complaints and reports regarding accounting, internal accounting controls and auditing matters and ensuring a mechanism for the confidential treatment of such complaints and reports (including the ability to submit complaints and reports anonymously).

10.6. Assessment of Effectiveness

The Audit and Risk Management Committee shall:

- (a) evaluate the adequacy and effectiveness of the Company's administrative, operating and accounting policies through active communication with the Board and the external auditors; and
- (b) arrange for the annual review of this Charter by the Board.

10.7. Oversight of the Risk Management System

The Audit and Risk Management Committee shall:

- (a) oversee the establishment and implementation by the Board of a system for identifying, assessing, monitoring and managing material risk throughout the Company. This system will include the Company's internal compliance and control systems;
- (b) annually review the Company's risk management systems to ensure the exposure to the various categories of risk are minimised prior to endorsement by the Board;
- (c) evaluate the Company's exposure to fraud;
- (d) take an active interest in ethical considerations regarding the Company's policies and practices;
- (e) monitor the standard of corporate conduct in areas such as arms-length dealings and likely conflicts of interest;
- (f) identify and direct any special projects or investigations deemed necessary;
- (g) ensure the appropriate engagement, employment and deployment of all employees under statutory obligations;
- (h) ensure a safe working culture is sustained in the workforce;
- (i) determine the Company's risk profile describing the material risks, including both financial and non-financial matters, facing the company; and
- (j) regularly review and update the risk profile.

11. Risk Limb

11.1 Responsibility and Oversight

- (a) The Audit and Risk Management Committee is responsible for the oversight of the Company's risk management and control framework.
- (b) Responsibility for control and risk management is delegated to the appropriate level of management within the Company with the Managing Director having ultimate responsibility to the Board for the risk management and control framework.

11.2. Primary Objectives

The primary objectives of the risk management system at the Company are to ensure:

- (a) all major sources of potential opportunity for and harm to the Company (both existing and potential) are identified, analysed and treated appropriately;
- (b) business decisions throughout the Company appropriately balance the risk and reward trade off;
- (c) regulatory compliance and integrity in reporting is achieved; and
- (d) senior management, the Board and investors understand the risk profile of the Company.

11.3. Risk Management System

In line with these objectives the risk management system covers:

- (a) operational risk;
- (b) financial reporting;
- (c) compliance and regulations; and
- (d) system and information technology process risk.

11.4. Monitoring Risk

Arrangements put in place by the Audit and Risk Management Committee to monitor risk management include:

- (a) monthly reporting to the Board in respect of operations and the financial position of the Company;
- (b) quarterly rolling forecasts prepared;
- (c) circulation of minutes of relevant committees to the Board and the Chairman of each respective committee; and
- (d) a report to the Board by each committee to be provided on an annual basis.

11.5. Risk Management Framework

A risk management model is also being developed and will provide a framework for systematically understanding and identifying the types of business risks threatening the Company as a whole, or specific business activities within the Company.

11.6. Material Business Risks & Reporting

- (a) Given the speculative nature of the Company's business it is subject to general risks and certain specific risks. Some of these risks include but are not limited to the following:
 - (i) liquidity risk;
 - (ii) operating risks;
 - (iii) loss of key personnel;
 - (iv) reliance on strategic partners; and
 - (v) capital requirements.
- (b) The analysis and evaluation criteria are used to continually assess the impact of risks upon the Company's business objectives. The Audit and Risk Management Committee is responsible for the development of risk mitigation plans and the implementation of risk reduction strategies. The annual business planning process includes careful consideration of internal and external risk profile of the Company.
- (c) The Managing Director and Chief Financial Officer (or equivalent) will report monthly to the Board on the areas they are responsible for, including material business risks and provide an annual written report to the Board summarising the effectiveness of the Company's management of material business risks.
- (d) The Company's business risk management process provides a comprehensive, integrated approach for carrying out risk management activities. This process will allow the Audit and Risk Management Committee to minimise the potential impact of business risks in achieving objectives to create and protect shareholder value.

11.7. Integrity of Financial Reporting

The Company's Chief Executive Officer and Chief Financial Officer (or equivalent) are required to report in writing to the Board (as required by section 295A of the *Corporations Act 2001* (Cth) ("**Corporations Act**")) that:

- (a) the financial statements of the Company and its controlled entities (where appropriate) for each half and full year present a true and fair view, in all material aspects, of the Company's financial condition and operational results and are in accordance with accounting standards;
- (b) the statement in paragraph 4.1(a) above is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and
- (c) the Company's risk management and internal compliance and control framework is operating efficiently and effectively in all material respects.

Note: Under the provisions of the Corporations Act a person performs a *chief executive function* in relation to the Company if that person is the person who is primarily and directly responsible to the Directors for the general and overall management of the Company.

In addition, in the event that there is not a Chief Financial Officer in place, the Corporations Act provides that a person performs a *chief financial officer function* in

relation to the Company if that person is the person who is primarily responsible for financial matters in relation to the Company and directly responsible for those matters to either the Directors or the person who performs the chief executive function in relation to the Company.

The persons fulfilling these respective roles will be identified by the Board with the appropriate declarations made as required.

11.8. Review of Risk Management Policy

This policy will be reviewed annually by the Audit and Risk Management Committee with any proposed changes to be approved by the Board.

DRAGONTAIL SYSTEMS LIMITED
614 800 136
(“COMPANY”)

REMUNERATION AND NOMINATION COMMITTEE CHARTER

1. Membership

- 1.1. The Committee shall be appointed by the Board from among the Non-Executive Directors of the Company and shall consist of not less than three members with the majority being independent Directors where possible.

2. Chairman

- 2.1. The Committee shall appoint an independent Director as the Chairman of the Committee (“**Chairman**”).

3. Secretary

- 3.1. The Company Secretary shall be the Secretary of the Committee (“**Secretary**”).

4. Quorum

- 4.1. A quorum shall be two members.

5. Meeting Frequency

- 5.1. Committee meetings will be held not less than once a year to enable the Committee to undertake its role effectively.

6. Reporting Procedures

- 6.1. The Secretary shall circulate the minutes of the meetings of the Committee to all members of the Committee for comment and change before being signed by the Chairman and circulated to the Board with the Board papers for the next Board meeting. The minutes are to be tabled at the Board meeting following the Committee meeting along with any recommendations of the Committee.

7. Duties

The duties of the Committee are set out below.

7.1. Remuneration Duties

The remuneration duties of the Committee are to:

- (a) assist the Board in fulfilling its responsibilities in respect of establishing appropriate remuneration levels and policies including incentive policies for Directors and senior executives;
- (b) assess the market to ensure that senior executives are being rewarded commensurate with their responsibilities;
- (c) obtain the best possible advice in establishing salary levels;
- (d) set policies for senior executives’ remuneration;
- (e) review the salary levels of senior executives and make recommendations to the

Board on any proposed increases;

- (f) propose, for full Board approval, the terms and conditions of employment for the Managing Director;
- (g) review the Company's recruitment, retention and termination policies and procedures for senior management;
- (h) review and make recommendations to the Board on the Company's incentive schemes; and
- (i) review and make recommendations to the Board on the Company's superannuation arrangements.

7.2. Nomination Duties

The nomination duties of the Committee are to:

- (a) develop and regularly review a policy on Board structure;
- (b) develop criteria for Board membership;
- (c) identify and screen specific candidates for nomination;
- (d) ensure there is an appropriate induction and orientation program in place;
- (e) make recommendations to the Board for Committee membership;
- (f) ensure there is an appropriate Board succession plan in place;
- (g) ensure the regular review of performance of the Board and its members;
- (h) develop with Directors an appropriate training and development program;
- (i) oversee management's succession planning including the Managing Director and his or her direct reports;
- (j) assist the Chairman in advising Directors about their performance and possible retirement;
- (k) review the policy in respect of tenure, remuneration and retirement of Directors; and
- (l) review this Charter annually.

DRAGONTAIL SYSTEMS LIMITED
614 800 136
("COMPANY")

SECURITY TRADING POLICY

Introduction

This document sets out the Company's policy on the sale and purchase of its securities by its Directors, employees and contractors.

The purpose of this policy is to:

- (a) impose "Black-out" periods at various times during the year, particularly in periods leading up to an announcement of results, during which trading of the Company's securities by Directors is prohibited; and
- (b) set out procedures to reduce the risk of insider trading.

A basic explanation on insider trading is provided together with the steps taken by the Company to prevent insider trading, including:

- (a) a description of what conduct may constitute insider trading;
- (b) the windows when Directors, employees and contractors are permitted to buy or sell securities in order to minimise the risk of insider trading; and
- (c) the steps to take when buying or selling securities in the Company.

Definition of Insider Trading

1. Prohibition

1.1. Insider trading is a criminal offence. A person will be guilty of insider trading if:

- (c) that person possesses information in relation to a company which is not generally available to the market, and if it were generally available to the market, would be likely to affect the price or value of that company's securities (i.e. information that is "price sensitive"); and
- (d) that person:
 - (i) buys or sells securities in the company;
 - (ii) procures someone else to buy or sell securities in the company; or
 - (iii) passes on that information to a third party where that person knows, or ought reasonably to know, that the third party would be likely to deal in the securities or procure someone else to deal in the securities of the company.

2. Examples

2.1. Price sensitive information means information relating to the Company that would, if the information were publicly known, be likely to:

- (e) have a material effect on the price or value of the Company's shares; or
- (f) influence persons who invest in securities in deciding whether or not to buy or sell the company's shares.

2.2. The following are examples of price sensitive information which, if made available to the market, would be likely to affect the price of the Company's securities:

- (g) the Company is considering the acquisition of another company;

- (h) product testing results confirming (or falling short of) the market's expectations.

3. Dealing through Third Parties

- 3.1. A person does not need to be a Director or employee of Company to be guilty of insider trading in relation to securities in the Company. The prohibition extends to dealings by anyone, including Directors' or employees' nominees, agents or other associates, such as family members, family trusts and family companies, as well as customers and suppliers.

4. Contractors and External Advisors

- 4.1. Contractors employed by the Company shall be informed of this policy when they are appointed and are required to adhere to the policy so long as they are contracted by the Company. Breach of the policy may lead to termination of contract arrangements.
- 4.2. The Company's employees dealing with external advisers need to ensure that the advisers are aware of the insider trading rules and where these dealings cover material matters, that the issue of insider trading is covered in confidentiality documents.

5. Meaning of Securities

- 5.1. The rules covers shares in the Company, derivatives related to the Company's shares, whether issued by the company or not and to any traded company options. It also applies to the exercise of options, including employee options.

6. Related Companies

- 6.1. Directors, employees and contractors, where they possess inside information, should also not deal in securities of other companies with which the Company might have an association or be about to enter such association such as joint venture or farm in partners.

Guidelines for Trading in the Company's Securities

7. Approval Process

- 7.1. Directors, employees and contractors can deal in securities of the Company in the following circumstances:
 - (a) it is not during a closed period or a prohibited period as contemplated by section 7.3, and they have satisfied themselves that they are not in possession of any price sensitive information that is not generally available to the public; or
 - (b) they have contacted the Chairman or in his absence, the Managing Director and notified them of their intention to do so and provided all relevant information with this notification, and the Chairman or Managing Director has given their prior written approval to the proposed dealing.
- 7.2. Where the Chairman wishes to deal with his securities outside of a closed period or a prohibited period as contemplated by section 7.3, he must obtain the prior written approval of the Board prior to doing so.
- 7.3. The Chairman will generally not allow Directors, employees and contractors to deal in securities of the Company as a matter of course in the following closed periods:
 - (a) within the period of 14 days prior to the release of the Appendix 4E Preliminary Final Report;
 - (b) within the period of 14 days prior to the release of annual and half yearly results; and
 - (c) within the period of 14 days prior to the Annual General Meeting,however, if there is in existence price sensitive information that has not been disclosed

because of an ASX Listing Rule exception, then Directors, employees and contractors must not deal in securities of the Company during those prohibited periods.

- 7.4. Directors and executives are also excluded from dealing in securities within the period from receipt of the Board Pack and the Directors' Meeting.
- 7.5. Directors, employees and contractors should wait at least 2 days after the relevant release before dealing in securities so that the market has had time to absorb the information.
- 7.6. This notification obligation operates at all times and applies to dealings in the Company's securities by family members and other associates of Directors, employees and contractors as well as to personal dealings by Directors and employees. It does not apply to any issue of securities by the Company pursuant to a prospectus or like disclosure under the *Corporations Act 2001* (Cth) ("**Corporations Act**"), or under employee share and option plans.
- 7.7. Directors, employees and contractors must not at any time engage in short-term trading in securities of the Company.
- 7.8. Directors, employees and contractors must not communicate price sensitive information to a person who may deal in securities of the Company. In addition, Directors, employees and contractors should not recommend or otherwise suggest to any person (including a spouse, relative, friend, trustee of a family trust or directors of a family company) the buying or selling of securities in the Company.
- 7.9. This policy does not apply to trading which does not result in a change in beneficial control of the Company's shares; e.g. transferring a personal holding of the Company's shares to a pension fund or superannuation fund.

8. Hedging unvested entitlements

- 8.1 (a) Entitlements under the Company's equity based incentive plans (if any) are subject to the satisfaction of various time and/or performance hurdles to ensure alignment of employee rewards with the Company's objectives and performance. Transactions which "hedge" the value of entitlements could distort the proper functioning of these hurdles and reduce the intended alignment with shareholder interests.

(b) Directors, and executives participating in an equity-based executive incentive plan, are prohibited from entering into any transaction which would have the effect of hedging or otherwise transferring to any other person the risk of any fluctuation in the value of any unvested entitlement in the Company's securities.
- 8.2 Notwithstanding the restriction imposed by paragraph 8.1(b) above, Directors may enter into hedging transactions in respect of the Company's securities held by them outside any equity based performance plan or once the securities have been vested.
- 8.3 However, Directors should ensure that entry into any hedging transaction occurs outside the Company's black-out periods and otherwise complies with this policy.

9 Dealing in Exceptional Circumstances

- 9.1 In specific circumstances however, such as financial hardship, the Chairman may waive the requirement of a Director, employee or contractor to deal in the Company's securities outside blackout periods on the condition that the Director, employee or contractor can demonstrate to the Chairman that he or she are not in possession of any price sensitive information that is not generally available to the public.
- 9.2 The procedure set out in section 9.1 is in addition to the requirements of section 7.

10 Consequences of Breach of the Security Trading Policy

- 10.1 Breach of this policy by any the Company's employees or their family members would be expose that employee or family member (as applicable) to criminal and civil liability.

10.2 The Company will regard breach of insider trading law or this policy as serious misconduct.

11 ASX Notification by Directors

11.1 ASX obliges a Director to notify ASX within the 5 days after any dealings in Company's securities (either personally or through a third party) which results in a change in the relevant interests of the Director in Company's securities. Accordingly, Directors must notify the Company Secretary immediately on acquiring or disposing of a relevant interest in any securities in the Company. It is the individual responsibility of Directors to ensure they comply with this requirement.

DRAGONTAIL SYSTEMS LIMITED
614 800 136
("COMPANY")

CONTINUOUS DISCLOSURE POLICY

1. Continuous Disclosure

1.1 The Company is committed to:

- (a) ensuring that shareholders and the market are provided with full and timely information about its activities;
- (b) complying with the continuous disclosure obligations contained in the ASX Listing Rules and the applicable sections of the *Corporations Act 2001* (Cth); and
- (c) providing equal opportunity for all stakeholders to receive externally available information issued by the Company in a timely manner.

1.2 This policy covers financial markets communication, media contact and continuous disclosure issues. It forms part of the Company's corporate policies and procedures and is available to all staff.

1.3 The Company Secretary manages this policy. This policy will develop over time as best practice and regulations change and the Company Secretary will be responsible for communicating any amendments. This policy will be reviewed by the Board annually.

2. Guiding Principle

2.1 The Company will immediately notify the market via an announcement to the ASX of any information concerning the Company that a reasonable person would expect to have a material effect on the price of the Company's securities or influence an investment decision on the Company's securities.

2.2 The Company will ensure that it does not communicate material price sensitive information to an external party except where that information has previously been disclosed to the ASX.

2.3 ASX Disclosure Carve-Outs

Disclosure is not required, where all of the three following requirements are met:

- (a) a reasonable person would not expect the information to be disclosed;
- (b) the information is confidential and ASX has not formed the view that the information has ceased to be confidential; and
- (c) one or more of certain conditions contained in ASX Listing Rule 3.1A are satisfied being:
 - (i) it would be a breach of a law to disclose the information;
 - (ii) the information concerns an incomplete proposal or negotiation;
 - (iii) the information comprises matters of supposition or is insufficiently defined to warrant disclosure;
 - (iv) the information is generated for the internal management purposes of the entity; or

- (v) the information is a trade secret.

2.4 “Material” Information

Information is considered material if there is a substantial probability that the information would influence investors in deciding whether to invest in or divest the Company’s securities. In particular, results of economic studies and earnings forecast guidance will not be provided to the market where this has not been released to the market in general.

3. Communication Protocols

3.1 Reporting of Material Information

- (a) The Company’s protocol in relation to the review and release of ASX announcements (and media releases) is as follows:
 - (i) information is determined by the Board, Company Secretary or other employee of the Company as being of a type or nature that may warrant disclosure to the ASX;
 - (ii) if not known by the Managing Director, all information should be reported to the Managing Director;
 - (iii) the Managing Director will determine the nature and extent of the information and consult with the Board and Company Secretary to determine the form and content of any ASX Release;
 - (iv) the Managing Director will agree on the text of the proposed release and will be responsible for ensuring that the Company establishes a vetting procedure to ensure that the announcements are factual and do not omit any material information. The Managing Director will also be responsible for ensuring that Company announcements are expressed in a clear and objective manner that allows investors to assess the impact of the information when making investment decisions. The Company Secretary may also be required to draft the release for review and will liaise with the Managing Director and Chairman to ensure all announcements are made in a timely manner;
 - (v) depending on the nature of the release, the sensitivity of the information and the availability of the Board, the Managing Director and Chairman will then determine whether the Board, as a whole, should be involved in the review of the proposed release; and
 - (vi) the Company Secretary will then release the proposed release to the market, and ensure that the website is updated.
- (b) The Company will not release publicly any information required to be disclosed through the ASX until cleared by the ASX.

3.2 Authorised Spokespersons

- (a) Only authorised persons are allowed to make public statements to external parties, shareholders, investors, stockbroker’s analysts or the media in relation on any matters affecting the Company. Currently, those persons authorised are:
 - (i) the Chairman;
 - (ii) the Managing Director; or

- (iii) their delegates nominated for that purpose.
- (b) The authorised persons in 3.2(a) above may clarify information that the Company has publicly released but will not comment on material price sensitive issues that have not been disclosed to the market generally.
- (c) Any staff member who receives a request for comment from an external third party is to refer the enquiry to the Managing Director.

3.3 Distribution of Information

- (a) All information released to the ASX after clearance from ASX will be promptly placed on the Company's website, the latest within 24 hours.
- (b) Any substantive written material or presentations made to institutions, stockbrokers or shareholders, which do not contain material information, will be placed on the Company's website prior to such presentations and will be sent to ASX.

3.4 Management Responsibilities

- (a) The Company's officers, employees and contractors must be made aware of this Disclosure Policy. Employees or contractors must disclose any information which comes to their attention and is believed to potentially be material to the Company Secretary or Managing Director.
- (b) Officers, employees and contractors must be made aware of the "no comment policy" to external parties on any matters which may be material to the Company.

3.5 Trading Halts

The Company may request a trading halt to maintain orderly trading in the Company's securities. The Company Secretary will manage the process in consultation with the Chairman, Managing Director and Directors as required.

4. Contact with the Market

4.1 Key executives interact regularly with the market on the Company's activities in a number of ways, including briefings, market announcements, regular updates on industry issues, one-on-one briefing, meetings and educational sessions.

4.2 In addition, the Company occasionally provides background and technical information to institutional investors and stockbroking analysts to support announcements made to the ASX about the Company's on-going business activities.

4.3 At all times when interacting with external individuals, investors, stockbroking analysts and market participants, the representatives of the Company should adhere to the guiding principle set out in this policy.

4.4 Open Briefings to Institutional Investors and Stockbroking Analysts

- (a) The Company may hold open briefings (i.e. where all members of a relevant group are invited) with shareholders, investors and/or stockbroking analysts to discuss information that has been released to the market.
- (b) Representatives of the Company are under the obligation of this policy and should not disclose any material price or value sensitive information that has not been announced to the market generally.
- (c) With regards to open briefings, the Company will place any written briefing and

presentation materials onto their website at the conclusion of the briefing; and for the purposes of this policy, public speeches and presentations by the Company's Chairman or Managing Director will be classed as 'open briefings'.

4.5 One-on-one Briefings with Stockbrokers, Analysts and Institutional Investors and Shareholders

- (a) It is in the interests of the Company's shareholders that stockbroking analysts have a thorough understanding of the Company's business operations and activities. In addition, other professional investors may seek to better understand certain aspects of the Company's strategy.
- (b) From time to time, the Company participates in one-on-one briefings with various investment professionals. At these briefings the Company may provide background and technical information to assist these people in their understanding of the Company's business activities. The Company's policy is that no previously undisclosed material price or value sensitive information will be disclosed at those briefings.
- (c) For the purposes of this policy a one-on-one briefing includes any communication between the Company and a stockbroking analyst including, for example, phone calls or e-mails made to the Company's Managing Director. Any written materials to be used at open or one-on-one briefings with institutional investors or stockbroking analysts will be reviewed by the Managing Director to ensure all information has previously been disclosed to the market. Where this is not the case, the information will be disclosed in the manner outlined above.

4.6 Review of Analyst Reports

- (a) The Company recognises the important role performed by analysts in assisting the establishment of an efficient market with respect to the Company's securities. However, the Company is not responsible for, and does not endorse, analyst reports that contain commentary on the Company.
- (b) The Company will not provide non-disclosed material price or value sensitive information in response to such reports. The information may be reviewed only to correct factual inaccuracies. Any correction of factual inaccuracies by the Company does not imply endorsement of the content of those reports.

4.7 Managing Market Speculation and Rumours

- (a) Market speculation and rumours, whether substantiated or not, have a potential to impact the Company's share price. Speculation may also contain factual errors that could materially affect the Company.
- (b) The Company's general policy on responding to market speculation and rumours is that "the Company does not respond to market speculation or rumours". However, the Company may issue a statement in relation to market speculation or rumour where and when it considers it necessary.
- (c) Speculation may result in the ASX formally requesting disclosure by the Company on the matter, in which case the Company will respond to the request.

DRAGONTAIL SYSTEMS LIMITED

614 800 136

("COMPANY")

SHAREHOLDER COMMUNICATIONS POLICY

The board of Directors of the Company ("**Board**") aims to ensure that shareholders are informed of all major developments.

Information is communicated to shareholders as follows:

1. Reports to Shareholders

- 1.1. The Annual Report is distributed to all shareholders that specifically requested to receive the Report. The Board ensures that the Annual Report includes relevant information about the operations of the Company during the year, changes in the state of affairs of the Company and details of future developments, in addition to the other disclosures required by the *Corporations Act 2001* (Cth) ("**Corporations Act**") and the ASX Listing Rules.
- 1.2. The Half-yearly Report contains summarised financial information and a review of the operations of the Company during the period. Half-yearly reviewed Financial Statements prepared in accordance with the requirements of Accounting Standards and the Corporations Act are lodged with the Australian Securities & Investments Commission and the ASX. The Financial Statements are sent to any Shareholder who requests them.

2. ASX Announcements

- 2.1. Regular reports are released through the ASX and the media.

3. Annual General Meetings

- 3.1. The Board encourages full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and identification with the Company's strategy and goals. The Company will use general meetings as a tool to effectively communicate with shareholders and allow shareholders a reasonable opportunity to ask questions of the Board and to otherwise participate in the meeting.
- 3.2. The external auditor of the Company will be asked to attend each Annual General Meeting of the Company and be available to answer shareholder questions about the conduct of the audit and the preparation of the Auditor's Report.

4. Website

- 4.1. The Company is committed to maintaining a Company website with general information about the Company and its operations and information specifically targeted at keeping the Company's shareholders informed about the Company.
- 4.2. In particular, where appropriate, after confirmation of receipt by the ASX, the following will be posted to the Company website:
 - (a) relevant announcements made to the market via the ASX;
 - (b) media releases;
 - (c) investment updates;
 - (d) company presentations and media briefings;
 - (e) copies of press releases and announcements for the preceding three years;and

- (f) copies of annual and half yearly reports including financial statements for the preceding three years.

5. Opting in to Receive Electronic Communication

- 5.1. The default option for receiving a copy of the annual report is via the Company's website. However all Shareholders have the option of receiving, free of charge, a printed copy of the annual report or alternatively may elect to receive the annual report via email by notifying the Company's Share Registrar, .

6. Shareholder Enquiries

- 6.1. Shareholders and the investing public may at any time make a request for company information to the extent such information is publicly available.
- 6.2. Shareholders should direct any enquiries through our website at <http://www.dragontailsystems.com/> or alternatively, shareholders may contact the Company Secretary.
- 6.3. For enquiries regarding their shareholdings, Shareholders may contact the Company's Share Registrar.

7. Other Information

- 7.1. While the Company aims to provide sufficient information to shareholders about the Company and its activities, it understands that shareholders may have specific questions and require additional information. To ensure that shareholders can obtain all relevant information to assist them in exercising their rights as shareholders, the Company has made available a telephone number and relevant contact details (via the website) for shareholders to make their enquiries.

8. Review of Shareholder Communications

- 8.1. This policy will be formally reviewed by the Board each year.

DRAGONTAIL SYSTEMS LIMITED

614 800 136
("COMPANY")

RISK MANAGEMENT POLICY

2. Identification of Risk

- 2.1. The board of Directors of the Company ("**Board**") is responsible for the oversight of the Company's risk management and control framework.
- 2.2. Responsibility for control and risk management is delegated to the appropriate level of management within the Company with the Managing Director having ultimate responsibility to the Board for the risk management and control framework.

3. Primary Objectives

- 3.1. The primary objectives of the risk management system at the Company are to ensure:
 - (a) all major sources of potential opportunity for and harm to the Company (both existing and potential) are identified, analysed and treated appropriately;
 - (b) business decisions throughout the Company appropriately balance the risk and reward trade off;
 - (c) regulatory compliance and integrity in reporting is achieved; and
 - (d) senior management, the Board and investors understand the risk profile of the Company.
- 3.2. In line with these objectives the risk management system covers:
 - (a) operational risk;
 - (b) financial reporting;
 - (c) compliance and regulations; and
 - (d) system and information technology process risk.
- 3.3. Arrangements put in place by the Board to monitor risk management include:
 - (a) monthly reporting to the Board in respect of operations and the financial position of the Company;
 - (b) quarterly rolling forecasts prepared;
 - (c) circulation of minutes of relevant committees to the Board and the Chairman of each respective committee; and
 - (d) a report to the Board by each committee to be provided on an annual basis.
- 3.4. A risk management model is also being developed and will provide a framework for systematically understanding and identifying the types of business risks threatening the Company as a whole, or specific business activities within the Company.

4. Material Business Risks & Reporting

- 4.1. Given the speculative nature of the Company's business it is subject to general risks and certain specific risks. Some of these risks include but are not limited to the following:
- (a) liquidity risk;
 - (b) operating risks;
 - (c) loss of key personnel;
 - (d) reliance on strategic partners; and
 - (e) capital requirements.
- 4.2. The analysis and evaluation criteria are used to continually assess the impact of risks upon the Company's business objectives. The Board is responsible for the development of risk mitigation plans and the implementation of risk reduction strategies. The annual business planning process includes careful consideration of internal and external risk profile of the Company.
- 4.3. The Managing Director and Chief Financial Officer (or equivalent) will report monthly to the Board on the areas they are responsible for, including material business risks and provide an annual written report to the Board summarising the effectiveness of the Company's management of material business risks.
- 4.4. The Company's business risk management process provides a comprehensive, integrated approach for carrying out risk management activities. This process will allow the Board to minimise the potential impact of business risks in achieving objectives to create and protect shareholder value.

5. Integrity of Financial Reporting

- 5.1. The Company's Chief Executive Officer and Chief Financial Officer (or equivalent) are required to report in writing to the Board (as required by section 295A of the *Corporations Act 2001* (Cth) ("**Corporations Act**")) that:
- (a) the financial statements of the Company and its controlled entities (where appropriate) for each half and full year present a true and fair view, in all material aspects, of the Company's financial condition and operational results and are in accordance with accounting standards;
 - (b) the statement in paragraph 5.1(a) above is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and
 - (c) the Company's risk management and internal compliance and control framework is operating efficiently and effectively in all material respects.

Note: Under the provisions of the Corporations Act a person performs a *chief executive function* in relation to the Company if that person is the person who is primarily and directly responsible to the Directors for the general and overall management of the Company.

In addition, in the event that there is not a Chief Financial Officer in place, the Corporations Act provides that a person performs a *chief financial officer function* in relation to the Company if that person is the person who is primarily responsible for financial matters in relation to the Company and directly responsible for those matters to either the Directors or the person who performs the chief executive function in relation

to the Company.

The persons fulfilling these respective roles will be identified by the Board with the appropriate declarations made as required.

6. Review of Risk Management Policy

This policy will be reviewed annually by the Board.

DRAGONTAIL SYSTEMS LIMITED
614 800 136
(“COMPANY”)

DIVERSITY POLICY

1. Interpretation

1.1 Definitions In

this policy:

- (a) “**ASX**” means the ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires;
- (b) “**ASX Recommendations**” means the ASX Corporate Governance Principles and Recommendations 2014 amendments (Third Edition);
- (c) “**Board**” means the board of Directors of the Company;
- (d) “**Company**” means JC International Group Limited (ACN 605 248 904);
- (e) “**Corporations Act**” means the *Corporations Act 2001* (Cth);
- (f) “**Director**” means a director of the Company;
- (g) “**Diversity**” has the meaning given in clause 3.1;
- (h) “**Diversity Agenda**” means the agenda described in clause 3.5(a);
- (i) “**Diversity Commitments**” means the commitments set out in clause 3.5; and
- (j) “**Diversity Objectives**” means the objectives set out in clause 4.

1.2 Interpretation

Concepts not defined in this policy which are given a meaning in the Corporations Act or the ASX Recommendations have the same meaning as in the Corporations Act or the ASX Recommendations.

2. Overview

2.1 Commitment to Diversity

The Company is committed to:

- (a) to the extent practicable, addressing and complying with the ASX Recommendations by establishing measurable objectives for achieving gender diversity;
- (b) promoting Diversity among employees, consultants and senior management throughout the Company; and
- (c) keeping shareholders informed of the Company progress towards implementing and achieving its Diversity objectives.

2.2 Purpose

The purpose of this policy is to:

- (a) outline the Company's commitment to creating a corporate culture that embraces Diversity and, in particular, focuses on the composition of its Board and senior management; and
- (b) provide a process for the Board to determine measurable objectives and procedures which the Company will implement and report against to achieve its Diversity goals.

3. Diversity

3.1 Diversity

Diversity includes, but is not limited to:

- (a) gender;
- (b) age;
- (c) ethnicity; and
- (d) cultural background.

3.2 Corporate Culture

The Company aims to create a Corporate culture that:

- (a) embraces Diversity and seeks to encourage and facilitate opportunities for the employment of people from different backgrounds;
- (b) provides skills and career development initiatives; and
- (c) increases workforce participation and create an inclusive environment where all employees feel included and valued.

3.3 Benefits of Diversity

The Company acknowledges the known corporate benefits that arise from advancing employee and Board diversity, including:

- (a) identification and rectification of gaps in the skills and experience of employees;
- (b) enhanced employee retention;
- (c) greater innovation and maximisation of available talent to achieve corporate goals; and
- (d) better financial performance.

3.4 Diversity and the Company's Corporate Goals

- (a) By focusing on Diversity, the Company aims to promote an environment that is conducive to the appointment of suitably qualified employees, management and Board candidates in order to maximise the corporate goals of the Company.
- (b) The Company recognises that all employees may have domestic responsibilities and, where appropriate, aims to promote and create an environment which is

conducive to all employees' domestic responsibilities.

3.5 Diversity Commitments

The Company will implement the following Diversity Commitments:

- (a) the Board will review and determine, as frequently as required, a Diversity Agenda that meets the particular needs of the Company, including identifying the skill, experience and expertise requirements set for the Board and senior management necessary to effectively oversee its business and achieve its corporate goals;
- (b) the Board will seek to ensure that the Diversity Agenda is taken into account in the selection and appointment of qualified employees, management and Board candidates and will consider options in order to expand the range of qualified candidates to select from; and
- (c) the Board will seek to identify and consider initiatives that:
 - (i) assist in the development of a range of skilled and experienced Board candidates, in particular women, such as practices relating to career advancement and skills development which prepare employees for management or Board positions;
 - (ii) assist with enhancing employee retention; and
 - (iii) assist with minimising career disruption when employees take time out of the workplace to meet other obligations and/or attempt to re-enter the workforce.

3.6 ASX Recommendations

While the focus of the ASX Recommendations is on promoting the role of women within organisations, the Company recognises that other forms of Diversity are important and seeks to promote a range of Diversity initiatives throughout the Company beyond gender diversity.

3.7 Implementing Diversity Commitments

The Board seeks to ensure that appropriate measures are introduced and responsibilities are delegated, where appropriate, to ensure that the Company's Diversity Commitments are implemented appropriately.

4. Diversity Objectives

4.1 Measurable Objectives

- (a) The Board will set measurable objectives for achieving Diversity, specifically including gender diversity, in accordance with this policy and the Diversity Agenda set by the Board from time to time and will review the effectiveness and relevance of these measurable objectives on an annual basis.
- (b) The measurable objectives should identify ways and, where applicable, specify benchmarks against which the achievement of Diversity is measured, in order for the Board to assess and report annually on the Company's progress towards achieving its Diversity goals.
- (c) In order to set measurable objectives, the Board will assess its current Diversity levels and identify where gaps exist. Measurable objectives will then be created

which will seek to improve Diversity in areas where most development is needed.

- (d) There are various measurable objectives which may be implemented by the Company to assist achieving the Diversity Commitments, including:
 - (i) procedural and structural objectives;
 - (ii) Diversity targets; and
 - (iii) initiatives and programs.

4.2 Review and Key Performance Indicators

- (a) As part of the commitment to achieve and maintain effective Diversity Commitments, the Board will perform reviews, when appropriate, to assess the changes in Diversity throughout the Company.
- (b) The Board will consider the extent to which the achievement of the measurable objectives should be to key performance indicators for the Board and other senior management.

5. Annual Disclosure to Shareholders

5.1 Disclosing to Shareholders

For the purpose of fostering shareholder confidence in the Company, the Company acknowledges that reporting to shareholders on its Diversity Agenda and Diversity Objectives facilitates greater transparency and accountability in relation to Diversity and that such reporting and transparency has been endorsed by the Board.

5.2 Contents of Annual Disclosure

- (a) The Company will disclose the measurable objectives set by the Board for achieving Diversity in accordance with the Diversity Agenda and will report on its progress against those objectives. A copy of these measurable objectives may also be published on the Company's website from time to time.
- (b) A component of the Company's disclosure on Diversity in its annual report should also include information about:
 - (i) the proportion of women employees in the Company;
 - (ii) the number of women in management positions; and
 - (iii) the number of women on the Board.
- (c) The Board will determine the most appropriate method to present this information to ensure that it is accurate and does not falsely represent the participation of women and men within the Company.

5.3 Board Selection

The Company seeks to achieve greater transparency of the Board selection and nomination process. The Company may include in its annual report the information about the Diversity which the Board is looking to achieve in membership of the Board as set out in the Remuneration and Nomination Committee Charter.

6. Miscellaneous

6.1 Review of Policy

- (a) External reviews of this policy may be undertaken at the request of the Board.
- (b) A copy of this policy (or a summary of it) will be made available on the Company's website and ASX to the extent necessary.

6.2 Endorsement

The Company is committed to this policy and its implementation and to ensuring that Diversity is achieved throughout the Company. This policy is to be adopted by the Board.

6.3 No Obligation

No statement in this policy shall be taken, interpreted or construed so as to endorse:

- (a) the sole criteria for selection and/or promotion of the Company's employees, senior management or Board, other than their overall likely prospect of adding value to the Company and assisting with the Company achieving its corporate goals;
- (b) any conduct by any of the Company's employees, senior management members or Board members which is illegal or contrary to any anti-discrimination, equal opportunities or other legislation or law in any Australian State or Territory or any other foreign jurisdiction; and
- (c) any employee, senior management member or Board member feeling prejudiced by this policy in relation to their employment and/or development of his or her employment or otherwise, merely because their personal Diversity attributes may be more, rather than less, common with others' Diversity attributes.

DRAGONTAIL SYSTEMS LIMITED
614 800 136
("COMPANY")

ANTI-BRIBERY AND CORRUPTION POLICY

1 BACKGROUND AND PURPOSE

Dragontail Systems Limited ACN 614 800 136 (**the Company**) is committed to responsible corporate governance, including conducting its activities lawfully and with integrity.

The Company considers honesty and integrity to be values that are integral to the way that it operates. Any conduct associated with bribery and corruption is inconsistent with these values.

The Company is committed to complying with the laws and regulations of the countries in which it operates. These laws include the *Criminal Code Act 1995* (Cth) and any other anti-corruption law of a country or a state, territory or province of a country in which the Company operates or which otherwise applies to the Company by virtue of its partners or third parties operating on the Company's behalf (together **Anti-Bribery and Corruption Laws**).

Anti-Bribery and Corruption Laws may impose serious civil and criminal penalties for misconduct in which the Company and any individual is involved.

The purpose of this policy is to outline:

- (a) the Company's position on bribery and other corrupt behaviour; and
- (b) the responsibilities of the Company's executive and non-executive directors, officers, executives, employees, consultants, contractors and advisors (**Personnel**) in observing and upholding the Company's position on bribery and corruption.

2 PRINCIPLES

The Company will:

- (a) not engage in corrupt business practices;
- (b) implement measures to prevent bribery and corruption by all Personnel;
- (c) at a minimum, endeavour to comply with all applicable laws, regulations and standards, including Anti-Bribery and Corruption Laws; and
- (d) when dealing with third parties, undertake reasonable due diligence to ensure that such parties are suitable for the Company to associate with and will not make bribes or perform corrupt acts on the Company's behalf or for which the Company may be or become responsible or liable.

3 BRIBERY

Bribery is the offering, promising, giving, accepting or soliciting of an advantage as an inducement for an action which is illegal, unethical or a breach of trust. A bribe is an inducement or reward offered, promised or provided in order to gain any commercial,

contractual, regulatory or personal advantage and can take the form of gifts, loans, fees, rewards or other advantages (**Bribe**).

Personnel are not permitted to give, offer, promise, accept, request or authorise a Bribe, whether directly or indirectly, to any person.

Under no circumstances will the Company approve of any offers, or make, request or receive any Bribe to win business or influence a business decision in the Company's favour.

Such actions are in breach of this policy and illegal in the jurisdictions in which the Company operates.

4 CORRUPTION

Corruption is the abuse of entrusted power for private gain. Personnel act corruptly where they act dishonestly and contrary to the best interests of the Company by misusing their office, influence or position of trust in order to receive some personal gain or improper advantage for themselves or another person (**Corruption**).

Personnel must not engage in any form of Corruption, whether for their benefit, the benefit of the Company, other Personnel or any other person.

5 FACILITATION PAYMENTS

Facilitation payments are small payments or other inducements provided (either directly or indirectly) to a government official to secure or expedite a routine function or action that government officials are ordinarily obligated to perform and are generally not intended to influence the outcome of the official's action, only its timing (**Facilitation Payment**).

Personnel must not make any Facilitation Payments, whether legal or not in a particular country, and all Facilitation Payments are prohibited under this policy.

6 GIFT REGISTER

6.1 The Gift Register

The Company maintains a register of all gifts (paragraph 7), payments to government officials (paragraph 8) and charitable donations (paragraph 9) made by the Company or by any Personnel (**Gift Register**).

The Gift Register can be accessed by contacting the Company Secretary.

6.2 Record Keeping

Personnel must record complete, accurate and auditable details of all gifts, payments to government officials and charitable donations in the Gift Register. All records in the Gift Register must contain reasonable detail and be recorded in accordance with generally accepted accounting principles. No entry should be made into the Gift Register that distorts or disguises the true nature of any transaction.

7 GIFTS

Giving a gift as inducement or reward or for doing any act or to show favour or disfavour may breach Anti-Bribery and Corruption Laws when done with the intent to influence a third party's actions or decisions to benefit Personnel or the Company. Equally, receiving

gifts of a particular nature may cause Personnel to be influenced or induced by third parties to do or omit to do any act that may not be in the Company's best interests or may contradict the Company's values.

However, the Company recognises that accepting or offering gifts, entertainment or hospitality of moderate value may be customary and in accordance with local business practices in markets in which the Company operates.

Accordingly, Personnel must only give or receive gifts in accordance with this policy and Anti-Bribery and Corruption Laws to ensure that the Company:

- (a) complies with Anti-Bribery and Corruption Laws;
- (b) upholds its internal values; and
- (c) engages in local customs.

7.1 Giving and Receiving Gifts

Personnel must not give a gift that is intended to induce conduct of any kind, as doing so constitutes a Bribe and is prohibited by this policy.

Personnel must not receive a gift that is intended to induce conduct of any kind or which will induce conduct of any kind, as doing so constitutes Corruption and is prohibited by this policy.

Personnel may give or receive genuine gifts or incur or accept hospitality and entertainment expenditure, provided that such gifts or expenditure:

- (a) is given or received as a common courtesy, act of appreciation or in accordance with local custom or standard business practice;
- (b) does not place the recipient under any obligation and cannot reasonably be construed as an attempt to improperly influence the performance of the role or function of the recipient;
- (c) is given or received in an open and transparent nature;
- (d) is of reasonable value, proportionate to the business relationship in which it is given or received;
- (e) complies with all local laws, including Anti-Bribery and Corruption Laws, within the jurisdiction in which the gift is given or received or expenditure incurred or accepted; and
- (f) does not constitute the payment or acceptance of cash or cash equivalents, such as gift cards.

7.2 Recording Gifts

Personnel must record any gift given or expenditure incurred in the Company's Gift Register within 7 days and must obtain the prior approval of the CEO, or the Board, prior to giving any gift or incurring any expenditure in excess of A\$100.

Personnel must record any gift received or hospitality or entertainment accepted with a reasonable value in excess of A\$100 in the Company's Gift Register and should, where

practicable, raise any proposed gift, hospitality or entertainment offer with the CEO, or the Board, prior to receiving any gift or accepting any hospitality or entertainment.

8 DEALING WITH GOVERNMENT OFFICIALS

8.1 Government Officials

In this policy, a reference to “government officials” means:

- (a) any political party, party official or candidate of political office;
- (b) any official or employee of a government (whether national, state, provincial or local) or agency, department or instrumentality of any government or any government-owned or controlled entity (including state owned enterprises);
- (c) any official or employee of any public international organisation;
- (d) any person acting in an official function or capacity for such government, agency, instrumentality, entity or organisation;
- (e) 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);
- (f) any person who holds themselves out to be an authorised intermediary of a government official.

8.2 Gifts and Entertainment

The Company exercises additional caution in relation to the offering or giving of gifts, hospitality and entertainment to government officials.

While all gifts, hospitality and entertainment must comply with general gift giving obligations contained in paragraph 7.1, Personnel must obtain the approval of the Board prior to giving any gift or providing any hospitality or entertainment to government officials.

8.3 Political Donations

The Company will only donate or contribute towards political parties, politicians or candidates where such donation or contribution is consistent with this policy, the Company’s values and has been approved by the Board in advance.

8.4 Attendance at Political Functions

Personnel may attend political functions where there is a legitimate business reason for attendance and where approved by the Board in advance.

8.5 Political Lobbying

Personnel are generally prohibited from engaging in political lobbying unless they have been expressly authorised to do so by the Board. Any political lobbying conducted by authorised employees must be done in a manner consistent with this policy and the Company’s values.

9 CHARITABLE DONATIONS

The Company supports charitable causes from time to time, including by making charitable grants or donations or giving financial or other assistance, or sponsoring a person or activity on a charitable basis, without expectation or acceptance of favourable action or the exercise of influence.

In limited circumstances, a charitable grant or donation may pose a risk of corruption – for example, if made to an artificial or non-genuine charitable organisation or an entity which ultimately benefits a non-charitable third party, such as a government official.

To address this risk, charitable grants and donations by the Company must:

- (a) be approved by the CEO or the Board where such donation is less than A\$1,000 or the Board for amounts greater than A\$1,000;
- (b) be made only to not-for-profit organisations;
- (c) be accurately recorded in the Company's records;
- (d) be tax-deductible; and
- (e) not be made in cash or to private accounts.

10 REPORTING & BREACH

10.1 Reporting Violations

Personnel must immediately report any suspected or actual violation of this policy at first instance to the Company Secretary. The Company will treat all reports received in connection with this policy in the strictest confidence.

Personnel should not attempt to personally conduct any investigations or enquiries into a suspected act of bribery or corruption related to the Company.

10.2 Non-retaliation

Personnel will not face any form of retaliation, reprisal or detriment from the Company for raising a concern or reporting conduct in violation of this policy in good faith.

10.3 Consequences

The Company acknowledges that Bribery and Corruption are very serious offences at law and any breach of this policy is a serious matter which will be thoroughly investigated and addressed.

The Company may take disciplinary action against anyone who breaches this policy, which (depending on the severity or quantity of the breaches) may include:

- (a) reprimands;
- (b) formal warnings;
- (c) suspensions;
- (d) demotions; and/or

(e) termination of employment or contracts.

11 ADOPTION AND REVIEW OF POLICY

11.1 Adoption of Policy

The Company's board of directors (**Board**) adopted this policy on the date specified below. It takes effect from that date and replaces any previous Company policy in this regard.

11.2 Review of Policy

The Board will review this policy periodically and will communicate any amendments to Personnel as appropriate.

DRAGONTAIL SYSTEMS LIMITED
614 800 136
("COMPANY")

WHISTLEBLOWER POLICY

1. Purpose

1.1 Dragontail is committed to conducting its business with honesty and integrity, and we expect all employees to maintain the same high standards. However, all organisations face the risk of things going wrong from time to time, or of unknowingly harbouring illegal or unethical conduct. A culture of openness and accountability is essential in order to prevent such situations occurring or to address them when they do occur.

1.2 The purpose of this policy is to:

- Encourage employees to report suspected wrongdoing as soon as possible, with the knowledge that their concerns will be taken seriously and investigated as appropriate and that their confidentiality will be respected;
- Provide employees with guidance when reporting allegations of suspected misconduct or improper activities; and
- Reassure employees that they can raise genuine concerns in good faith without fear of reprisals, even if they turn out to be mistaken.

2. Who is covered by this Policy?

The policy applies to all employees at all levels of the organisation, including senior managers, officers, directors, employees, consultants, contractors, trainees, homeworkers, part-time and fixed-term workers and casual staff (collectively referred to as "Employee" or "Employees") of Dragontail Systems Ltd and all its subsidiaries (collectively referred to as "Dragontail")

3. What is unacceptable conduct?

Unacceptable conduct covered by this policy includes any conduct which:

- Is dishonest, fraudulent or corrupt;
- Is illegal, such as theft, drug sale or use, violence, harassment and intimidation, criminal damage to property or other breaches of state or federal law;
- Is unethical, such as dishonesty altering company records or data, dishonestly altering records or documents provided by Dragontail to any regulators and third parties or adopting questionable accounting practices;
- Is potentially damaging to a Dragontail person, such as unsafe work practices, or substantially wasting of company resources;
- Is potentially damaging to Dragontail's reputation;
- May cause financial loss to Dragontail or be otherwise detrimental to Dragontail's interests;
- Involves any other kind of serious impropriety; or
- Jeopardises or potentially jeopardises the ability of Dragontail to hold required licenses for its business.

4. What is whistleblowing?

- 4.1 Whistleblowing is the disclosure of information which relates to suspected unacceptable conduct.
- 4.2 A whistleblower is a person who raises a genuine concern in good faith. If you have any genuine concerns related to suspected unacceptable conduct you should report it under this policy.

5. Raising a whistleblowing concern

- 5.1 Employees are strongly encouraged to report actual or suspected illegal or unacceptable conduct or any breach or suspected breach of law or regulation that may adversely impact Dragontail, Dragontail's shareholders, employees, investors, associated interests or the public at large.
- 5.2 Dragontail maintains mechanisms for all employees, consultants, contractors, agents, customers, suppliers and service providers to report actual or suspected instances of illegal or unacceptable conduct.
- 5.3 Instances of behaviour involving possible fraud, bribery and corruption may be reported by employees, consultants, contractors, agents, customers, suppliers and service providers in the following manner:
- Managing Director on or ido.levanon@dragontailsystems.com.
- 5.4 Employees, consultants, contractors, agents, suppliers and service providers may feel that in some circumstances they wish to report suspected incidents anonymously.
- 5.5 Dragontail encourages the disclosure of acts of illegal or unacceptable conduct in writing, to assure a clear understanding of the issues raised. A Whistleblower Report Form is attached at Appendix 1.
- 5.6 All Whistleblower Report Forms should be sent to the Chairman.
- 5.7 The sender will receive acknowledgement of receipt of the reported actual or suspected illegal or unacceptable conduct within five business days.

6. Investigating alleged misconduct or improper activities

- 6.1 The Chairman will assess the nature of the complaint and determine an appropriate response to the allegations.
- 6.2 Upon review of the facts of the suspected illegal or unacceptable conduct, the Chairman will, in consultation with other Board members as appropriate, determine the appropriate form of investigation.
- 6.3 Upon conclusion of an appropriate course of action, the Chairman will inform, to the extent necessary, the notifying party, if identified, of the outcome of any investigation conducted or decision made.

7. Outcome of investigations

- 7.1 The Chairman shall communicate the results of the completed investigations to the Board.
- 7.2 At the end of the investigation, the Board will determine the appropriate response. This response will include rectifying any unacceptable conduct and taking any action required to prevent any future occurrences of the same or similar conduct.
- 7.3 Where issues of discipline arise, the response will be in line with Dragontail's procedures for disciplinary matters. Where allegations of unacceptable conduct made against another person cannot be substantiated, that person will be advised accordingly and will be entitled to continue their role as if the allegations had not been made.
- 7.4 A person who has committed or been involved in unacceptable conduct will not be immune from disciplinary action merely because they have reported the unacceptable conduct in accordance with this policy. However, the person's conduct in making the report is likely to be taken into account in determining what disciplinary action is

appropriate.

- 7.5 If the Chairman concludes that a whistleblower has made false allegations maliciously, in bad faith or with a view to personal gain, the whistleblower will be subject to disciplinary action.

8. Protection and support for whistleblowers

- 8.1 Dragontail recognises that people do not generally decide to publicly express serious concerns about the integrity of their employer or their work colleagues without a good deal of prior thought. Provided that concerns are raised in good faith, the employee will not be at risk of losing their job or suffering any form of reprisal, including being labelled a troublemaker, for coming forward, irrespective of the outcome of any subsequent investigation.
- 8.2 If an employee makes a report of unacceptable conduct under this policy, Dragontail will endeavour to ensure that person's identity is protected from disclosure. Accordingly, Dragontail will not disclose the employee's identity unless:
- The employee making the report consents to the disclosure;
 - The disclosure is required by law;
 - The disclosure is necessary to prevent or lessen a serious threat to person's health or safety; or
 - It is necessary to protect or enforce Dragontail's legal rights or interests or to defend any claims.
- 8.3 Dragontail will also ensure that any records relating to a report of unacceptable conduct are stored securely and are only accessible by authorised staff.
- 8.4 Employees must not suffer any detrimental treatment as a result of raising a concern in good faith. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform the Chairman immediately.
- 8.5 Employees must not threaten or retaliate against whistleblowers in any way. Anyone involved in such conduct will be subject to disciplinary action.

APPENDIX 1
WHISTLEBLOWER REPORT FORM

REPORTER'S CONTACT INFORMATION	
NAME	
CONTACT NUMBER	
EMAIL ADDRESS	
SUSPECT'S INFORMATION	
NAME	
CONTACT NUMBER	
EMAIL ADDRESS	
WITNESS INFORMATION (IF ANY)	
NAME	
CONTACT NUMBER	
EMAIL ADDRESS	
COMPLAINT:	
1. WHAT MISCONDUCT/IMPROPER ACTIVITY OCCURRED?	
2. WHO COMMITTED THE MISCONDUCT/IMPROPER ACTIVITY?	
3. WHEN DID IT HAPPEN AND WHEN DID YOU NOTICE IT?	
4. WHERE DID IT HAPPEN?	

5.	CAN YOU PROVIDE US WITH EVIDENCE?
6.	ARE THERE ANY OTHER PARTIES INVOLVED OTHER THAN THE SUSPECT STATED ABOVE?
7.	DO YOU HAE ANY OTHER DETAILS OR INFORMATION WHICH COULD ASSIST US IN THE INVESTIGATION?
8.	ANY OTHER COMMENTS?
DATE:	
SIGNATURE:	